Sports sponsorship as a marketing communication tool: A case study of GLO Communication Company in Nigeria

Zakariya Mohammed Nayawo, Adamu Balami and Mohammed Alhaji Mukhtar

Abstract
This study determined sports sponsorship as a marketing communication tool: a case study of GLO Communication Company in Nigeria. Objectives, research questions and corresponding hypotheses were used for the study. The research design used for the study is a survey research method, while the target population comprise of sixty eight (68) respondents were purposively selected and used as sample for the study.

The instrument used for the study is a questionnaire to obtain relevant information of the respondents. Data collected were analysed using chi-square ($\chi^2$) to test the hypothesis at 0.05 alpha level of significance using SPSS version 16. Result showed that a significant difference existed in the activities of GLO when compare to other communication companies. It was recommended among others that communication companies (GLO) should focus on sponsorship of other sports.

Keywords: Sports sponsorship, marketing communication tool, GLO Communication Company

1. Introduction
Sport as a universal phenomenon will thrive better in an environment where there is good financial base to execute programmes, develop athletes and build facilities. From the trend of events, it has been shown that the greatest financier of sports in Africa is the government. However, the growth of sports and sports markets with the attending global economy makes it impossible for the government alone to provide the fund needed for sports development. The dwindling economy is also affecting the fortune of sports. However, the timely intervention of private individuals and organizations to support sports financially has saved sports organization from collapse. This they have done through sports sponsorship and marketing (Fasan, 2004) [3]. It was further explained that the issue of sports sponsorship and marketing should not be seen as one way action of sports organization looking for ways of meeting their financial needs. Individuals and corporations want exposure for their products and want to gain a competitive advantage and the means of doing this through sponsorship and marketing. Those involved in the exchange relationships are confronted with uncertainties as each pursue their objectives. For instance, there are times when corporations have many sponsorship requests and proposals, yet they are not sure whether the event sponsored will be executed with quality fashion or that organizational goals in terms of investment returns will be achieved. Even well managed events can be affected by competitors ‘ambush’ or ‘parasite’ marketing efforts, disqualification of athletes due to scandalous activities or any external conditions that may affect the success of the sports sponsorship agreement (Sandler and Shani 1989, Scotlar, 1998) [12]. In modern marketing, companies and their brands are competing heartily to hold existing and to gain new market shares. In order to do this, marketing communication is of high importance (Brassington and Pettitt, 2000) [1]. The marketing mix consists of four components: price, place, product and promotion. The promotion element is often recognized as a tool which marketers use to communicate with their specific target market(s) (Jobber, 2004) [9]. According to Vignali (1997) [15], promotion was formally comprised of advertising, public relation and sales promotion mix. It is important to keep the
elements in the promotion mix apart, since they are considerably different. One difference between sponsorship and advertising is for example that sponsorship is an indirect promotional tool and viewed as bringing benefits to society, while advertising by contrast is a more direct and forceful communication tool, perceived as beneficial to the company itself (Meenaghan, 1991b) [9]. The author further claimed that there is an increased belief that sponsorship is becoming substitute for traditional advertising. In the past, companies perceive sponsorship as an obligation toward the community. Sponsorship was associated with charitable donations and public relation opportunities. Today, however, companies perceive sponsorship as a marketing communication tool, intended to increase the brand and service image of the company (Madrigal, 2001) [7].

2. Methodology

This study was a survey conducted to determine sports sponsorship as a marketing communication tool. A case study of GLO Communication Company in Nigeria. Objectives and research questions with corresponding null hypothesis guided the study. The population for the study comprised of sixty eight (68) respondents which were purposively selected and served as sample for the study. The respondents include personnel from the rank of assistant marketing manager or its equivalent and above from the corporate affairs of the company which was based on the relevance of the division on this study. The research instrument used for this study is a questionnaire designed to obtain relevant information about the opinion of the respondents. A five (5) point Likert scale type questionnaire of strongly agree (SA), Agree (A), Undecided (UD), Disagree (DA) and strongly disagree (SDA) was used as a respond mode. Data collected were analyzed using frequency counts and its equivalent percentage scores, while chi-square was used to test the hypotheses at 0.05 alpha level of significance using statistical package for social sciences (SPSS) version 16.

3. Results

Table 1: A summary of Chi-square test on the opinion of GLO Communication company on sports sponsorship involved in Nigeria (n=68).

<table>
<thead>
<tr>
<th>Item</th>
<th>Types of sport GSM company give sponsorship</th>
<th>Company</th>
<th>Transports</th>
<th>Racket sport</th>
<th>Individual sports</th>
<th>Combative sports</th>
<th>Aquail sport</th>
<th>df</th>
<th>X² cal val</th>
<th>X² table value</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Sports mostly sponsored</td>
<td>GLO</td>
<td>65(62.44)</td>
<td>1(3.92)</td>
<td>2(1.63)</td>
<td>-</td>
<td>68</td>
<td>8</td>
<td>9.87</td>
<td>15.507</td>
<td>**</td>
</tr>
<tr>
<td>b.</td>
<td>Length of sponsorship</td>
<td>GLO</td>
<td>38(29.42)</td>
<td>30(35.31)</td>
<td>-</td>
<td>68</td>
<td>4</td>
<td>43.70</td>
<td>9.488</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td>Amount spent annually</td>
<td>GLO</td>
<td>Below N100,000</td>
<td>N100-500,000</td>
<td>2(6.22)</td>
<td>N501-N1m</td>
<td>8</td>
<td>37.51</td>
<td>15.507</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>d.</td>
<td>Programme sponsored in Nigeria and Percentage</td>
<td>GLO</td>
<td>Local sports</td>
<td>Skates sports</td>
<td>National sports</td>
<td>Internal Sports</td>
<td>8</td>
<td>37.51</td>
<td>15.507</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>e.</td>
<td>Sponsorship commitment in terms of gender</td>
<td>GLO</td>
<td>Male sports</td>
<td>Female sports</td>
<td>Male and female sports</td>
<td>68</td>
<td>4</td>
<td>4.53</td>
<td>9.488</td>
<td>**</td>
<td></td>
</tr>
<tr>
<td>f.</td>
<td>Least &amp; most involvement of GLO company sports sponsorship</td>
<td>GLO</td>
<td>Least investment 5(7.52)</td>
<td>Most involvement 63(60.48)</td>
<td>-</td>
<td>68</td>
<td>2</td>
<td>15.65</td>
<td>5.991</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>g.</td>
<td>Level of sponsorship by company in Nigeria</td>
<td>GLO</td>
<td>2(2.92)</td>
<td>1(3.60)</td>
<td>53(52.96)</td>
<td>12(8.5)</td>
<td>68</td>
<td>6</td>
<td>28.89</td>
<td>12.592</td>
<td>*</td>
</tr>
</tbody>
</table>

Total 68

Figures in brackets represent expected frequencies
* Significant (S)
** Not significant (NS)

Table 1 above is a summary of chi-square analysis for sponsorship involvement by GLO Communication Company. The Chi-square calculated value obtained was 9.87, 47.30, 37.51, 12.62, 4.53, 15.65 and 28.89 when compared with the p.value (0.05) at the degree of freedom and x² table value 8,4,6 and 2, 15.507; p<0.05 showed that there was significant difference in the opinion of GLO company. The null hypothesis was therefore rejected. This implied that there was difference in the opinions of GLO communication company’s involvement of sports sponsorship GSM company gave in terms of sports mostly sponsored the length of sponsorship amount spent annually by each company, the programmes sponsored, the sponsorship commitment in terms of gender types of sports involved and the level of sponsorship by the company in Nigeria. This means that the GSM Company involved fully sponsoring sports in Nigeria.

Table 2: A summary of chi-square test on the opinion of GLO Communication company’s benefits of sports sponsorship in Nigeria (n=68).

<table>
<thead>
<tr>
<th>Item</th>
<th>Benefits of Sports Sponsorship</th>
<th>Company</th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
<th>Total</th>
<th>df</th>
<th>X² cal val</th>
<th>X² table value</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Corporate objectives achieved</td>
<td>GLO</td>
<td>45(36.62)</td>
<td>-</td>
<td>2(30.08)</td>
<td>-</td>
<td>-</td>
<td>68</td>
<td>8</td>
<td>14.95</td>
<td>15.507</td>
<td>**</td>
</tr>
<tr>
<td>b.</td>
<td>Marketing objectives achieved</td>
<td>GLO</td>
<td>24(26.48)</td>
<td>-</td>
<td>4(58.45)</td>
<td>3(2.94)</td>
<td>1(10)</td>
<td>68</td>
<td>8</td>
<td>3.25</td>
<td>15.507</td>
<td>*</td>
</tr>
<tr>
<td>c.</td>
<td>Media objectives achieved</td>
<td>GLO</td>
<td>35(30.08)</td>
<td>-</td>
<td>3(34.00)</td>
<td>-</td>
<td>68</td>
<td>8</td>
<td>16.51</td>
<td>15.507</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>d.</td>
<td>Personal objectives achieved</td>
<td>GLO</td>
<td>17(18.96)</td>
<td>4(39.5)</td>
<td>25(23.3)</td>
<td>5(3.27)</td>
<td>1(09)</td>
<td>68</td>
<td>8</td>
<td>8.62</td>
<td>15.507</td>
<td>*</td>
</tr>
<tr>
<td>e.</td>
<td>A combination of the above objectives</td>
<td>GLO</td>
<td>29(26.81)</td>
<td>37(37.27)</td>
<td>1(2.29)</td>
<td>1(1.31)</td>
<td>-</td>
<td>68</td>
<td>8</td>
<td>18.65</td>
<td>15.507</td>
<td>**</td>
</tr>
<tr>
<td>.</td>
<td>Total</td>
<td>68</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figures in brackets represent expected frequencies
* Significant (S)
* Not significant (NS)

~ 267 ~
Table 2 is a summary of chi-square analysis on sports sponsorship benefits by GLO GSM Company. The Chi-square calculated value obtained was 14.95, 3.25, 16.51, 8.62 and 18.65 when compared with the p-value (0.05) at the degree of freedom and $x^2$ table value 8, 15.507; p<0.05 showed that there was significant difference of GLO GSM Company. The null hypothesis was therefore rejected. This implied that there was difference in the opinion of GLO company's benefits of sports received in terms of cooperated objectives achieved, marketing objectives achieved, media objectives achieved and the combination of the above objectives. This means that GSM company's sports sponsorship benefits were evident.

4. Discussion
The result of this study on sports sponsorship as a marketing communication tool; A case study of GLO Communication Company in Nigeria indicated that a significant difference existed in the opinion of the company in terms of its benefit of sports, cooperated objectives achieved marketing objectives, media and the combination of the above objectives. The reason which is important on the media benefits which include all promotional effort surrounding the sports event, such as advertising and publishing. The media benefits are determined by the number of impressions that the viewers, readers and listeners exposed to the advertising message which most often consists of a logo or sign that appears on photograph in a newspaper or television (Meenaghan, 1983 and Mullin, 2000) [11]. The result of the study was in line with Wilson’s (1997) [12] findings on sports sponsorship involvement in Nigeria. The company's sports sponsorship benefit indicated that there was also a significant difference existed.

5. Conclusion
The findings of this study have shown that was significant difference in the opinion of GLO Communication Company’s sports sponsorship involvement in Nigeria. The company’s sports sponsorship benefit indicated that there was also a significant difference existed.

6. Recommendation
Based on the result of the study, it was recommended that the global system mobile company should extend their involvement of sports sponsorship in terms of gender, types of sports sponsored and the level of sponsorship.

7. References