

# Sponsorship as Experiential Marketing

*A natural experiment on how event experiences  
transfer to the brand*

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Master thesis in Marketing and Brand Management

This thesis was written as a part of the Master of Science in Economics and Business Administration at NHH. Neither the institution, the advisor nor the sensors are - through the approval of this thesis - responsible for the theories and methods used, nor results and conclusions drawn in this work.

## Abstract

The focus of this thesis is the effects of a sponsored event experience. This study aims to contribute to the understanding of brand experience by investigating whether the effects of a sponsored event experience on consumer responses can be mediated through brand experience. It also explores how to create positive sponsorship responses and brand experience through event sponsorships. Sponsorship responses are operationalized as *Brand Associations* and *Brand Evaluation*.

At sponsored events, attendees have different levels of event experiences, which vary by their level of interaction with the sponsor. This study examines whether there is a relationship between the levels of event experiences and the effects on sponsorship responses, and whether these effects are mediated by brand experience. A natural experiment was conducted to investigate the effects of three types of event experiences on sponsorship responses and brand experience. The study proposes that all event attendees will have more favourable sponsorship responses than the control group and that the higher event experience attendees have the more positive sponsorship responses.

The results show that the highest level of event experience resulted in a significantly higher level of *Brand Evaluation* and *Brand Experience* compared with the other groups. An unexpected finding was that the lowest level of event experience created generally higher sponsorship responses than the second highest level. The interpretation of the results suggests that to get the most out of the event sponsorship, it is of importance that attendees actively participate in the activities offered.

The research contributes to the understanding of different types of event experiences and how brand experience can be used to influence consumer responses to the brand. Suggestions and recommendations regarding how to successfully implement on-site activities are proposed.

## Preface

This Master's thesis is one of a series of papers and reports published by the Centre for Service Innovation (CSI). CSI is a coordinated effort by the Norwegian School of Economics (NHH) to focus on the innovation challenges facing the service sector and involves 20 business and academic partners. It aims to increase the quality, efficiency and commercial success of service innovations and to enhance the innovation capabilities of its business and academic partners. CSI is funded through a significant eight year grant from the Research Council of Norway and has recently obtained status as a Centre for Research-based Innovation (SFI).

This thesis is written as part of my Master's degree in Marketing and Brand Management at NHH, and marks the end of a five-year long education within economy and business administration. Although working with this thesis has been demanding and challenging, it has also been a fun process and a great learning experience.

I am grateful to all those who have contributed to this thesis. First, I would like to thank Siv Skard for excellent advice and valuable inputs through the first stages of this process, and for excellent guidance about statistical analyses. I would also like to thank Helge Thorbjørnsen for constructive feedback and valuable counselling during the end of this writing process. I am grateful to the CSI at NHH for funding the data collection at Kvitfjell and Per Anders Vold, Sponsorship Manager at Telenor Norge, whose support made the data collection possible. Furthermore, a special thanks to my family and friends who have contributed with comments and advice.

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# **Chapter 1. Introduction**

## **1.1 Background**

The market of sponsorship has experienced significant growth in the last decades (Cornwell, Weeks and Roy, 2005). Sponsorships of sports, arts and causes have become a mainstream marketing communication tool (Cornwell et al., 2005). Worldwide spending on sponsorships reached \$48.6 billion in 2011, and is estimated to increase 4.9 percent to \$51 billion in 2012 (Chipps, 2012). In Norway it is the fastest growing media channel with an increase of investments of 6.6 % in 2011 (Østrem, 2012). In the last decades we have seen that sponsorships are used more strategically in companies' marketing communication strategy (Skard, 2010). Sponsorship is a communication form that is by nature passive and indirect. According to Skard (2010) it is therefore necessary to communicate the sponsorship with additional communication effort through more active channels, known as leveraging, to fully exploit the commercial potential.

Holbrook and Hirschman (1982) introduced the experiential perspective of consumer behaviour and marketing. According to this view both the rational and emotional aspects of customer value should be considered (Schmitt and Rogers, 2008). Pine and Gilmore (1998) had a similar perception when introducing the term "experience economy". These authors state that consumers no longer simply buy products or services due to the fact that goods and services have become more commoditized. Consumers instead "buy the wonderful and emotional experiences around what is being sold" (Morrison and Crane, 2007, p. 410). It is increasingly acknowledged that consumers look for brands that can provide them with unique and satisfactory experiences (Schmitt, 1999b). The experiences companies create are therefore the most important aspect of a consumer choice and purchase decision (Pine and Gilmore, 1998). With the experiential view of consumption and economy, experiential marketing has been given more focus in the academic literature (e.g. Schmitt 1999a, 1999b; Schmitt and Rogers, 2008). Experiential marketing may be a way of leveraging sponsorships by creating experiences for consumers.

## **1.2 Research question**

The purpose of this thesis is to study the effects of a sponsored event experiences on the sponsoring brand. The thesis aims to contribute to the knowledge on how to create stronger sponsorship responses and brand experiences through event sponsorships. It is acknowledged that additional communication efforts are necessary to fully exploit the commercial potential

of a sponsorship (Skard, 2010). Marketing activities at an event may be a way of effectively leveraging the favourable effects of the sponsorship and its commercial potential. With this type of leveraging, the sponsorship becomes more salient while at the same time provides brand-related experiences to the attendees.

Several studies have been devoted to research on sponsorship of events (e.g. Gwinner, 1997; Gwinner and Eaton, 1999; Roy and Cornwell, 2003; Meenaghan, 2001; Quester and Thompson, 2001). Event marketing and brand experience has also received a lot of attention in the academic literature (e.g. Schmitt 1999a, 1999b; Close, Finney, Lacey, and Sneath, 2006; Shimp, 1993; Brakus, Schmitt and Zarantonello, 2009; Alloza, 2008). However, research on sponsorships of events as a way of creating brand experience has yet to be researched. This thesis contributes to the understanding of brand experience by investigating whether the effects of a sponsored event experience on consumer responses can be mediated through brand experience. This thesis also examines whether it is advisable for sponsors to invest in a higher-level event experience. The research question this thesis intends to answer is the following

*How and to what extent do event experiences transfer to the brand?*

### **1.3 Structure of the thesis**

This thesis is organized into 7 chapters beginning with an introduction overviewing the study where the research question is presented. Chapter 2 presents theoretical perspectives relevant to the research question. First sponsorship theory is presented emphasizing the importance of leveraging, followed by theory on experiential and event marketing. Theory on brand experience is the last theoretical perspective presented. Based on this, the conceptual model and research hypotheses are discussed and defined in chapter 3. Chapter 4 describes the methodology for this qualitative study and chapter 5 presents the data analyses and the results. A discussion of findings is presented in chapter 6, with a presentation of theoretical and managerial implications. Chapter 7 addresses limitations of the present study and suggestions for future research.

## Chapter 2. Literature review

### 2.1 Sponsorship

Sponsorship is defined by International Events Group in 1982 as "a cash and/or in-kind fee paid to a property (typically sports, entertainment, non-profit event or organization) in return for access to the exploitable commercial potential associated with that property" (IEG Lexicon and Glossary, 2012). There may be different corporate reasons for getting involved with a sponsorship and companies may have different goals they wish to achieve with this type of communication. Gwinner and Eaton (1999) state that sponsorships can be used to transfer a new brand image or reinforce existing brand image. This is based on the idea that consumers attach meaning to the sponsorship stimulus, such as an event, and then transfer this meaning to the brand. According to Gwinner and Eaton (1999), meaning refers to an overall assessment, or evaluation, of what a celebrity symbolizes to the consumer. McCracken (1989<sup>1</sup>) introduced the theory of meaning transfer for celebrity endorsement. In the same way as the meaning attributed to celebrities can be related to the product when the two are paired in advertisement, consumers may also transfer the meaning attached to an event to the sponsoring brand (Gwinner and Eaton, 1999). Keller (2008) proposes that sponsorships can be used to create a new set of brand associations. These associations may in turn also create a new or changed brand image. Brand associations can be developed from several sources including informational sources and associations with other entities, such as events (Gwinner, 1997). Meenaghan (2001) found that different categories of sponsorship transfer different image values to the sponsor. This is consistent with the findings of Gwinner (1997) stating that different events will transfer different images; sports events may give a more masculine image whereas theatres and arts festivals tend to give an exclusive image.

To fully exploit the communication potential and maximize the favourable effects of a sponsorship, the sponsor has to communicate the sponsorship in other ways (Cornwell, Donald and Steinard II, 2001). Walliser (2003) states that the impact of sponsorship used in combination with other marketing tools, is greater than when used in isolation. Cornwell et al. (2001) claim that it is the communication tools used to leverage the sponsorship that makes up the meaningful communication component. Leveraging is therefore an essential part of sponsorship success (Skard, 2010). According to IEG/Performance Research (2011) the average ratio comparing leveraging spending to the amount spent to acquire sponsorship

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<sup>1</sup> As cited in Gwinner and Eaton, 1999

rights were \$1.60 on leveraging for every \$1 spent on rights fees in 2011. According to Weeks, Cornwell, and Drennan (2008) the terms leveraging and activation are both used when talking about the additional communication efforts of a sponsorship. The researchers suggest that leveraging covers all marketing communications related to the sponsorship investment, whereas activation refers to communications where audiences have the potential of interacting with the sponsor.

## **2.2 Experiential and event marketing**

Experiential marketing can be viewed as marketing and branding in terms of experience (Schmitt, 1999b). This type of marketing is a way of connecting and getting involved with the consumers on multiple levels, including sensory, affective and physical experiences (Schmitt, 1999b). According to Schmitt (1999a, p. 57) consumers want “products, communications and marketing campaigns to deliver an experience”. The focus of experiential marketing is therefore to deliver experiences to consumers. However, this does not mean that the consumer is passive but that the company provides the experience and takes the first action (Schmitt and Rogers, 2008). Experiential marketing considers the whole consumption situation, and is therefore a broader term than traditional marketing. Schmitt (1999b) states that consumers are both emotionally and rationally driven. It is therefore necessary to use a variety of marketing tools, not just analytical and verbal as with traditional marketing, but also more intuitive and visual tools (Schmitt, 1999b).

According to Schmitt (1999b, p. 60) experiences “often result from direct observation and/or participating in events – whether they are real, dreamlike or virtual “. Event marketing is a type of experiential marketing, focusing on experiences in events (Close et al., 2006). This type of marketing is an increasingly important component in companies’ promotion mix (Sneath, Finney and Close, 2005). Shimp (1993, p. 9) defines event marketing as “the practice of promoting the interest of an organization and its brands by associating the organization with a specific activity”. Event sponsorship is an integral part of event marketing. Event marketing is the execution of an event staged by the organization whereas event sponsorship refers to supporting of an already established event, such as sports competitions (Tassiopoulos, 2005). Corporate sponsorships of sports and other events are among the fastest growing forms of marketing communications companies use to reach target audiences (Roy and Cornwell, 2003). Linking a brand to an event through sponsorships enables companies to gain consumers’ attention by being associated with an event the consumers take an interest in

(Roy and Cornwell, 2003). According to Close et al. (2006) one of the main advantages of this type of marketing communication is that it “allows the sponsor to blend its message into a gathering that engages consumers with the brand” (p.422). To communicate and activate an event sponsorship with the use of experiential marketing the sponsor may engage attendees in on-site promotional communication. On-site communications include all activities which takes place in the sponsored event itself (Barnez, Manion, Schoepfer, and Cherian, 2007). This type of communication will activate the event sponsorship by making it possible for attendees to interact with the sponsoring company (Majakero, 2011). In this way it offers an opportunity to build social interaction between attendees of the event and the company (Close et al., 2006). According to Close et al. (2006) consumers may gain positive emotions towards the brand when the sponsor provides brand experience and clearly showing that the brand is associated with the event. However, there are usually several sponsors at an event. Since this clutter of sponsors may negatively impact the attendees’ memory, it will be important to activate the sponsorship live at the event. Marketers need to provide the right environment and setting for the desired event and brand experience to emerge (Schmitt, 1999b).

## **2.3 Brand Experience**

Researchers have different terms and definitions of the experience construct, such as customer experience (Meyer and Schwager, 2007), service experience (Hui and Bateson, 1991) and brand experience (Brakus et al., 2009). According to Meyer and Schwager (2007) the expression customer experience covers every aspect of a company’s offering, such as customer care, advertising, packaging and features. It is therefore the response to any direct or indirect contact with a company. Brakus et al. (2009, p. 53) conceptualize brand experience as “subjective, internal consumer responses (sensations, feelings and cognitions) and behavioural responses evoked by brand-related stimuli that are part of a brand’s design and identity, packaging, communications and environments”. In this definition brand-related stimuli are, among others, colours, shapes, typefaces, slogans and design. Identity includes name and logo whereas marketing communications is the advertising efforts. The environment refers to the places the brand is marketed or sold, such as stores and events (Brakus et al., 2009). Brand experience may occur regardless of the consumers active search behaviour and for both customers and non-customers (Skard, Nysveen and Pedersen, 2011). I therefore define brand experience as the broadest term, also covering the service experience of a specific offering. This is consistent with the argumentation of Zarantonello and Schmitt

(2010) who claim that the expression brand experience is the most comprehensive concept of experience which spans across different contexts.

Understanding how consumers experience brands is important for developing marketing strategies for goods and services. Both customer experience and brand experience have been studied by several authors. Brakus et al. (2009) state that brand experiences occur in different settings before and during consumption. This is supported by Sahin, Zehir and Kitapci (2011, p. 1297) who claim that “brand experience arise in a variety of settings when consumers search for, shop for and consume brands”. According to Verhoef, Lemon, Parasuraman, Roggeveen, Tsiros and Schlesinger (2009, p. 32) the total experience a customer has with a brand includes “the search, purchase, consumption, and after-sale phases of the experience”. Alloza (2008, p. 373) agrees with this, defining brand experience as “the perception of the consumer, at every moment of contact they have with the brand”. According to these views brand experience is a broader and more appropriate term than customer experience. Klaus and Maklan (2007, p. 119) state that “every customer contact, consumption experience and communication creates an experience in the mind of the customer”. This means that companies cannot choose whether to engage with brand experience or not. Brakus et al. (2009) agree with this stating that experiences can happen whenever there is a direct or indirect interaction with the brand, even without consumers showing interest in the brand.

Brakus et al. (2009) developed a brand experience scale with four dimensions of brand experience. The researchers started with five dimensions of brand experience; sensory, affective, behavioural, intellectual and social. However, they found that the best model was a four-factor model with only the first four dimensions, excluding the social, or relational, experience due to semantic similarity to other items. However, in a later study of brand experience in service organizations, Skard et al. (2011) found empirical support for all the five experiential dimensions. The five dimensional view of experiences is supported by Schmitt (1999b, p26), who states that “experiences provide sensory, emotional, cognitive, behavioural and relational values”.

According to Roy and Cornwell (1999<sup>2</sup>) service brands have a greater opportunity than product brands to strategically create links between their brands and events. Cliffe and Motion (2005) found from a case study of a service provider that sponsorship provided the platform

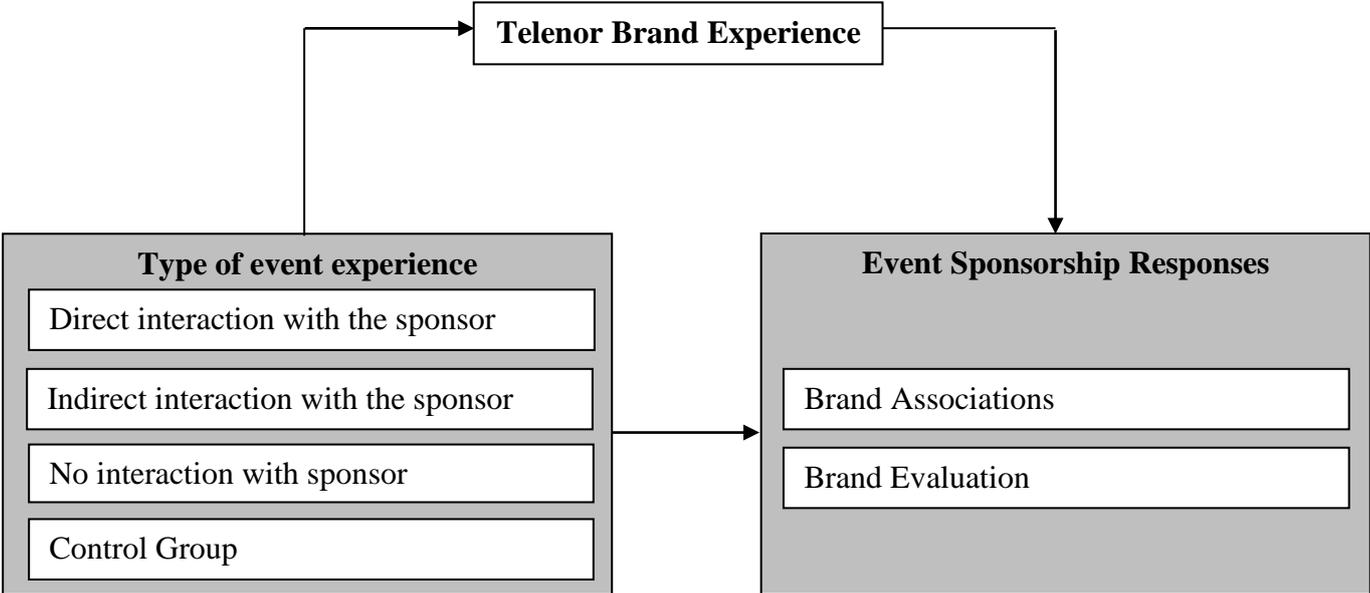
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<sup>2</sup> as cited in Cliffe and Motion (2005)

from which to create extended brand experiences and from which experiences could be activated. Authors (e.g. Zeithaml, Parasuraman, and Berry, 1985; John and Storey, 1998) argue that services differ from products due to four unique characteristics. Firstly, services are ideas and processes rather than objects. Secondly, every service is somewhat unique and will vary each time. Thirdly, the production and consumption of a service is usually inseparable and finally, services cannot be held in stock. Other authors (e.g. Vargo and Lusch, 2004; Michel, Brown and Gallan, 2008) disagree with these characteristics stating that all products deliver a service. Michel et al. (2008, p. 58) emphasize the importance of the customer as a co-creator of value, claiming that “firms can only make value propositions; the customer must interpret and co-create that value”. Both views on services indicate a relationship between the producer and customer. This is consistent with the findings of Skard et al. (2011), indicating that brand experiences may differ across services and products.

# Chapter 3. Conceptual Development and hypothesis

## 3.1 Conceptual model



The conceptual model illustrates the seven hypotheses tested to inform the research question *How and to what extent do event experiences transfer to the brand?* The model suggests that event experiences will impact consumers’ responses to a sponsorship through the ability to provide brand experience.

Attendees at an event may have different types of event experiences with the sponsoring brand. The independent variable *type of event experience* in this study was assessed at three different levels. These levels will vary by the degree of interaction with the sponsor.

Attendees who actively participate in activities offered by the sponsor at the event site will have the highest level of event experience. These attendees will have a direct interaction with the sponsor when they participate in activities, such as games or contests. Attendees who visit the sponsor’s area but who do not participate in the activities have the second highest level of event experience. This may consist of dialogue with the sponsor or merely relaxing in the sponsor’s booth and/or watching others participate in the activities, resulting in an indirect interaction with the sponsor. The easiest obtainable type of event experience is no interaction with the sponsor. Attendees in this group are exposed to signage of the sponsor’s logo in the event site but do not spend time in the sponsor’s area. Higher levels of event experiences are more difficult to obtain (Copetti, 2004). On-site execution is therefore a key determinant for sponsorship success. The different types of event experiences are expected to affect

consumers' responses differently due to different situational involvement with the brand (Copetti, 2004).

Event Sponsorship Responses are the dependent variables in this study, conceptualized as *Brand Associations and Brand Evaluation*. *Brand Associations* are anything linked in memory to a brand (Aaker, 1991). With respect to positioning it is essential to have the right core brand associations linked to your brand in consumer memory, such as associations regarding the company's products and services (Keller, 1993). *Brand Evaluation* reflects the subjects overall evaluation of the sponsoring brand.

Experiences can happen even without the consumers showing interest in or having a personal connection with the brand (Brakus et al., 2009). All attendees will therefore be provided with brand experience from the event sponsors. According to Copetti (2004) the level of audience interaction with the sponsor determines the degree of brand experience attendees have in events. Experiential marketing activities at the event are therefore expected to enhance the brand experience by linking higher levels of event experiences to the brand. Brand experience, here *Telenor Brand Experience*, is proposed to mediate the effects of the three event experiences on sponsorship responses.

## **3.2 Hypotheses**

The present study tests the effects of three types of a sponsored event experience compared with each other and with a control group. The following sections present formal predictions about the causal relationships in the conceptual model. The research hypotheses regarding main effects are presented first and mediation effects are presented after.

### **3.2.1. Main effects: Effects of event experience on sponsorship responses**

Event sponsorships help to accomplish the company's objectives through event-related communications and experiences (Sneath et al., 2005). All of the three types of event experiences proposed by the conceptual model are expected to have a favourable effect on *Brand Associations* and *Brand Evaluation* in several ways. Firstly, at a sponsored event the sponsor's logo will be prominently shown around the event site. All attendees will therefore be exposed to signage of the sponsor's logos even though they do not visit the sponsor's area. This exposure of the company logo may lead to feelings of familiarity for the attendees which can give positive reactions toward the message or company (Donovan, Corti, Holman, West and Pitter, 1993). Secondly, the meaning attendees attach to the event may be transferred to

the sponsor (Gwinner and Eaton, 1999). Based on the theory of meaning transfer introduced by McCracken (1989<sup>3</sup>), consumers may associate an event's meanings with the sponsoring brand (Gwinner and Eaton, 1999). Considering that meaning is an overall assessment of what the event symbolizes (Gwinner and Eaton, 1999), it can be assumed that consumers' evaluation of an event will be transferred to the sponsoring brand. This event evaluation is usually positive as the attendees would otherwise not use time in the event. Thirdly, when a brand becomes linked to an event through sponsorship, the associations consumers have about the company may be influenced by the associations related with the event (Keller, 1993). Based on this, hypothesis 1, 2 and 3 are as follows:

*H1a: Direct interaction with the sponsor at the event will generate more positive Brand Associations compared with the group not attending the event.*

*H1b: Direct interaction with the sponsor at the event will generate more positive Brand Evaluation compared with the group not attending the event.*

*H2a: Indirect interaction with the sponsor at the event will generate more positive Brand Associations compared with the group not attending the event.*

*H2b: Indirect interaction with the sponsor at the event will generate more positive Brand Evaluation compared with the group not attending the event.*

*H3a: Attending the event without interacting with the sponsor at the event will generate more positive Brand Associations compared with the group not attending the event.*

*H3b: Attending the event without interacting with the sponsor at the event generate more positive Brand Evaluation compared with the group not attending the event.*

These first three hypotheses suggest that all three types of event experiences will generate more positive responses compared with the control group. Although the direction of the effects is expected to be similar, the magnitude of the effects is likely to differ. Copetti (2004) states that the on-site communication of the event sponsorship has a strong influence on how the sponsor is perceived by the attendees. On-site sponsorship activities are a unique way of activating the sponsorship by creating interaction between the sponsor and event audience (Copetti, 2004). By creating meaningful on-site activities the sponsor is able to reach the

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<sup>3</sup> As cited in Gwinner and Eaton, 1999

consumers in a way that is not possible via traditional marketing (Majakero, 2011). Interaction is seen as a particularly positive feature in marketing (Majakero, 2011). According to Close et al. (2006) participation in the activities offered adds value to the attendees' event experience by communicating with them and engaging them with the company and its brands. Attendees can choose to have direct interaction with the sponsor through these activities, indirect interaction by visiting the sponsor but not actively participate or not interact with the sponsor at all. Attendees' interaction with the sponsor will according to Barnez et al. (2007) enhance motivation to process brand-related information, which can affect the associations the attendees link to the brand and the evaluation of the brand. Direct interaction with the sponsor is therefore anticipated to generate more positive sponsorship responses than the attendees with indirect interaction with the sponsor and the attendees who only are exposed to the sponsor's signage at the event site.

*H4a: Direct interaction with the sponsor at the event will generate more positive Brand Associations compared with the group with indirect interaction with the sponsor.*

*H4b: Direct interaction with the sponsor at the event will generate more positive Brand Evaluation compared with the group with indirect interaction with the sponsor*

*H5a: Direct interaction with the sponsor at the event will generate more positive Brand Associations compared with attendees of the event without interaction with the sponsor.*

*H5b: Direct interaction with the sponsor at the event will generate more positive Brand Evaluation compared with attendees of the event without interaction with the sponsor.*

Pope and Voges (1999) state that events create a social setting for attendees and raise their involvement level. This makes the attendees more receptive to marketing messages and images associated with the event. The attendees who visit the sponsor's area, even though they do not actively participate, will observe the activities and may enjoy facilities offered by the sponsor, such as a relaxing zone. This will give the attendees insight and experiences (Copetti, 2004). Attendees with indirect interaction with the sponsor are therefore also expected to be more receptive to brand-related information and hence have more positive

sponsorship responses compared with the attendees with no interaction with the sponsor.

Hypothesis 6 is therefore as follows:

*H6a: Indirect interaction with the sponsor at the event will generate more positive Brand Associations compared with attendees of the event without interaction with the sponsor.*

*H6b: Indirect interaction with the sponsor at the event will generate more positive Brand Evaluation compared with attendees of the event without interaction with the sponsor.*

### **3.2.2 Mediation effects: The role of Brand Experience**

Brand experiences are conceptualized as consumer responses evoked by brand-related stimuli and brand related experiential attributes in a variety of settings (Brakus et al., 2009). This includes marketing communication and the environments in which the brand is marketed (Brakus et al., 2009). All attendees are exposed to a number of brand stimuli provided by the sponsor at the event. All attendees will therefore be provided with brand experience from the sponsoring brand. Schmitt (1999b) states that experiences may result in a re-evaluation of the company and its products. However, all the brand stimuli may not be perceived by all attendees; only the attendees who choose to participate in the on-site activities are most likely to perceive all the stimuli as intended by the sponsor. The brand experience the attendees have with the sponsor therefore determines how the attendees perceive the brand stimuli (Copetti, 2004). According to Copetti (2004) the level of interaction with the sponsor determines the degree of brand experience attendees have with the sponsor in events. The attendants with higher level of interaction with the sponsor are therefore expected to have stronger brand experience due to closer bond with Telenor through the activities in the event. Brand stimuli can give attendees new information about the company. This new information attendees receive at events through the stimuli is expected to influence the existing associations linked to the brand and the brand evaluation. Hence, brand experience is expected to mediate the effects of event experiences on consumers' responses to the sponsorship:

*H7a: The suggested effects of direct interaction with the sponsor on consumer responses (H1, H4 and H5) will be mediated by Telenor Brand Experience*

*H7b: The suggested effects of indirect interaction with the sponsor on consumer responses (H2 and H6) will be mediated by Telenor Brand Experience*

*H7c: The suggested effects of no interaction with the sponsor on consumer responses  
(H3) will be mediated by Telenor Brand Experience*

## **Chapter 4. Methodology**

### **4.1 Introduction**

The purpose of this study is to investigate the possible impact of a sponsored event experience on consumers' sponsorship responses and brand experience. The effects are tested between three different types of event experiences which vary by the level of interaction with the sponsor. The focus of this study was the sponsored event experience by Telenor, the largest provider of telecommunication services in Norway (Telenor.no). The study was conducted during the FIS Alpine Ski World Cup in Kvitfjell 3<sup>rd</sup>-4<sup>th</sup> of March 2012, an event sponsored by Telenor.

### **4.2 Research design and procedure**

A natural experiment using a quantitative research design was conducted to test the hypotheses proposed. A questionnaire was used to obtain the information needed at the event. A sample of 189 respondents completed the survey. Attendees of the FIS Alpine Ski World Cup event and a control group were asked to fill out the questionnaire on paper. The control group consisted of respondents who were in the Kvitfjell region<sup>4</sup> at the same time as the FIS Alpine Ski World Cup, but who had not attended the event. An assistant was needed to collect the data due to a time limit of a few hours during the two days the event lasted. However, it was an efficient method as respondents are less inclined to say no when asked in person to answer the questionnaire and the data are obtained immediately, no reminder was necessary or possible. Very few (less than 5%) declined to answer the questionnaire when asked.

At sponsored events, audiences may have different event experiences with the sponsoring brand. Some sponsors set up their own areas with activities and zones for relaxing. Attendees may use time walking around the event site and visit these sponsor areas. Attendees who choose to visit the area of a sponsor will be provided with insight and experience of what the brand stands for. Some of these attendees will have a direct interaction with the sponsor by participating in activities offered. In this World Cup event, Telenor offered the attendees to participate in an obstacle course and a quiz. Others may have an indirect interaction with the brand by enjoying the relaxing zone provided by the sponsor or watching others participate in the activities. World Cup events are social gatherings and people often go together in groups or with family to watch the competitions. Some of the attendees who visit the sponsor area

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<sup>4</sup> Including both Ringebu and Lillehammer kommune

will therefore most likely not participate themselves in the activities but rather watch as other family members, such as spouse and children, participate. Hence, there are two types of interaction with the sponsor at events, direct and indirect interaction. Both these groups have the option of receiving giveaways from the sponsor.

Another group of event attendees may not use time to walk around the event site and will therefore not spend time in the sponsor area. This group of attendees will, however, still have a type of event experience due to the exposure of the sponsor's logo around the event site.

Hence, there are three different groups of respondents at the event, varying by the type of event experience the attendees have with the sponsor:

*Group1: Direct interaction with the sponsor*

Event visitor, exposure to signage and visit to sponsor area. Direct interaction with the sponsor by participation in activities offered by the sponsor.

*Group2: Indirect interaction with the sponsor*

Event visitor, exposure to signage and visit to sponsor area. Indirect interaction with the sponsor by watching other people who are participating in activities and/or enjoying facilities provided by the sponsor, such as relaxing zone.

*Group3: No interaction with the sponsor*

Event visitor and exposure to signage. No visit to the sponsor area and no interaction with the sponsor.

*Control Group*

Data were also collected from a fourth group, a control group with respondents who had not attended the event and therefore had no on-site event experience.

### **4.2.1 Sampling**

In natural experiments the researcher does not have control over the experiment and therefore cannot assign subjects to the different experimental groups. In this study, the attendees decided themselves what to do in the event and it was as such a self-selection of group. A question regarding their type of event experience decided which of the three groups they belonged to. Respondents were randomly asked to participate in the survey. The sample therefore contains those persons who were willing to take part in the study (i.e. convenience sampling, Malhotra, 2007). In agreement with Telenor, the lower age limit was set to 16

years. When in doubt potential participants were asked about their age before being given the questionnaire.

### **4.3 Construction of questionnaire**

The questionnaires for the three experimental groups in the event were identical, whereas the question regarding type of event experience was left out in the questionnaire given to the control group. All respondents received the same introductory text to the questionnaire. In most of the questions the respondent were asked to give their opinion on a seven-point Likert Scale. However, the anchors of the scales were not similar for all the questions and each question therefore had a text explaining the specific question. The questions regarding Telenor Brand Experience were particularly expected to lead to confusion among the respondents due to generally poor knowledge about brand experience in the population. A text explaining brand experience was therefore included. This increases the likelihood of respondents having the same foundation when answering the questions, and reduces the possible doubt respondents have as to what the question means. This will increase the validity of the study (see chapter 7).

The questionnaire design was reviewed by an expert and then pre-tested by a group of students and professionals who were representative for the target audience. The pre-test resulted in minor changes on words and phrasing. The questionnaire is attached in appendix A.

#### **4.3.1 Measurements**

Two dependent variables (Brand Associations and Brand Evaluation) and one mediating variable (Telenor Brand Experience) were suggested by the conceptual model. The variable *Brand Associations* reflects consumers' perception of Telenor. Companies may have some key components they want linked to the brand in consumer memory, such as associations regarding their products and services. These associations are a way of creating differentiation measures for a brand (Aaker, 1996). *Brand Associations* will measure whether Telenor's main sponsorship message for this event has affected the event attendees' evaluation of Telenor's Coverage. Three other key components Telenor wants to have linked to their brand in consumer memory are also tested. *Brand Evaluation* is the second dependent variable. It is here operationalized using the constructs Brand Attitude and Word-of-Mouth. Aaker (1991) states that consumers' evaluation of a brand can be measured by brand attitude. Wilkie

(1986<sup>5</sup>) defines brand attitude as consumers' overall evaluation of a brand. Attitude toward the sponsor is the most common dependent variable in sponsorship research (Olson, 2010). According to Lim and Beatty (2005) word-of-mouth is closely related to brand attitude. This is supported by Sundaram and Webster (1999), stating that consumers frequently use word of mouth to develop attitudes toward brands. Creating word-of-mouth is often a desired outcome of sponsorships and can be one of the main goals of experiential marketing (Wood and Masterman, 2008). "Provider of telecommunication services" was included as a control variable. This is because it can be assumed that customers of Telenor are more positive towards Telenor, which may influence the respondents' answers. This item was therefore included as a possible covariate in the analysis. Gender and Age were included as demographic control variables.

#### ***4.3.1.1 Mediating variable: Brand Experience***

The brand experience dimensions were based on the brand experience scale from Brakus et al. (2009) and Skard et al. (2011) with five dimensions (see section 2.3 for an overview of the scale). For the response rate in the present study it was important with short answering time. I therefore chose to focus on four of the brand experience dimensions; sensory, affective, relational and cognitive. Senses and feelings are internal processes the consumer cannot control (Schmitt, 1999b). It is therefore expected that these dimensions will be easily activated when attending an event. Sensory experiences are created through sight, sound, touch, taste and smell (Schmitt, 1999a). Affective experiences include moods and emotions (Brakus et al., 2009). Due to the fact that attending live sport events is first and foremost a social experience, the relational dimension is relevant for the present study. Relational experiences refer to social experiences such as the individual's experience of belonging to a group (Brakus et al., 2009). The object of cognitive experiences is to engage customers creatively (Schmitt, 1999b) and activities at events may increase this. Cognitive experiences appeal to creative thinking about a company which may result in reevaluation of the company and its products (Schmitt, 1999b). Sensory, affective and cognitive experience dimensions were measured based on Brakus et al. (2009) and the relational experience dimension was measured based on Skard et al. (2011). Originally Brakus et al. (2009) and Skard et al. (2011) measured the dimensions with three items on each. However, due to the time aspect in the

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<sup>5</sup> As cited in Keller (1993)

present study, each of the four dimensions were measures with two items on a seven-point Likert scale (1 = “not at all descriptive”, and 7 = ”extremely descriptive”).

#### **4.3.1.2 Dependent Variables**

*Brand attitude.* Attitude toward the sponsoring brand was measured on two 7-point-scales with anchors of “Very bad/very good” and “hard to like/easy to like” based on Mitchell and Olson (1981). Similar items have been used in a number of other sponsorships studies (e.g. Loken, Joiner and Peck, 2002; Weeks et al., 2008). The respondents were asked to evaluate Telenor by selecting the point on the scale for each item that best represented their attitude toward Telenor.

*Word of mouth.* Word-of-mouth was measured using two 7-point Likert-scales, (1= totally disagree, 7= totally agree) with the statements “If I were to talk about Telenor to a friend I would say mostly positive things about the brand” and “If someone asked me to describe Telenor I would use mostly positive words” based on Arnett, German and Hunt (2003).

*Brand Associations.* The respondents were asked about their impression of Telenor and how they experience their services. Non-customers of Telenor were asked to fill in according to their general impression of Telenor’s services. Telenor’s main sponsorship message with this event was their good network *Coverage*, in terms of “always Coverage on mobile and/or PC” and “The best capacity and access”. Telenor also wants to be associated with good *Customer Service*, measured by “Always available customer service” and “Customer service and assistance which helps the customer completely the first time”. Whether the consumers perceive Telenor’s services to be easily accessible was measured by *Availability* in terms of “Easy to get access to products and services” and “Easy to start to use their products and services”. The final association measured whether the respondents perceive Telenor’s services to be of high quality was measured by *Quality* in terms of “Always has the latest and best within telecommunication” and “Inspire me to use products and services”. The eight items measuring these four desired brand associations were measured on a 7-point Likert scale (1= not at all descriptive, 7= extremely descriptive).

#### **4.3.1.3 Participation in the event**

In order to divide the respondents at the event into groups they were asked about their type of event experience with Telenor. The respondents were asked to mark whether they had actively participated in the activities offered by Telenor, only visited the area but not participated in any of the activities or not visited the booth at all.

#### ***4.3.1.4 Control variables***

*Provider of telecommunication services.* The respondents were asked to name their provider of telecommunications services. The most known providers in Norway were listed in the questionnaire and the respondents were asked to select the one(s) they had a customer relationship with.

*Demographic variables.* The respondents were also asked about their gender and age.

## Chapter 5. Data Analysis

### 5.1 Factor Analysis

Before analysing the results of the study, a factor analysis was conducted. Factor analysis refers to procedures that reduce and summarize data to illustrate different correlation patterns (Iacobucci and Churchill, 2010).

A factor analysis with oblimin rotation was conducted in this study. This is an oblique rotation method which is used when we can assume that the factors are correlated (Hair, Black, Babin and Anderson, 2010). This is the case in the present study and it is therefore an appropriate rotation method. Rotating the factors enables the researcher to obtain a solution that is easier to interpret than an unrotated factor solution (Pett, Lackey and Sullivan, 2003).

A factor analysis with oblimin rotation is computed so that the extracted factors are correlated. Extracting factors involve identifying factors that best represent a unique construct (Pallant, 2010). The most commonly used extraction method is principal component, and this is the one used here to present the factor loadings. There are different criteria that can be used to extract factors. The latent root (eigenvalues) criterion is the technique most frequently used in research for extracting factors (Hair et al., 2010).

Eigenvalues is the total variance of a variable accounted for by a factor (Green and Salkind, 2011). The larger the value the more variance is explained by the factor (Pett et al., 2003). In the latent root criterion only factors which individually accounts for the variance of at least one single variable are retained. This means that only factors with eigenvalue greater than 1 are considered significant (Hair et al., 2010). This extraction method is most reliable when the number of items is between 20 and 50 (Hair et al., 2010). It is therefore appropriate for the current study with the total number of items of 28. Another viable method for extracting factors is the a priori criterion. This method instructs the computer to run the factor analysis until a desired number of factors has been extracted (Hair et al., 2010). Rust, Lemon and Zeithaml (2004) support this method, arguing that an eigenvalue cut-off should be evaluated based on construct parsimony, managerial usefulness, and psychological meaningfulness.

Factor loadings show the correlation of each item and the factor it belongs to. The loadings therefore indicate the degree of correspondence between the factors (Hair et al., 2010). With a sample size close to 200 ( $n = 189$ ), Hair et al. (2010) recommend considering factor loadings above .40 as significant. Therefore, factor loadings below .40 were suppressed in the factor solution.

### 5.1.1 Output of Factor Analysis

After having plotted the answers from the 189 respondents, a factor analysis was run in SPSS. A table showing the final outcome of the factor analysis can be found in table 5.1. A complete presentation of tables from the factor analyses can be found in appendix B, table B.1 and B.2.

Four factors with eigenvalues above 1.00 were extracted in the first factor analysis. Items with cross-loadings were considered for removal. These items, which load on more than one factor, are ambiguous as to what they actually measure; hence appearing as unstable factors (Hair et al., 2010). These were removed in order to generate unidimensional constructs (Rich, Loo, Yang, Dang and Smalley, 2009). Results from the first factor analysis show that two of the items have double-loadings, Think1 and Attitude1. The item Think1 has the highest double-loading and was therefore excluded from the analysis. When re-running the factor analysis without item Think1, the latent root criterion extracted only three factors. This resulted in the items measuring Brand Attitude and Word-of-mouth loading on the same factor as the three *Brand Associations* service, availability and quality. Conceptual these items should be viewed as different. Since the items measuring Coverage loaded on a separate factor than the other *Brand Associations*, a factor solution with four factors seems appropriate. In accordance with the a priori criterion four factors were extracted, allowing an eigenvalue of .936 for the fourth factor. This provides a solution that is consistent with the expected factor structure. When extracting four factors, the factor solution was cluttered with apparent need for dimension reduction, starting with deletion of item Relate2. When this item was deleted no other cross loadings could be found.

**Table 5.1**  
**Factor analysis - Pattern Matrix<sup>a</sup>**

Items	Component			
	1	2	3	4
Affect1		.846		
Affect2		.892		
Sense1		.851		
Sense2		.839		
Relate1		.692		
Think2		.715		
Attitude1				.783
Attitude2				.813
WOM1				.859
WOM2				.879
Coverage1			.936	
Coverage2			.861	
Service1	.864			
Service2	.770			
Availability1	.823			
Availability2	.737			
Quality1	.821			
Quality2	.591			
Eigenvalue	8.145	2.948	1.340	.902
% of variance	45.25	16.378	7.444	5.013

Extraction Method: Principal Component Analysis.  
Rotation Method: Oblimin with Kaiser Normalization.  
a. Rotation converged in 8 iterations

### 5.1.2 Validity

According to Hair et al. (2010) items that measure a specific construct should share a high proportion of variance in common, known as convergent validity. Convergent validity thus refers to the extent a scale positively correlates with other items of the same variable (Malhotra, 2007). This can be estimated based on the factor loadings and high loadings indicate convergent validity (Hair et al., 2010). Hair et al. (2006) state that loadings above .60 are considered high. Results from the final factor analysis show that only one item has factor loading below .60, indicating good convergent validity of the scales.

Factor analysis can also be used to assess the discriminant validity of a scale (Gatignon, 2010). A scale has high discriminant validity when the factors that are conceptually different from each other are not correlated (Malhotra 1999). This means that an item does not correlate too highly with other items of a different factor (Hair et al., 2010). When there are

no cross-loadings in a factor solution the scale have high discriminant validity, which is the case in the final factor analysis in the present study.

### 5.1.3 Reliability analysis

Reliability is the degree of consistency between the items that measure a variable and this is most widely measured by Cronbach's alpha. Values above the generally agreed upon limit of .70 are accepted (Hair et al., 2010). Results show that the Cronbach's alpha values for the extracted factors were all above .90, indicating high internal reliability (Hair, Bush, and Ortinau, 2003). However, one should be aware that alpha values exceeding .90 can be an indication of item redundancy. This means that some items may be asking the same question in slightly different ways and are therefore unnecessary (Streiner and Norman, 2008). Since all the factors have Cronbach's alphas only slightly above .90 there is low probability for redundant items. The results from the final factor analysis with corresponding reliability check are presented in table 5.2. This factor analysis provides the basis for further analyses. Correlation matrix between the computed factors is found in table 5.3.

**Table 5.2**  
**Results from factor analysis with corresponding Cronbach's alpha**

Items	Factor 1 SAQ	Factor 2 Telenor Brand Experience	Factor 3 Coverage	Factor 4 Brand Evaluation	Cronbach's $\alpha$
Service1	.864				
Service2	.770				
Availability1	.823				
Availability2	.737				
Quality1	.821				
Quality2	.591				.909
Affect1		.846			
Affect2		.892			
Sense1		.851			
Sense1		.839			
Relate1		.692			
Think2		.715			.908
Coverage1			.936		
Coverage2			.861		.903
Attitude1				.783	
Attitude2				.813	
WOM1				.859	
WOM2				.879	.908

**Table 5.3**  
**Correlation Matrix**

Factors	SAQ	Telenor Brand Experience	Coverage	Brand Evaluation
SAQ	1			
Telenor Brand Experience	.317	1		
Coverage	.342	.187	1	
Brand Evaluation	.612	.353	.196	1

### 5.1.4 Labelling the factors

**Coverage and SAQ.** Based on the factor analysis, the items measuring *Brand Associations* are divided into two dependent measures. The two items measuring *Coverage* are combined into one variable. The other items measuring service, availability and quality are together named *SAQ*.

**Telenor Brand Experience** The items loading on factor two are all measuring brand experience and are therefore labelled *Telenor Brand Experience*.

**Brand Evaluation** The items loading on factor four are the items measuring *Brand Evaluation*, Brand Attitude and Word of mouth.

## 5.2 Methods of analysis

### 5.2.1 Main Effects

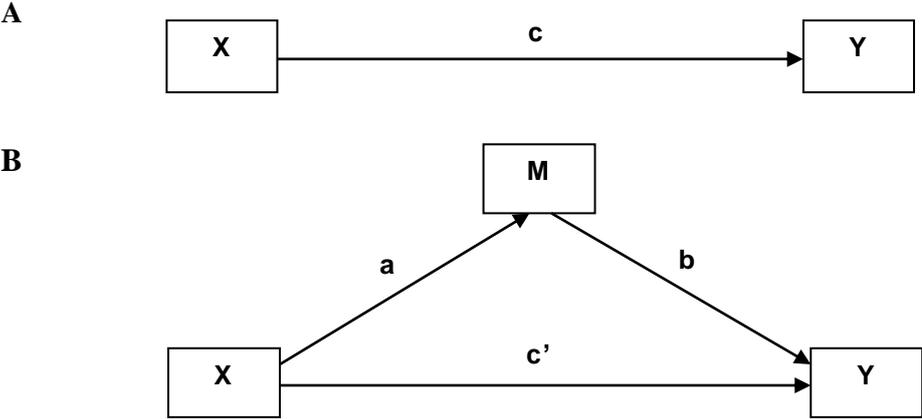
Hypotheses concerning main effects of event experience (H1-H6) were tested using One-way analysis of variance (One-way ANOVA). ANOVA is used to determine whether the means of two or more groups are different across one dependent variable (Hair et al., 2010). It is therefore an appropriate method for assessing the effects of the different levels of the independent variable on the set of dependent variables.

### 5.2.2 Mediating effects

Hypotheses entailing mediation are commonplace in the behavioural sciences (Hayes and Preacher, 2011). Mediation occurs when a predictor affects a dependent variable indirectly through one or more intervening variables, called mediators (Preacher and Hayes, 2008). A given variable may therefore function as a mediator when it accounts for the relation between the independent and dependent variables (Baron and Kenny, 1986).

Mediation hypothesis presumes how, or by which means, an independent variable affects a dependent variable through an intervening variable (Preacher and Hayes, 2008). Mediation analysis involving one mediating variable is called simple mediation, shown in Figure 5.1. The independent variable X is assumed to affect the dependent variable Y. Path c in figure 5.1A represents the total effect. In mediation hypothesis the effect of X on Y is expected to be mediated by M. However, the variable X may have a direct effect on Y (Kenny, 2012). Path c' in Figure 5.1B is the direct effect X has on Y, independent of the pathway through M (Hayes, 2009). The amount M mediates of the effect of X on Y is called the indirect effect, hence the product of a and b,  $ab$  (Preacher and Hayes, 2008). Complete mediation is the case in which variable X no longer affects Y after M has been controlled (Kenny, 2012). The direct effect in complete mediation is therefore zero. The total effect of X on Y can be quantified as the sum of the direct and indirect effects, that is  $c = c' + ab$ .

**Figure 5.1**

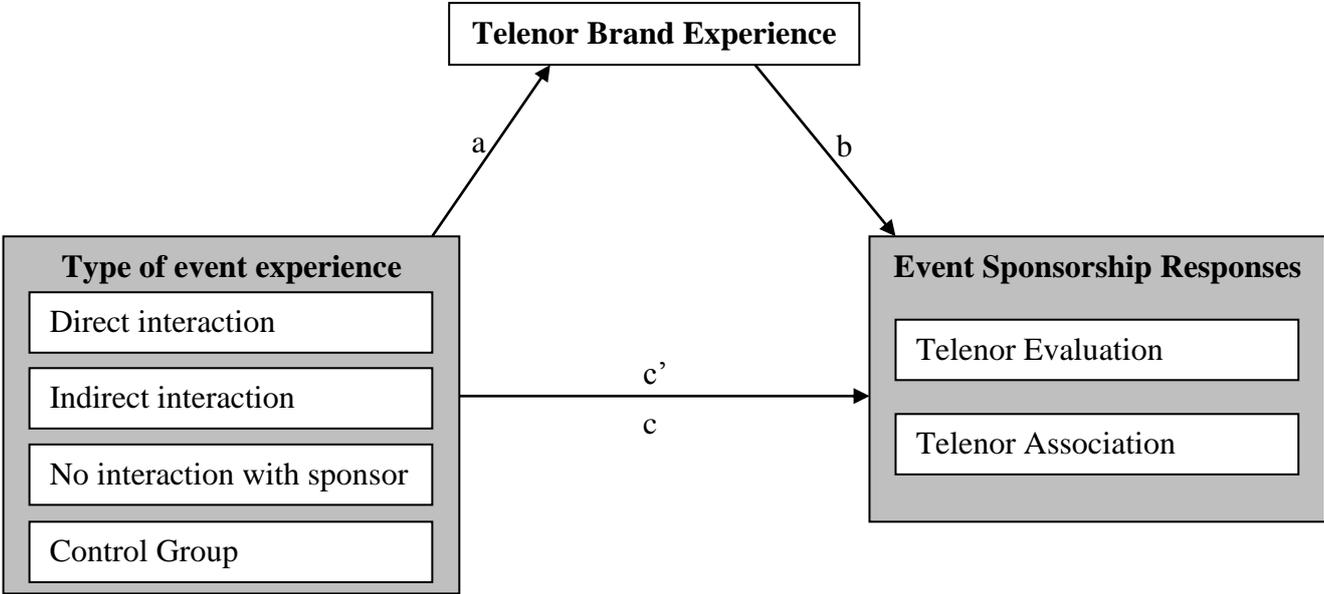


A: Illustration of a direct effect. X affects Y.  
 B: Illustration of a mediation design. X affects Y indirectly through M

According to Preacher and Hayes (2008) the most commonly used method for testing hypotheses about mediation is the causal steps strategy. This approach requires a stepwise estimation of each of the paths in the model and ascertainment of whether a variable functions as a mediator by certain statistical criteria (Hayes, 2009). Thus, according to this method, a significant total effect is essential for mediation to occur (Preacher and Hayes, 2008). However, Hayes (2009) states that a significant total effect is not necessary to have mediation effects. Moreover, the causal steps approach is among the tests for mediation effects with the lowest power (Hayes, 2009). Another widely-used approach for testing hypotheses with mediation is the Sobel test (Preacher and Hayes, 2008). This test provides a more direct test of the indirect effect and focuses on the ratio of  $ab$  to its estimated standard error (Preacher and

Hayes, 2004). This test has been found to have greater statistical power than the causal steps strategy (Preacher and Hayes, 2004). However, the Sobel test is very conservative due to the assumption of normal distribution (Kenny, 2012). According to Hayes (2009), the nonparametric bootstrapping procedure is the best alternative to the Sobel test. This is an increasingly popular method for testing the indirect effect (Kenny, 2012). Bootstrapping is a resampling method, conducted with replacement, which is repeated thousands of times (Hayes, 2009). From each of these resampled data sets the indirect effect of *ab* is computed and used to construct confidence intervals for the indirect effect (Preacher and Hayes, 2008). There are several advantages of using this procedure. First, it is based on an estimate of the indirect effect itself. Second, it makes no assumptions about the shape of the sampling distribution of the indirect effect (Hayes, 2009). Third, this procedure is not based on large-sample theory, meaning that it can be applied to small samples with more confidence (Preacher and Hayes, 2004). In accordance with the research recommendations (Hayes, 2009; Preacher and Hayes 2004, 2008), bootstrap confidence intervals will be used in the present study when testing hypothesis concerning mediation (H7). The simple mediation model for this study is shown in figure 5.2.

**Figure 5.2**  
**Simple mediation**



## **5.3 Results**

### **5.3.1 Test of Assumptions**

There are three assumptions that need to be met in order to conduct ANOVA analyses. First, the dependent variables must be normally distributed. Second, the groups must have independent responses on the dependent variables. Third, variances must be equal across the treatment groups (Hair et al., 2010). The assumptions of normal distribution, independence of observations and homogeneity of variance are discussed and tested below.

#### ***5.3.1.1 Normal Distribution***

In order to describe the shape of the distribution the kurtosis and skewness values must be analysed (Hair et al., 2010). The kurtosis values measure the peakedness or flatness of a distribution, referring to the height of the distribution. The skewness values measures the type and degree of asymmetry of a distribution. The normal distribution is perfectly symmetric with zero kurtosis and zero skewness (Huizingh, 2007). Kurtosis and skewness values above or below zero therefore indicate depart from normality. However, according to Hair et al. (2010) values inside the range of -1 to +1 are accepted as normal distribution. Descriptive statistics show that none of the dependent variables in the present study have kurtosis or skewness values outside the critical range. The assumption of normality for the ANOVA is therefore met. The descriptive statistics for the entire sample is reported in appendix C, table C.1.

#### ***5.3.1.2 Independence of Observations***

The assumption of independence of observations is met when the responses in each experimental group are made independent of each other (Hair et al., 2010). This means that responses in one group should be independent from responses in any other group. Lack of independence of observations strongly affects the statistical validity of the analysis (Hair et al., 2010). The threat of dependence between observed groups in this study was avoided when the respondents were randomly asked to participate in the survey. In this way the observations collected in one group had no influence on the observations collected in another group (Kinnear and Gray, 2004). Moreover, the measures were taken within a few hours over two days and were not conducted in a group setting. The short time period and independent responses reduces the chances of dependency between the groups (Hair et al., 2010).

### ***5.3.1.2 Homogeneity of Variance***

The assumption about equal variances is tested with the Levene test. The hypothesis H0 for the Levene test is that the variances of the populations are equal (Green and Salkind, 2011). A significant test value therefore indicates violation of the assumption of homogeneity of variance. The results from the Levene test in the present study indicate a violation of this assumption for the variable *Brand Evaluation*. The nonparametric test Kruskal-Wallis was therefore conducted as a control supplement to ANOVA for the analyses involving this variable. Kruskal-Wallis is the non-parametric alternative to an ANOVA test (Pallant, 2010) and is as such an appropriate control analysis in the present study. In accordance with Green and Salkind (2011) the non-parametric Mann-Whitney U test was used to pairwise compare the differences between the groups. The results from the Levene's test are shown in appendix C, table C.2.

### **5.3.2 ANOVA – analysis of main effects**

Hypotheses H1-H6 involved main effects for the different types of event experiences. The three first predictions suggested that any type of event experience will have more positive effects on the sponsorship responses compared with the control group. H3 and H4 predicted that attending the event with direct interaction with the sponsor will generate more positive responses compared with attendees with indirect interaction and compared with attendees without interaction with the sponsor. The last hypothesis concerning main effects suggests that attendees with indirect interaction will also have more favourable responses compared with attendees without interaction with the sponsor. All hypotheses were tested using analysis of variance (ANOVA) with post hoc comparisons using Tukey HSD test. Table 5.3 outlines the results from group comparisons on the dependent variables and corresponding p-values from ANOVA. Given that this study has two correlated dependent variables, a Multivariate Analysis of Variance (MANOVA) was used to confirm the results. The MANOVA resulted in the same findings as the ANOVA (Appendix C, table C.3).

**Table 5.3**  
**Main effects – Effects of type of event experience on sponsorship responses (Means)**

Sponsorship response	Type of event experience			
	Direct interaction	Indirect interaction	No interaction	Control Group
SAQ	4.75 <i>n</i> = 29 (1.37)	4.31 <i>n</i> = 42 (1.26)	4.55 <i>n</i> = 68 (.99)	4.40 <i>n</i> = 44 (1.23)
Coverage	5.10 <i>n</i> = 30 (1.76)	4.77 <i>n</i> = 43 (1.24)	4.55 <i>n</i> = 70 (1.19)	5.03 <i>n</i> = 45 (1.26)
Brand Evaluation	<b>5.29<sup>abc</sup></b> <i>n</i> = 30 (1.07)	<b>4.34<sup>a</sup></b> <i>n</i> = 43 (1.32)	<b>4.45<sup>b</sup></b> <i>n</i> = 68 (1.26)	<b>4.28<sup>c</sup></b> <i>n</i> = 45 (1.38)

Notes: The table reports mean scores, number of respondents in each cell (*n*), and standard deviation (in parentheses). Mean scores with same alphabetical superscripts are significantly different from each other a Difference between direct and indirect interaction on *Brand Evaluation* is significant at  $p < .05$   
b Difference between direct and no interaction on *Brand Evaluation* is significant at  $p < .05$   
c Difference between direct interaction and control on *Brand Evaluation* is significant at  $p < .01$   
(All significance testing using ANOVA)

All other comparisons were not significant

According to hypothesis 1-6a stronger event experience with the sponsor will give a higher score on the dependent variable *Brand Associations*, now divided into *SAQ* (Service, Availability and Quality combined) and *Coverage*. However, no significant effects were documented on *SAQ* or *Coverage* for the different types of event experiences. Hypotheses 1a-6a are therefore rejected. This indicates that a sponsored event experience does not have an effect on the associations consumers have about the sponsor's products and services. This might, however, be due to the fact that all participants have a favourable impression of Telenor's products and services. This will be further discussed in chapter 6.

Results indicate that the independent variable *Type of event experience* had a significant effect on the dependent variable *Brand Evaluation* ( $F_{3, 182} = 4.545, p = .004$ ). Follow-up tests were conducted to test the hypotheses by pairwise evaluating the differences between the groups. Post hoc comparisons indicate that the mean score of *Brand Evaluation* for direct interaction with the sponsor ( $M_1 = 5.29, SD_1 = 1.07$ ) was significantly different from the control group ( $M_c = 4.28, SD_c = 1.35$ ). Accordingly, hypothesis 1b is supported. However, the predictions of hypotheses 2b and 3b are not confirmed, indicating that indirect interaction ( $M_2 = 4.34, SD_2 = 1.32$ ) and no interaction with the sponsor ( $M_3 = 4.46, SD_3 = 1.26$ ) do not produce more favourable *Brand Evaluation* compared with the control group. Based on H4b, direct interaction was expected to generate more positive *Brand Evaluation* than indirect interaction with the sponsor. Results showed that there were significant differences between the groups

on *Brand Evaluation* and H4b is therefore supported. The prediction of H5b is also supported, indicating that direct interaction generated significantly more positive *Brand Evaluation* than no interaction with the sponsor. H6a predicted differences between the group with indirect interaction and the group attending the event without interaction with sponsor. Testing this prediction using one-way analysis of variance (ANOVA) did not support this. Indirect interaction does therefore not create more positive responses compared with no interaction and H6b is accordingly rejected. Due to violation of the assumption of homogeneity of variance for *Brand Evaluation*, a Kruskal-Wallis test was performed to verify the results from the ANOVA. The results from this test confirms that there is a statistically significant difference on *Brand Evaluation* across the different types of event experiences ( $\chi^2_{(3,186)} = 11.265, p = .010$ ). Follow-up tests were conducted to pairwise compare the significant differences (H1b, H4b and H5b) using a Mann-Whitney U test. The results confirm the findings from ANOVA (Appendix C, table C.4).

Summing up the findings from the analyses, the hypothesis regarding main effects are only partially supported or rejected. Direct interaction with the sponsor resulted in higher score on *Brand Evaluation* compared with the control group, but no significant differences were found for *SAQ* or *Coverage*, hence Hypothesis 1 is partially supported. No significant differences were found on *SAQ*, *Coverage* or *Brand Evaluation* for attendees with indirect interaction and no interaction with the sponsor compared with the control group. Hypothesis 2 and 3 are therefore rejected. Compared with indirect interaction and no interaction with the sponsor, direct interaction resulted in significantly more positive *Brand Evaluation* but not more positive responses on *SAQ* or *Coverage*. Hypothesis 4 and 5 are accordingly partially supported. No significant effects were found comparing indirect interaction with no interaction with the sponsor and hypothesis 6 is rejected. Taken together these results indicate that attending events and interacting directly with the sponsor has an effect on *Brand Evaluation* compared with all other attendees at the event and to consumers who have not been to the event. However, attending events without direct interaction with the sponsor does not create more positive responses on this variable. No significant effects were found for *Brand Associations*.

### **5.3.2.1 Control variables**

Three control variables were included in the questionnaire; “Provider of telecommunication services”, Gender and Age. Table 5.4 presents the frequencies of the control variables for the

groups in the sample. Telenor is the main telecommunication provider in Norway and it is therefore expected that a majority of the respondents use Telenor. If the respondents used more than one provider of telecommunications they are labelled *Telenor* if Telenor was one of the providers and *others* if they did not use Telenor. The males and females in the survey represent approximately equal percentage of the sample. This is, however, not representative for most sports events. The age groups in the sample were divided into five groups, 16-25, 26-35, 36-45, 46-55 and above 55.

**Table 5.4**  
**Frequencies of control variables**

Control Variables		Frequencies for <i>Type of event experience</i>				Total
		Direct Interaction	Indirect Interaction	No Interaction	Control Group	
Telecommunication service provider	Telenor	20	29	54	27	130
	Others	10	14	17	18	59
Gender	Female	14	20	41	23	98
	Male	16	23	30	22	91
Age groups	16-25	10	9	18	18	55
	26-35	2	4	13	11	30
	36-45	15	17	20	10	62
	46-55	3	10	16	3	32
	Above 55	0	3	4	3	10

“Provider of telecommunication services” was suggested as a possible covariate in the model. A covariate is a variable which is not of direct interest for the study but could be expected to correlate with the dependent variable (Kinnear and Gray, 2004). In this way it may explain some of the variance. To test for the possible impact of this item a univariate analysis of covariance (ANCOVA) was conducted for each dependent variable with significant main effects. This is a technique that analysis the population mean on the dependent variables across different levels of a factor (here: *type of event experience*), adjusted for differences on the covariate (Green and Salkind, 2011). This means that it removes the effects of the covariate, making sure that it is the independent variable that is the reason for the differences (Pallant, 2010). Hence, it performs ANOVA with reduced “data noise” resulting in increased power of the ANOVA tests (Kinnear and Gray, 2004).

An important assumption for ANCOVA is that the covariate has equal effect on the dependent variables across all levels of the factor. This is known as the Homogeneity-of-slopes assumption (Green and Salkind, 2011). If this assumption does not hold the mean differences

between the groups vary as a function of the covariate score (Hair et al., 2010). This assumption is met when there is no significant interaction between the covariate and the grouping variable (Green and Salkind, 2011). If the interaction between these two variables is significant the differences on the dependent variable among the groups may vary as a function of the covariate. ANCOVA is then likely to lead to misinterpretation (Green and Salkind, 2011). Results show that the homogeneity-of-slopes assumption is met for the covariate “Provider of telecommunication services” for the variable *Brand Evaluation* ( $F_{3,178} = .515, p = .673$ ). This indicates that the mean differences do not vary as a function of the score of this covariate. ANCOVA can therefore be conducted. Results show that the significant main effects reported in table 5.3 were also significant after controlling for “provider of telecommunication services” on *Brand Evaluation* ( $F_{3,181} = 4.489, p = .005$ ). This indicates that being a customer of Telenor does not significantly affect the results. The main effect of “Provider of telecommunication services” on *Brand Evaluation* ( $F_{1,181} = .122, p = .727$ ) did not reach statistical significance.

Two-way between groups ANOVA was conducted to examine possible impact of gender and age on the main effects for the different types of event experiences. Two-way ANOVA tests for an interaction effect between two independent variables in addition to test for main effects of each variable (Green and Salkind, 2011). Results indicate that there is a significant interaction effect between gender and direct interaction compared with indirect interaction on *Brand Evaluation* ( $F_{1,69} = 3.946, p = .05$ ). This means that there are differences in the means of *Brand Evaluation* for the two types of gender. When the ANOVA was run for female and male respondents separately, results show that there was a significant difference between these two types of event experiences on *Brand Evaluation* only for female respondents ( $F_{1,32} = 14.08, p = .001$ ). The main effect for gender on *Brand Evaluation* did not reach statistical significance ( $F_{1,69} = .026, p = .871$ ) for this comparison. No other significant main or interaction effects were found between gender and the other groups compared for *Brand Evaluation*. The results also show that there are no significant main or interaction effects on *Brand Evaluation* for the different age groups. The results of the two-way ANOVA can be found in appendix C, table C.5.

### **5.3.3 Mediating effects**

To test hypothesis 7 regarding *Telenor Brand Experience* as a mediator of the main effects, simple mediation analyses using Bootstrap tests were conducted. One-way ANOVA was used to assess whether type of event experience affects *Telenor Brand Experience*. Preliminary

analysis (Appendix C, table C.6 and C.7) evaluating Normal Distribution and Homogeneity of Variance on *Telenor Brand Experience* show that the assumptions are met. The assumption of Independence of Observation is also met due to the same argumentation as for the main effects. Table 5.5 shows the results from ANOVA

**Table 5.5**  
**Telenor Brand Experience as potential mediator – Type of event experience (Means)**

Potential mediator	Type of event experience			
	Direct interaction	Indirect interaction	No interaction	Control Group
Telenor Brand Experience	<b>3.50<sup>ab</sup></b> <i>n</i> = 29 (1.55)	2.96 <i>n</i> = 43 (1.20)	<b>2.61<sup>a</sup></b> <i>n</i> = 69 (1.24)	<b>2.48<sup>b</sup></b> <i>n</i> = 44 (1.17)

Notes: The table reports mean scores, number of respondents in each cell (*n*), and standard deviation (in parentheses). Mean scores with same alphabetical superscripts are significantly different from each other  
 a Difference between direct and no interaction on *Telenor Brand Experience* is significant at  $p < .01$   
 b Difference between direct event interaction and control on *Telenor Brand Experience* is significant at  $p < .01$   
 (All significance testing using ANOVA)  
 All other comparisons were not significant

Results of One-Way ANOVA show that type of event experience with the sponsor has a significant effect on *Telenor Brand Experience* ( $F_{3,180} = 4.55, p = .004$ ). H7a suggested that the effects of direct interaction with the sponsor on sponsorship responses are mediated by *Telenor Brand Experience*. Post-hoc comparisons using Tukey HSD indicate that individuals with direct interaction ( $M_1 = 3.41, SD_1 = 1.55$ ) reported a higher level of *Telenor Brand Experience* than attendees without interacting with the sponsor ( $M_3 = 2.61, SD_3 = 1.24$ ) and the control group ( $M_c = 2.48, SD_c = 1.17$ ). However, no significant effects were found on *Telenor Brand Experience* between direct and indirect interaction with the sponsor. The main effects found between direct and indirect interaction with the sponsor on *Brand Evaluation* are therefore not mediated by *Telenor Brand Experience*. Based on these findings, *Telenor Brand Experience* can be a potential mediator on sponsorship responses for direct interaction compared with no interaction with the sponsor and the control group.

H7b and 7c predicted that the effects of indirect interaction and no interaction with the sponsor on sponsorship responses will be mediated by *Telenor Brand Experience*. Results show no significant differences on *Telenor Brand Experience* for these two types of event experiences and hypothesis 7b and 7c are therefore rejected.

Based on the results of the ANOVA, simple mediation was conducted to test whether the effects of direct interaction with the sponsor on sponsorship responses were mediated by *Telenor Brand Experience*. Based on Preacher and Hayes (2008) a macro which produces bootstrap confidence intervals (95%) and estimates standard errors is used to reveal the

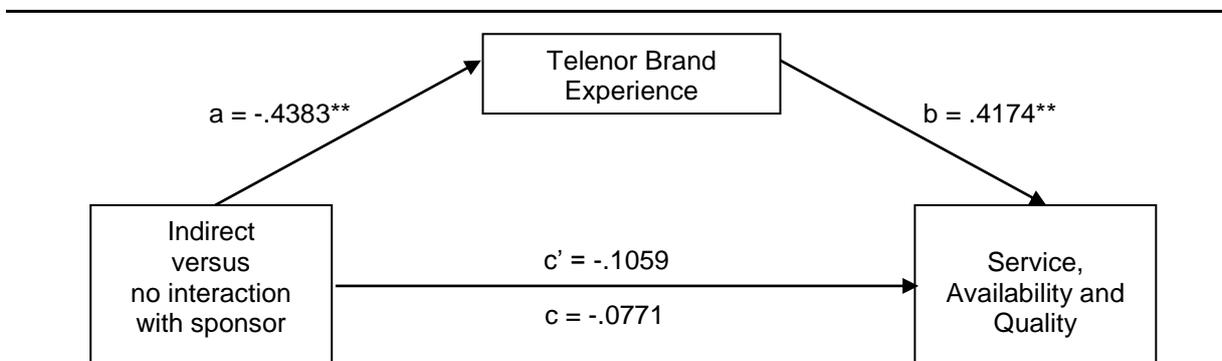
mediating effects. In accordance with Hayes (2009) the number of bootstrap resamples was set to 5000. All the macros used for testing mediation can be found in Appendix C, table C.8.

### 5.3.3.1 Telenor Brand Experience as mediator for Brand Associations

Simple mediation analyses were conducted to test whether the effects of direct interaction compared with no interaction and control group on *Brand Associations* were moderated by *Telenor Brand Experience*. Although there were no significant main effects on *SAQ* or *Coverage*, mediation analyses were conducted. This is in accordance with Hayes (2009), stating that a significant total effect is not necessary for mediation to occur. This is because two or more indirect effects with opposite signs can cancel each other out, producing a total effect that is not detectable different from zero.

A simple mediator analysis indicate a significant indirect effect of *Telenor Brand Experience* for the effects of direct interaction compared with no interaction on *SAQ* (95% CI = {-.3400, -.0462}) and *Coverage* (95 % CI = {-.3284, -.0278}). Path coefficients for these two groups on both of the variables are shown in figure 5.3 and 5.4.

**Figure 5.3**  
**Simple mediation – Impact of direct interaction compared with no interaction on SAQ via Telenor Brand Experience**



95% CI: {-.3400, -.0462}

a Effect of type of event experience on mediator *Telenor Brand Experience*

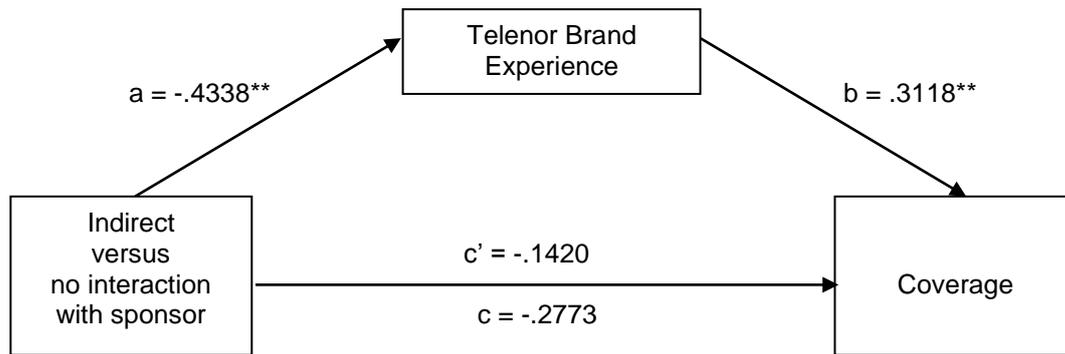
b Effect of mediator *Telenor Brand Experience* on *Service, Availability and Quality*, partialling out the effect of type of event experience

c Total effect of type of event experience on *Service, Availability and Quality*

c' Direct effect of type of event experience on *Service, Availability and Quality* after controlling for mediator *Telenor Brand Experience*

\*\* significant at  $p < .01$

**Figure 5.4**  
**Simple mediation – Impact of direct interaction compared with no interaction on Coverage via Telenor Brand Experience**



95% CI: {-.3284, -.0278}

a Effect of type of event experience on mediator *Telenor Brand Experience*

b Effect of mediator *Telenor Brand Experience* on *Coverage*, partialling out the effect of type of event experience

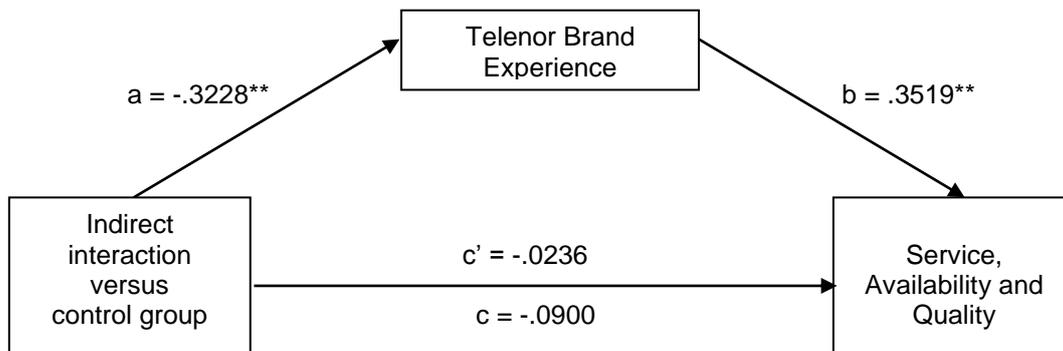
c Total effect of type of event experience on *Coverage*

c' Direct effect of type of event experience on *Coverage* after controlling for mediator *Telenor Brand Experience*

\*\* significant at  $p < .01$

Significant indirect mediation effects of *Telenor Brand Experience* were also found for direct interaction with the sponsor compared with control group on *SAQ* (95% CI = {-.2667, -.0275}) and *Coverage* (95% CI = {-.3453, -.0624}). Results from the simple mediation for these two groups on both variables are depicted in figures 5.5 and 5.6.

**Figure 5.5**  
**Simple mediation – Impact of direct interaction compared with control group on SAQ via**



95% CI: {-.2667, -.0275}

a Effect of type of event experience on mediator *Telenor Brand Experience*

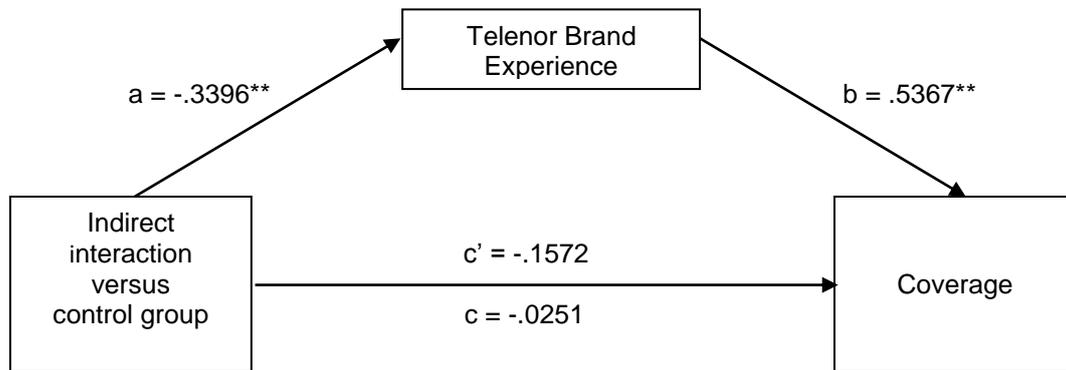
b Effect of mediator *Telenor Brand Experience* on *Service, Availability and Quality*, partialling out the effect of type of event experience

c Total effect of interaction on *Service, Availability and Quality*

c' Direct effect of type of event experience on *Service, Availability and Quality* after controlling for mediator *Telenor Brand Experience*

\*\* significant at  $p < .01$

**Figure 5.6**  
**Simple mediation – Impact of direct interaction compared with control group on Coverage via Telenor Brand Experience**



95% CI: {- .3453, -.0624}

a Effect of type of event experience on mediator *Telenor Brand Experience*

b Effect of mediator *Telenor Brand Experience* on *Coverage*, partialling out the effect of type of event experience

c Total effect of type of event experience on *Coverage*

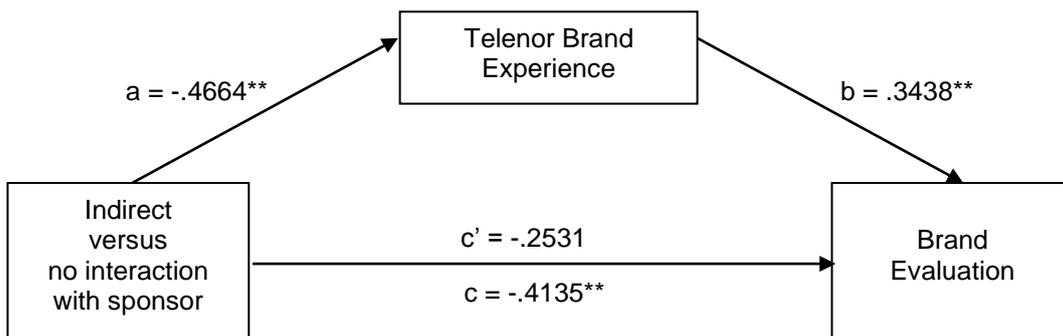
c' Direct effect of type of event experience on *Coverage* after controlling for mediator *Telenor Brand Experience*

\*\* significant at  $p < .01$

### 5.3.3.2 Telenor Brand Experience as a mediator for Brand Evaluation

The simple mediation test documented that *Telenor Brand Experience* mediates the effects of direct interaction compared with no interaction with the sponsor on *Brand Evaluation*, shown by bootstrapped confidence intervals (95% CI = {- .3400, -.0462}). Path coefficients are shown in figure 5.7.

**Figure 5.7**  
**Simple mediation – Impact of direct interaction compared with no interaction on Brand Evaluation via Telenor Brand Experience**



95% CI: {- .3400, -.0462}

a Effect of type of event experience on mediator *Telenor Brand Experience*

b Effect of mediator *Telenor Brand Experience* on *Brand Evaluation*, partialling out the effect of type of event experience

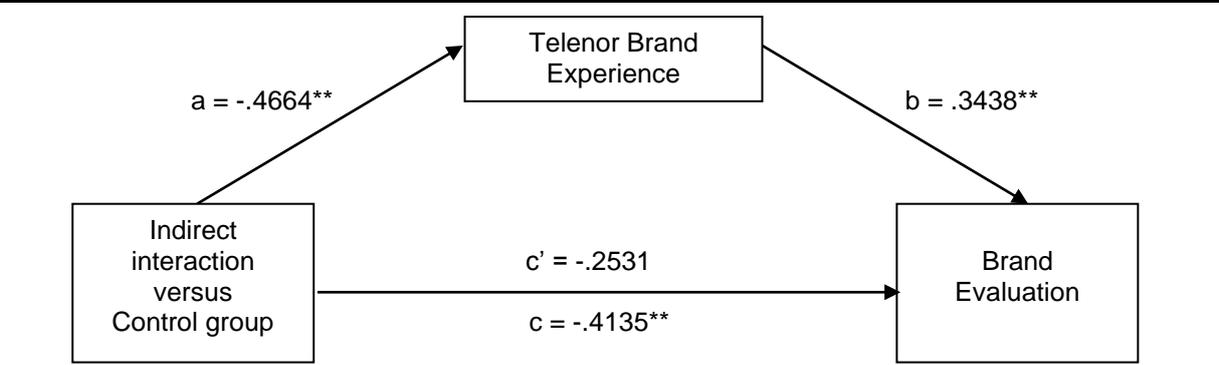
c Total effect of type of event experience on *Brand Evaluation*

c' Direct effect of type of event experience on *Brand Evaluation* after controlling for mediator *Telenor Brand Experience*

\*\* significant at  $p < .01$

With respect to indirect interaction compared with the control group, results show that *Telenor Brand Experience* significantly mediates the effect on *Brand Evaluation* (95% CI = {-0.2901, -0.0487}). Results for the simple mediation model are depicted in figure 5.8.

**Figure 5.8**  
**Simple mediation – Impact of direct interaction compared with control group on Brand Evaluation via Telenor Brand Experience**



95% CI: {-0.2901, -0.0487}  
 a Effect of type of event experience on mediator *Telenor Brand Experience*  
 b Effect of mediator *Telenor Brand Experience* on *Brand Evaluation*, partialling out the effect of type of event experience  
 c Total effect of type of event experience on *Brand Evaluation*  
 c' Direct effect of type of event experience on *Brand Evaluation* after controlling for mediator *Telenor Brand Experience*  
 \*\* significant at  $p < .01$

These findings confirm hypothesis 7a regarding direct interaction compared with no interaction with the sponsor and control group. This indicates that compared with no interaction with the sponsor and the control group, the effects of direct interaction with the sponsor on *SAQ*, *Coverage* and *Brand Evaluation* is mediated by *Telenor Brand Experience*. Hence, hypothesis 7a is partially supported; it is supported for no interaction with the sponsor and control group but not for attendees of the event with indirect interaction with the sponsor.

# Chapter 6. Discussion and Implications

## 6.1 Introduction

The main goal of this study was to contribute to existing research on sponsorships and brand experience with extended knowledge on how to create stronger consumer responses and brand experiences through event sponsorships. In this chapter the findings are first summarized, organized with respect to main effects and mediation effects. Secondly, the findings are discussed and thirdly, theoretical and managerial implications of the finding are presented.

## 6.2 Summary of findings

### 6.2.1 Main effects

This study tested the effects of three types of event experiences; direct, indirect and no interaction with the sponsor on sponsorship responses and mediating effects of *Telenor Brand Experience*. Sponsorship responses were conceptualized as *Brand Associations* and *Brand Evaluation*. The hypotheses proposed that any type of event experience will create stronger sponsorship responses compared with respondents who did not attend the event and that the stronger event experiences attendees have, the more positive sponsorship responses are created. The independent variable *Type of event experience* is determined by the level of interaction with the sponsor. The highest mean score on sponsorship responses was therefore expected from attendees with direct interaction, second highest mean score from attendees with indirect interaction and third highest from attendees with no interaction. Based on the analyses it is concluded that event sponsorship with on-site activities has a significant influence on *Brand Evaluation* for attendees with direct interaction with the sponsor. No significant effects were found on this variable for the groups with indirect or no interaction with the sponsor. Results also show that none of the event experiences created significantly stronger *Brand Associations*. The hypotheses in the present study concerning the effects of direct interaction on *Brand Evaluation* (1b, 4b and 5b) are therefore supported by the data. The other hypotheses concerning main effects are rejected. For all of the sponsorship responses, direct interaction with the sponsor resulted in the highest mean scores. However, when looking at the mean scores (table 5.3) for the other three groups an unexpected finding was that the group with indirect interaction with the sponsor has the lowest or second lowest mean score on all sponsorship responses.

*Brand Associations* are conceptualized according to the factor analysis into the variables *SAQ* and *Coverage*. The first measures Service, Availability and Quality of Telenor's products and

services. Although the event experiences did not result in significant differences on these variables there are some interesting findings when looking at the mean scores (table 5.3). All the four groups have generally high mean scores on the combined dependent variable *SAQ*, all the groups have means scores above 4.3. However, the group with indirect interaction with the sponsor has the lowest mean score. Regarding the variable *Coverage*, all above 4.5, and the group with direct interaction with the sponsor and the control group had scores above 5.0. The variation in mean scores between the groups is therefore relatively small. Mean scores for *Brand Evaluation* show that it is the group with no interaction with the sponsor that has the second highest score and that the scores for direct interaction and control group are similar.

Based on these findings, the assumptions that any type of event experience will result in more positive *Brand Associations* and *Brand Evaluation* than the control group do not hold. Neither does the assumption that the stronger event experiences the attendees have, the more positive the sponsorship responses are. Even though these assumptions could not be confirmed by the results, the results confirmed that direct interaction with the sponsor resulted in significantly higher mean scores for all sponsorship responses.

### **6.2.2 Mediation effects**

The conceptual model presented in chapter 3 suggests that the effects of the different event experience on sponsorship responses will be mediated by *Telenor Brand Experience*. Results show that *Telenor Brand Experience* can be a potential mediator on sponsorship responses only for direct interaction compared with no interaction with the sponsor and the control group. Hypotheses 7b and 7c, concerning *Telenor Brand Experience* as a possible mediator for the effects of indirect interaction and no interaction with the sponsor on sponsorship responses, are rejected. However, when looking at the mean scores of *Telenor Brand Experience* an interesting finding is that stronger event experiences create stronger brand experience. The mediation analysis documented that *Telenor Brand Experience* was a significant mediator for the effects of direct interaction compared with no interaction with the sponsor and control group on *Brand Evaluation*. For the variables measuring *Brand Associations* no significant total effect were documented in the analyses of main effects. However, there was a significant indirect effect for direct interaction compared with no interaction with the sponsor and control group through *Telenor Brand Experience*. Hypothesis 7a is therefore partially supported; it is supported for direct interaction compared with no interaction and control group but not for indirect interaction with the sponsor.

### 6.3 Discussion of findings

This thesis has focused on the effects of different types of a sponsored event experience. With reference to the research question presented in chapter 1, this study investigated how and to what extent event experiences transfer to the brand. More specifically, this study has examined the effects of different types of event experiences on Event Sponsorship Responses, operationalized as *Brand Evaluation* and *Brand Associations*. This research also hypothesised *Telenor Brand Experience* as a possible mediator of the effects of *Type of event experience* on sponsorship responses. Based on the findings of the main effects it is clear that only the highest level of event experience with the sponsor creates more positive *Brand Evaluation*. One can therefore not conclude that attending the event in itself will automatically lead to more positive sponsorship responses. Neither can it be concluded that the higher the level of event experiences attendees have with the sponsor, the more positive are the sponsorship responses. These findings contradict the arguments behind the research hypotheses. Moreover, for a majority of the sponsorship responses no interaction with the sponsors created stronger responses than indirect interaction. The mean scores show that this group also had the second highest mean scores on a majority of the sponsorship responses. This challenges the view of Copetti (2004) who found that sponsorship responses were significantly more positive among attendees who participated in their activities (direct interaction) or visited the sponsor's area (indirect interaction) than among visitors who were only exposed to signage (no interaction). The fact that no interaction created stronger sponsorship responses than indirect interaction indicates that exposure to the signage in the event site had a more positive influence on the perception of the sponsor than visiting the sponsor area. All attendees in the event were exposed to signage around the event site. However, when the respondents were asked to fill out the questionnaire in connection with the sponsor area the interaction effects are expected to be stronger than the effects of signage. Attendees at the event with no interaction with the sponsor are in a low involvement mode and the exposure to signage represents a form of low-involvement learning. Low-involvement learning is a result of repetition leading to simple learning (Foxall, Goldsmith and Brown, 1998). In a low involvement mode, consumers process little of the information they receive but repeated exposure to information, such as brand logo, will impact the consumers' perception of the sponsor. Moreover, the attendees who do not visit the sponsor area are expected to be more interested in the sports competitions than the attendees using time

interacting with the sponsor. According to Bruhn (1986<sup>6</sup>) the atmosphere in the event or the performance of an athlete can be transferred to the sponsor. In this World Cup event the Norwegian alpine skiers performed well and attendees who paid closely attention to the competitions may have transferred the positive results to the sponsor.

The second highest level of event experience, indirect interaction, resulted in low scores on all sponsorship responses; this group had lowest or second lowest scores on all variables. A potential explanation can be found when considering the personnel at the sponsor's on-site area. The company in focus of this study, Telenor, used an event-agency to execute the on-site activities. The representatives had therefore no in-depth knowledge of Telenor. According to Copetti (2004) the second highest level of interaction with the sponsor, indirect interaction, primarily consists of a dialog between the attendees and the sponsor. A careful selection of the personnel who interact with the attendees at the event may therefore be critical for attendees' perception of the sponsor. Another reason for the low scores for this group may be the type of activities offered by Telenor. According to Schmitt (1999b) it is necessary with the right environment and setting for the desired event and brand experience to emerge. It may be questioned whether the activities at this event provided the right circumstances to get the most favourable effects. The main activity in the Telenor area was a small obstacle course, primarily designed for children. The majority of people watching the activity were therefore parents of children who wanted to participate. Some parents may have preferred watching the Alpine Ski competition instead of watching their children in the obstacle course, which may have led to a less positive experience and thus a less positive impression of the sponsor. This present study did not address this hypothesis, which may of interest in further research.

For the variables measuring *Brand Associations*, *Coverage* and *SAQ*, there were no significant differences between any of the groups. All the groups had high mean score on these variables which may explain the lack of differences. Direct interaction had the highest score on both variables. The group with no interaction with the sponsor had the second highest mean score for *SAQ* and the control group had second highest mean score for *Coverage*. The three items used to measure *SAQ* together with *Coverage* are the foundation for Telenor's competitive position. Telenor is Norway's largest Telecommunication service provider (Telenor.no). It is important for Telenor to maintain its position by ensuring that it has the right core brand associations linked to its brand in consumer memory. As seen by the

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<sup>6</sup> As cited in Copetti (2004)

results, participating in an event sponsored by Telenor does not result in significantly more positive associations towards the company. However, all the groups have high mean scores on both *SAQ* and *Coverage*. *Brand Associations* were measured on 7-point Likert scales, where a score of 3.5 is considered neutral (anchors of not at all descriptive and extremely descriptive). The mean scores of *SAQ* and *Coverage* for all the four groups are well above 4. This implies that all the respondents have a favourable impression of Telenor's products and services, both those at the event and those in the control group. The four core brand associations used to measure the variable *Brand Association* are important for Telenor's competitive positioning and have also been in focus of previous marketing communications. Thus, it may be argued that they are not transferred from the event but rather that these associations are established in the minds of consumers previous to the event. Telenor's main sponsorship message with this event sponsorship was their good network coverage. Although the respondents scored high on this variable, based on the results, attending the event does not enhance the opinions attendees have of Telenor's *Coverage*. One reason for this may be the limited exposure of Telenor's logo and sponsorship message at the event. Attending events often leads to positive reactions toward the company and the sponsorship message (Donovan et al., 1993). It will therefore be important to prominently display the sponsorship message in the event site in order to create the most positive associations about the company possible. In the World Cup event site there were billboards of Telenor's logo. However, the slogan "excellent Coverage, better experiences" promoting their good network Coverage was not prominently displayed in the event site. The one place where they promoted this slogan was on the mobile phone pockets-giveaways. The slogan was printed with small letters on these mobile phone pockets. These giveaways were stored in a bucket in Telenor's area and not put in plain sight of the attendees. Most of the time the representatives did not actively give them away and therefore not many attendees received giveaways. This may be a reason why attending the event did not result in enhanced impression of Telenor's coverage. Due to the fact that attending events makes consumers more receptive to marketing messages (Pope and Voges, 1999), it would probably have been more effective if Telenor had displayed its slogan more prominently in the event site.

Some recent studies have been devoted to research on how events can enhance consumer responses to sponsorships (e.g. Meenaghan 2001; Gwinner, 1997; Gwinner and Eaton, 1999). Copetti (2004) looked at the effects of brand experience in event sponsorships but no known studies have examined the effects of different types of event experiences on brand experience.

The present study has contributed to this gap in the literature by examining whether brand experience can be created through event experiences, and whether this variable mediated the effects of *Type of event experience* on sponsorship responses. Results showed a significant positive effect on *Telenor Brand Experience* for attendees with direct interaction with the sponsor compared with no interaction and the control group. In accordance with the hypotheses, mediations analysis confirmed that for these levels of event experiences, the positive effects on *Brand Evaluation* were significantly mediated by *Telenor Brand Experience*. For *Brand Associations*, the influence of *Telenor Brand Experience* represented a significant indirect effect. This is in accordance with Copetti (2004) who stated that sponsors can benefit from offering a higher level on-site brand experience. Another interesting finding is that all the mean scores of *Telenor Brand Experience* are on the lower end of the scale. This indicates that *Type of event experience* is not transferred with much strength to the Brand Experience. Although these findings are not significant, the mean scores showed a trend towards that the higher level of event experience attendees have, the higher the level of brand experience is created. These findings are supported by Copetti (2004), stating that the level of interaction the attendees have with the sponsor determines the degree of brand experience in events.

## **6.4 Implications**

### **6.4.1 Theoretical Implications**

Consumer responses to event sponsorships have received some attention in the academic literature (e.g. Gwinner and Eaton, 1999). However, previous event sponsorship literature falls short on evaluating the effects of different types of sponsored event experiences on consumer responses. Brand experience has received an increasing interest during the last decade (e.g. Brakus et al., 2009; Skard et al., 2011). Copetti (2004) studied the effects of event sponsorships and brand experience on brand equity, however, no known studies have examined how different types of event experiences influence brand experience. In his research, Copetti treated brand experience as the experience the attendees have when attending an event and the different levels of interaction with the sponsor determined the level of brand experience. The current research, however, treats the experiences the attendees have at events as event experiences, determined by the level of interaction with the sponsor, and brand experience is measured using the dimensions from the brand experience scale created by Brakus et al. (2009). This thesis found three different types of event experiences which vary by the level of interaction with the sponsor; direct, indirect and no interaction. Although

the differences found between indirect interaction and no interaction with the sponsor were not significant, the results give support to the presumption of three different types of event experiences. Direct interaction with the sponsor requires active participation in activities offered by the sponsor at the event. Indirect interaction involves visiting the sponsor area, receiving giveaways, talking to representatives from the company, relaxing in the sponsor's area, watching other attendees participating in the activities but not participating in the activities themselves. The group with no interaction with the company merely observe the signage of the sponsor's logo in the event site. It is, however, important to be aware that no event experience will be homogenous because it will be based on the attendees' personal situation and the circumstances at the event. Based on the results it is evident that direct experience with the sponsor creates more positive brand evaluation and higher scores on important brand associations. The results for the other groups are ambiguous with regard to the different sponsorship responses. This questions the findings of Copetti (2004) who concluded that higher level of interaction with the sponsor creates more positive responses.

This present study confirms that the highest level of event experience results in significantly higher brand experience compared with the lowest level of event experience and the control groups. This study also documented that for these levels of event experiences, brand experience mediates the effects on sponsorship responses. Although the differences were not significant, this current research showed a trend supporting the presumption that the higher level of event experience attendees have with the sponsor, the higher level of brand experience is created, confirming the research of Copetti (2004). These findings contribute to the knowledge of how brand experience can be used to influence consumer responses to the brand.

#### **6.4.2 Managerial Implications**

The findings in this thesis provide several important implications for sponsorship managers and their on-site communication of event sponsorships. Sponsors can greatly benefit from providing a higher-level event experience to event visitors in terms of more positive sponsorship responses and brand experience. Sponsorship managers should more consciously utilize the on-site opportunity to activate their sponsorship investment by providing the attendees with a strong event experience through participation in on-site activities. Systematic on-site communication of event sponsorships is today not a standard procedure as observed in the FIS Alpine Ski World Cup in Kvitfjell, where a majority of the sponsors did not have on-

site activities. This implies that many brand managers are not entirely aware of the potential of on-site communication when sponsoring events. The interpretation of the results suggests that to get the most out of the event sponsorship, it is of importance that attendees actively participate in the activities offered. The actual design and organization of the on-site activities at the event is therefore one of the main tasks for event sponsors in order to maximize the effects of the sponsorship in terms of enhanced brand experience and sponsorship responses. It is therefore essential to have successful on-site activities to give attendees a strong event experience. The highest level of event experience requires participation in the activities offered. It is therefore crucial for the sponsoring brand to have activities that attract different types of attendees in the target group, not only children or parents but also adults without children. Billboards in the event site with information about the activities offered and possible awards seem to be important to attract attendees to participate in the activities. Valuable awards and different types of activities will also most likely attract many people to participate. However, the equipment necessary for some activities may be costly compared with signage and this is a fact the sponsor must consider when implementing on-site activities.

To enhance the effects of the second highest level of interaction at events, indirect interaction with the sponsor, it may be important to have representatives from the sponsoring company around the sponsor area. Unlike representatives from event-agencies, people from the company have more in-depth information about the sponsor. These people may talk to and share information with attendees who are enjoying the relaxing zone or watching other people participating in the activities. With the use of representatives from the sponsor, the indirect interaction with the sponsor may result in more positive responses due to increase of personal interaction with the company. Another way of enhancing the effects of indirect interaction with the sponsor may be a more comfortable relaxing zone with facilities such as heaters in winter events, and free food and drinks.

## **Chapter 7. Limitations and Future research**

This paper is written as a master's thesis with limitations regarding resources and time. Hence, it covers only a small part within the field of event sponsorships. As a result of the limited scope of this paper there are naturally several limitations. These limitations and address recommendations for future research will be discussed in the following sections.

### **7.1 Theoretical perspectives**

This thesis builds on theories on sponsorship literature, meaning transfer and brand experience. Based on this, recommendations are made regarding how to maximize the effects of the event sponsorship on consumer responses and brand experience. All types of event experiences were expected to create more positive sponsorship responses compared with the control group based on theory on meaning transfer (McCracken, 1989<sup>7</sup>), feeling of familiarity (Donovan et al., 1993) and positive evaluations of the event (Copetti, 2004). One of the main predictions was that the higher level of event experience attendees have, the more positive sponsorship responses and brand experience are created. Direct interaction with the sponsor was expected to create the most positive sponsorship responses based on added value to the event experience (Close et al., 2006) and high situational involvement with the brand (Copetti, 2004). Indirect interaction was expected to create the second most positive sponsorship responses based on raised involvement level (Pope and Voges, 2000) and enjoyment of facilities offered by the sponsor (Copetti, 2004). Other theoretical perspectives than those covered in this thesis could have been used to explain the results of the three event experiences, such as the role of ability and motivation in information processing (e.g. Elaboration Likelihood Model).

Brand experience was measured based on the Brand Experience Scale developed by Brakus et al. (2009). These authors found four dimensions of brand experience, however, Skard et al. (2010) later modified the scale to contain five dimensions of brand experience for service organizations. Due to the importance of short answering time in the type of data collection used in this study, the brand dimension measurements were based on four out of the five dimensions. The measurement scale developed by Brakus et al. (2009) is a valuable tool for testing consumer's experiences with a brand. However, the theory on brand experience is limited, and there is a need for further research on this field. Skard et al. (2010) demonstrated

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<sup>7</sup> As cited in Gwinner and Eaton, 1999

that the brand experience scale is context-dependent and future research should test and validate the dimensionality of brand experiences across different brands, settings and circumstances. Furthermore, this scale assumes that all experiences are positive. Items in the scale are therefore reflecting the strength of the experiences, not the valence. Skard et al. (2010) found some evidence that experiences are not all positive and future research should examine both negative and positive aspects of experience.

Self-reported measures, as the ones used in the brand experience scale created by Brakus et al. (2009), may not be the most accurate method for measuring feelings and senses. This is due to the fact that the respondents are being asked for subjective judgments. Implicit measurement could be used to better assess the dimensions of feelings and senses for brand experience (see Wittenbrink and Schwanz (2007) and De Houwer (2006) for an overview of implicit measures). For future research on brand experience with other measurements for feelings and senses should be explored.

## **7.2 Methodology**

Reliability and validity are important for any method used for research. Reliability measures consistency and how much you can trust the data to represent truth (Hair et al, 2010). According to Connaway and Powel (2010) there are three main validity types that are important for a successful research; internal, external and construct validity. A method is internal valid if it accurately identifies causal relationships and rules out other explanations for the findings. External validity relates to the generalizability of the study. Construct validity is the extent to which a set of items actually reflects the theoretical construct those items are intended to measure. Validity therefore relates to what should be measured whereas reliability is concerned with how it is measured (Hair et al., 2010).

The study design used in this study was a natural experiment. This kind of study can be conducted when there are clearly defined subgroups with different treatment conditions, as was the case in the present study. Natural experiments usually have a high degree of external validity due to the natural ranges of treatment effects (Roe and Just, 2009). However, this type of study has several threats to the internal validity due to lack of randomization. Randomization is necessary in order to eliminate the threat of alternative explanations for the findings. It will therefore be important with a random assignment of subjects to the different research groups (Dunning, 2008). However, in this type of study the researcher cannot assign subjects to the different groups (Dunning, 2008) or manipulate the stimulus (Roe and Just,

2009). Due to the fact that the researcher does not have control over the experiment, the subjects are not randomly assigned to the different groups. In this kind of study the subjects decides themselves what group they belong to. In the present study the participants selected an experimental group based on what they wanted to do in the event. Attendees with direct or indirect interaction with the sponsor were most often parents of children who wanted to participate which may have influenced their answers. Attendees at the event without interaction with the sponsor may have been more interested in the competitions than attendees who used time in the sponsor area. In addition, the Norwegian alpine skiers performed well in this World Cup and these attendees may therefore have transferred a more positive experience to the sponsor. This self-selection of experimental groups decreases the internal validity of the study because it may bias the answers. Moreover, the experimental groups may differ with respects to other variables that were never measured in the study. The possible effects caused by factors that were not controlled for may therefore influence the results. In the present study attendees may have different reasons for attending this event as some have paid for tickets while others have received free invitations. This may also have biased the answers. When conducting natural experiments, internal validity will therefore be low while the external validity is most often high (Roe and Just, 2009). To overcome the issues of internal validity, future research should test event experience in a controlled experiment with random assignment to the different groups in the event.

As mentioned, construct validity refers to the degree a measure accurately represents the intended concept (Hair et al., 2010). Every question had a text explaining the specific question. By clearly defining the questions there should be less room for misinterpretations by the respondents. This will enhance the probability that the answers represent the respondent's true answers. In the present study the items used to measure the different constructs are based on existing scales. Constructs in academic research are often comprised of several items, known as multiple-item measures. These types of measures are more reliable and capture more information than single-item measures (Bergkvist and Rossiter, 2007). However, in the present study it was important to have a short questionnaire to increase the response rate. Therefore, the variables measuring *Telenor Brand Experience* was reduced from the original scale of three items for each variable into two items. The items measuring *Brand Associations* were given by Telenor, however, each association was limited to two out of the three items. Brand attitude and Word-of-mouth were measured based on two items each. By using few items to measure a construct, reliability decreases. However, the items used in this study were

based on scales used in previous research increasing the validity. Measures that have been applied in other studies increase the face validity and the reliability of the research (Babbie, 2010).

The current study was conducted in a sport event for the largest Telecommunication service provider in Norwegian. It can be questioned whether the results found in this study are replicable to other types of events and for other sponsors, which may give this study less external validity. One finding in this study was that the mean scores for the variables measuring *Brand Associations* were high for all groups. The *Brand Associations* measured in this study are the four core brand associations Telenor wants to have linked to their brand in consumer memory. These associations are important for Telenor's competitive positioning and have also been in focus of previous marketing communications. Thus, it may be argued that they are not transferred from the event but rather that these associations are established in the minds of consumers previous to the event. The effects of the different types of event experiences on sponsorship responses found in this study may therefore not be generalizable to other companies. Research on how event experiences are transferred to other brands and in other types of events may therefore be a useful direction for future research.

Research on the longitudinal effects of event experience is also of interest for future research. In the current research it was attempted with a longitudinal approach, however, due to very limited responses for the follow-up survey it was not possible to analyse the results. It will therefore be important that future researcher cope with the challenge of getting enough respondents who are willing to answer the follow-up survey to explore the between-subject differences for the groups over time.

### **7.3 Type I error**

A Type I error occurs when the researcher rejects a null hypothesis when it is true, concluding that two means are significantly different when they are not different (Hair et al., 2010). The probability of committing a Type I error is called the significance level, also known as alpha (Gravetter and Wallnau, 2009). There will always be a risk of Type I errors in research and a higher number of hypotheses will increase the probability of making this error. When using a .05 significance level there is a .05 risk of making a Type I error. The researcher can therefore expect to make a Type I error five times for every 100 tested hypothesis (Rubin, 2010). With multiple comparisons like in the current study, the conclusions must therefore be drawn with caution.

A restrictive alpha reduces Type 1 error (Hair et al., 2010). This means that the probability of accepting differences as significant when they are not significant is reduced. However, reducing Type I error reduces the statistical power of the test (Hair et al., 2010). The statistical power is the probability of correctly rejecting the null hypothesis when it should be rejected (Rubin, 2010). This means that the power of a test determines the probability of finding the significant differences if they do exist. If the alpha level is set too strictly, the power may be too low to identify valid results (Hair et al., 2010). This will reduce the chance of incorrectly saying an effect is significant when it is not, but also reduce the probability of finding a significant effect that exists (Gravetter and Wallnau, 2009). A relatively small sample size, which is the case in the present study, affects the statistical test by making it insensitive (Hair et al. 2010). This reduces the power of the test and it will be less likely to find statistically significant results (Creech, 2012). It is therefore important to find a balance between the level of alpha and the resulting power because the objective of the analysis is not only avoiding Type 1 errors but also identifying if the treatment effects do indeed exist. Hair et al. (2010) suggests alpha levels of .05 or .01 which are the ones used in this research.

#### **7.4 Suggestions for additional future research on event experience**

Perceived fit between the sponsor and event is a topic that has received a lot of attention in the event sponsorship literature (e.g. Gwinner and Eaton, 1991; Copetti 2004; Roy and Cornwell, 2003). Future research should therefore look into how sponsor-event fit influences the event experience and how this affects brand experience and sponsorship responses transferred from the event experience.

Event sponsors may execute many different types of on-site activities. No known studies have investigated which types of activities will give the most favourable effects for the sponsor. The effects of different types of activities will therefore be of interest for future research.

Other interesting topics to measure in future research regarding event experience on sponsorship responses and brand experience are the effects of the attendees' previous event involvement and perception of event before they are exposed to onsite sponsorship event activities. Also previous involvement with the sponsor and the sponsor's initial brand position would be of interest to study in relation to effects of on-site sponsorship event activities. .

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# Appendices

## Appendix A - Questionnaire



### Spørreskjema

Du vil i dette skjemaet bli bedt om å svare på noen spørsmål som dreier seg om dine holdninger og meninger rundt Telenor. Undersøkelsen er en viktig del av en masterutredning ved Norges Handelshøyskole (NHH) i Bergen, og dine svar er svært viktig for oppgaven. Jeg ber deg derfor svare så ærlig som mulig på spørsmålene.

Alle som svarer har muligheten til å være med i trekningen av to Phenix alpinluer. Din besvarelse vil være anonymisert, og du velger selv om du ønsker å oppgi din e-post i slutten av undersøkelsen for å være med i trekningen.

#### **Spørsmål 1:**

Vi vil gjerne spørre deg om dine opplevelser med Telenor, enten du er kunde eller ikke. Det kan kanskje virke rart at et merke skal kunne gi deg opplevelser, men hver gang du bruker en av Telenor sine tjenester, ser en reklame for Telenor, leser om Telenor i media eller hører venner snakke om Telenor så har du hatt en merkeopplevelse. Vi er ute etter å finne ut av hvilke *typer* opplevelser du har hatt, de kan være både positive og negative. Så svar så godt du kan på hvorvidt utsagnene nedenfor beskriver dine opplevelser med Telenor.

1 betyr at utsagnet er *svært lite beskrivende* for din opplevelse, mens 7 betyr at utsagnet er *svært beskrivende*. Bruk hele skalaen når du svarer.

	Svært lite beskrivende					Svært beskrivende	
Telenor får meg ofte følelsesmessig engasjert	1	2	3	4	5	6	7
Jeg har sterke følelser overfor Telenor	1	2	3	4	5	6	7
Telenor gjør et sterkt inntrykk på sansene mine (det jeg kan se, lukte, høre, osv.)	1	2	3	4	5	6	7
Telenor gir meg interessante sanseopplevelser	1	2	3	4	5	6	7
Telenor-kunder er en del av et større fellesskap	1	2	3	4	5	6	7
Som kunde hos Telenor føler man seg som en del av «Telenor familien»	1	2	3	4	5	6	7
Telenor-kunder må ofte tenke selv og løse utfordringer	1	2	3	4	5	6	7
Telenor utfordrer kundenes måte å tenke på	1	2	3	4	5	6	7

**Spørsmål 2:**

Vi er nå interessert i din generelle holdning til Telenor. Marker et punkt på skalaene nedenfor som du mener best representerer din holding til Telenor.

Jeg synes Telenor er:

<i>Svært dårlig</i>	1	2	3	4	5	6	7	<i>Svært bra</i>
<i>Vanskelig å like</i>	1	2	3	4	5	6	7	<i>Lett å like</i>

**Spørsmål 3:**

Nå lurer vi på hvordan du ville omtalt Telenor til andre. På en skala fra 1 til 7, marker om du er *uenig* eller *enig* i følgende påstander:

	<i>Helt uenig</i>				<i>Helt enig</i>		
Dersom jeg skulle snakke om Telenor med en venn ville jeg sagt mest positive ting om merket	1	2	3	4	5	6	7
Dersom noen ba meg om å beskrive Telenor ville jeg brukt mest positive ord	1	2	3	4	5	6	7

**Spørsmål 4:**

Vi vil nå gjerne vite hva du synes om Telenor og hvordan du opplever deres tjenester. (Dersom du ikke er kunde hos Telenor svarer du ut fra dine generelle inntrykk av Telenor)

Vennligst angi i hvilken grad du synes følgende utsagn beskriver Telenor, der 1 er *i svært liten grad* og 7 er *i svært stor grad*:

	<i>I svært liten grad</i>				<i>I svært stor grad</i>		
Alltid dekning på mobil og/eller PC der folk bor, ferdes og jobber	1	2	3	4	5	6	7
Beste kapasitet og tilgang der folk bor og ferdes	1	2	3	4	5	6	7
Alltid tilgjengelig kundeservice	1	2	3	4	5	6	7
Kundeservice og assistanse som hjelper kunden helt i "mål" første gang	1	2	3	4	5	6	7
Lett å få tak i produkter og tjenester fra leverandør	1	2	3	4	5	6	7
Gjør det lett å komme i gang med å bruke deres produkter og tjenester	1	2	3	4	5	6	7
Har alltid det siste og beste innen telekommunikasjon	1	2	3	4	5	6	7
Inspirerer meg til å ta i bruk produkter og tjenester	1	2	3	4	5	6	7

### Til slutt ønsker vi litt informasjon om deg og det du har foretatt deg her på Kvittfjell i dag

Telenor tilbyr publikum aktiviteter i og rundt et telt i målområdet og på mellomstasjonen. Vi ønsker nå at du forteller hvorvidt du har deltatt på noen av disse aktivitetene. Kryss av for alternativene som passer.

- Jeg deltok på aktivitetene i og rundt Telenor-teltet som quiz og hilderløype
- Jeg var innom Telenor-teltet men deltok ikke selv på noen aktiviteter
- Jeg var ikke i Telenor-teltet eller deltok på aktivitetene

Vi vil nå spørre deg om din leverandør av telekommunikasjonstjenester.

Under finner du kjente norske merker i telekommunikasjon. Hvilken eller hvilke av disse leverandørene er du kunde hos?

Flere svar er mulig så hvis du er kunde hos flere krysser du av for alle

- Telenor       Tellmore
- NetCom       NextGenTel
- Chess       GET
- OneCall       Canal Digital
- Tele2       Altibox
- Ventelo      Andre, vennligst spesifiser: \_\_\_\_\_

Vi har også et par spørsmål om deg som respondent.

**Kjønn:**  Kvinne       Mann

**Alder:** \_\_\_\_\_

For masteroppgaven er det svært viktig å få muligheten til å stille deg noen oppfølgingsspørsmål om ca. fire uker. Det er bare noen få spørsmål som kun tar et par minutter å svare på. Du vil fortsatt være anonym. Hvis du ønsker å bli kontaktet for noen slike oppfølgingsspørsmål, vennligst skriv ned e-post adressen din under. Du vil da også være med i trekningen av Phenix alpinluer.

\_\_\_\_\_

**Takk for din deltakelse!**

## Appendix B – Factor Analyses

**Table B.1**  
**Factor analysis with all factors included - Pattern Matrix<sup>a</sup>**

Item	Component			
	1	2	3	4
Affect1		.801		
Affect2		.867		
Sense1		.840		
Sense2		.873		
Relate1		.711		
Relate2		.688		
Think1		.547		.647
Think2		.753		
Attitude1	.428			-.561
Attitude2				-.663
WOM1				-.614
WOM2				-.633
Coverage1			.888	
Coverage2			.813	
Service1	.770			
Service2	.705			
Availability1	.774			
Availability2	.744			
Quality1	.846			
Quality2	.687			
Eigenvalue	8.579	3.425	1.369	1.068
% of variance	45.896	17.125	6.844	5.340

Extraction Method: Principal Component Analysis.  
 Rotation Method: Oblimin with Kaiser Normalization.  
 a. Rotation converged in 15 iterations

**Table B.2**  
**Factor analysis after removal of Think1 - Pattern Matrix<sup>a</sup>**

Item	Component		
	1	2	3
Affect1		.802	
Affect2		.875	
Sense1		.843	
Sense2		.855	
Relate1		.725	
Relate2		.676	
Think2		.732	
Attitude1	.862		
Attitude2	.771		
WOM1	.808		
WOM2	.829		
Coverage1			.874
Coverage2			.831
Service1	.637		
Service2	.692		
Availability1	.805		
Availability2	.797		
Quality1	.650		
Quality2	.686		
Eigenvalue	8.558	3.109	1.352
% of variance	45.041	16.364	7.116

Extraction Method: Principal Component Analysis.  
 Rotation Method: Oblimin with Kaiser Normalization.  
 a. Rotation converged in 5 iterations

## Appendix C - Results

**Table C.1**  
**Descriptive Statistics for Main effects**

Dependent variables	N Statistic	Minimum	Maximum	Mean Statistic	Std. Deviation Statistic	Skewness		Kurtosis	
						Statistic	Std. Error	Statistic	Std. Error
Coverage	188	1.00	7.00	4.80	1.33	-.498	.177	-.129	.353
SAQ	183	1.00	7.00	4.49	1.18	-.147	.180	.042	.357
Brand Evaluation	186	1.00	7.00	4.53	1.31	-.437	.178	.097	.355

**Table C.2**  
**Test of Homogeneity of Variances for Main effects**

Dependent variables	Levene's Test of Equality of Variance	
	Levene Statistic	Sig. <i>p</i>
Coverage	.929	.448
SAQ	.998	.410
Brand Evaluation	2.474	.046

**Table C.3**

**Main effects – Effects of type of event experience on sponsorship responses (Means)**

Sponsorship response	Type of event experience			
	Direct interaction	Indirect interaction	No interaction	Control Group
SAQ	4.75 <i>n</i> = 29 (1.37)	4.31 <i>n</i> = 42 (1.26)	4.58 <i>n</i> = 65 (.93)	4.40 <i>n</i> = 44 (1.23)
Coverage	5.03 <i>n</i> = 29 (1.76)	4.74 <i>n</i> = 42 (1.24)	4.59 <i>n</i> = 65 (1.13)	5.03 <i>n</i> = 44 (1.27)
Brand Evaluation	<b>5.26<sup>abc</sup></b> <i>n</i> = 29 (1.08)	<b>4.33<sup>a</sup></b> <i>n</i> = 42 (1.33)	<b>4.54<sup>b</sup></b> <i>n</i> = 65 (1.19)	<b>4.28<sup>c</sup></b> <i>n</i> = 44 (1.37)

Notes: The table reports mean scores, number of respondents in each cell (*n*), and standard deviation (in parentheses). Mean scores with same alphabetical superscripts are significantly different from each other  
a Difference between direct and indirect interaction on Brand Evaluation is significant at  $p < .05$   
b Difference between direct and no interaction on Brand Evaluation is significant at  $p < .05$   
c Difference between direct interaction and control on Brand Evaluation is significant at  $p < .01$   
(All significance testing using MANOVA)

All other comparisons were not significant

**Table C.4**  
**Mann-Whitney U test**

Dependent variable	Level of interaction			
	Direct	Indirect	No interaction	Control Group
Brand Evaluation	5.29 <sup>abc</sup> n = 30 (1.07)	4.34 <sup>a</sup> n = 43 (1.32)	4.45 <sup>b</sup> n = 68 (1.26)	4.28 <sup>c</sup> n = 45 (1.38)

Notes: The table reports mean scores, number of respondents in each cell (n), and standard deviation (in parentheses). Mean scores with same alphabetical superscripts are significantly different from each other a Difference between direct and indirect interaction on Brand Evaluation is significant at  $p < .01$  ( $Z = -2.84$ ,  $p = .005$ )

b Difference between direct and no interaction on Brand Evaluation is significant at  $p < .01$  ( $Z = -2.799$ ,  $p = .005$ )

**Table C.5**  
**Two-way ANOVA: Estimated adjusted means**

Sponsorship response	Control Variable	Type of Event Experience			
		Direct interaction	Indirect interaction	No Interaction	Control Group
Brand Evaluation	Gender	5.31	4.32	4.51	4.28
	Age	5.33	4.45	4.73	4.15

Notes: The table reports estimated marginal means for the dependent variables.

Main effects

Control variable Gender

Difference between direct and indirect interaction on Brand Evaluation:  $F_{1,69} = .026$ ,  $p = .871$

Difference between direct and no interaction on Brand Evaluation:  $F_{1,94} = .032$ ,  $p = .858$

Difference between direct interaction and control group on Brand Evaluation:  $F_{1,71} = 1.141$ ,  $p = .289$

Control variable Age

Difference between direct and indirect interaction on Brand Evaluation:  $F_{4,64} = .493$ ,  $p = .741$

Difference between direct and no interaction on Brand Evaluation:  $F_{4,89} = 2.605$ ,  $p = .071$

Difference between direct interaction and control group on Brand Evaluation:  $F_{4,66} = .088$ ,  $p = .986$

Interaction effects

Control variable Gender:

Difference between direct and indirect interaction on Brand Evaluation:  $F_{1,69} = 3.936$ ,  $p = .05$

Difference between direct and no interaction on Brand Evaluation:  $F_{1,94} = 3.236$ ,  $p = .075$

Difference between direct interaction and control group on Brand Evaluation:  $F_{1,71} = .488$ ,  $p = .487$

Control variable Age

Difference between direct and indirect interaction on Brand Evaluation:  $F_{3,64} = 1.030$ ,  $p = .385$

Difference between direct and no interaction on Brand Evaluation:  $F_{3,89} = .195$ ,  $p = .900$

Difference between direct interaction and control group on Brand Evaluation:  $F_{3,66} = .146$ ,  $p = .932$

**Table C.6**  
**Descriptive Statistics for potential mediator**

Potential mediator	N Statistic	Minimum	Maximum	Mean Statistic	Std. Deviation Statistic	Skewness		Kurtosis	
						Statistic	Std. Error	Statistic	Std. Error
Telenor Brand Experience	184	1.00	6.83	2.80	1.31	.565	.179	-.172	.356

**Table C.7**

**Test of Homogeneity of Variances for potential mediator**

Potential mediator	Levene's Test of Equality of Variance	
	Levene Statistic	Sig. <i>p</i>
Telenor Brand Experience	1.443	.232

**Table C.8**  
**Macros for mediation analysis with mediator Telenor Brand Experience**

Independent variable	Dependent Variable	Macro
Direct interaction versus no interaction	Brand Evaluation	Indirect $Y = \text{Brand\_Evaluation}/X = UV\_1\_3/M = \text{Telenor\_Brand\_Experience}/\text{Boot} = 5000$
Direct interaction versus control group	Brand Evaluation	Indirect $Y = \text{Brand\_Evaluation}/X = UV\_1\_4/M = \text{Telenor\_Brand\_Experience}/\text{Boot} = 5000$
Direct interaction versus no interaction	SAQ	Indirect $Y = \text{SAQ}/X = IV\_1\_3/M = \text{Telenor\_Brand\_Experience}/\text{Boot} = 5000$
Direct interaction versus no interaction	Coverage	Indirect $Y = \text{Coverage}/X = IV\_1\_3/M = \text{Telenor\_Brand\_Experience}/\text{Boot} = 5000$
Direct interaction versus control group	SAQ	Indirect $Y = \text{SAQ}/X = IV\_1\_4/M = \text{Telenor\_Brand\_Experience}/\text{Boot} = 5000$
Direct interaction versus control group	Coverage	Indirect $Y = \text{Coverage}/X = IV\_1\_4/M = \text{Telenor\_Brand\_Experience}/\text{Boot} = 5000$