

HELSINKI METROPOLIA UNIVERSITY OF APPLIED SCIENCES
UNIVERSITY OF LINCOLN
EUROPEAN MANAGEMENT PROGRAMME

BROADCAST SPONSORSHIP; MODIFYING BRAND IMAGE AND EXPANDING
TARGET AUDIENCE THROUGH PROGRAMME CHOICE

Sanna-Mari Pirhonen EM06
Thesis
March 2010

Acknowledgements

I would like to thank William Simcoe and Satu Attila from Helsinki Metropolia University of Applied Sciences for all the support and help they provided in this process.

I would also like to thank Tarja Malinen, the marketing and communications manager of Luhta for taking the time to answer my questions about the example case.

Most of all, I would like to thank my family and friends who always supported me and had the patience, even when I didn't.

HELSINKI METROPOLIA UNIVERSITY OF APPLIED SCIENCES
SCHOOL OF BUSINESS ADMINISTRATION

Degree Programme: European Management

Majors in University of Lincoln: Marketing and Advertising

Title: Broadcast sponsorship; Modifying brand image and expanding target audience through programme choice

Author: Sanna-Mari Pirhonen

Year: 2010

Pages: 46+15

Words: 11077

Abstract

The purpose of this dissertation is to research the possibility of modifying brand image and expanding target audience through broadcast sponsorship by choosing a programme, which does not match brand's current brand image, values or marketing strategy. The issue is researched in general and illustrated through an example case of Finnish sports clothing and interior decoration brand Luhta sponsoring reality show Big Brother 2009 in order to rejuvenate the brand image and expand the target audience to young consumers.

The research is conducted by using primary and secondary sources. The main emphasis is on secondary data, which includes academic literature and journals on broadcast sponsorship. Attention is paid especially to journals in which the importance of linking the sponsor and sponsored programme is discussed. Primary research is conducted by interviewing the marketing and communications manager of Luhta and conducting a survey on consumers, in order to have data about the example case.

In this dissertation the concepts of brand image, broadcast sponsorship, and consumers' information processing and learning theories are discussed. The results reveal that it is possible to modify brand image and expand the target audience through broadcast sponsorship by choosing a programme that does not match the brand image, values or brand strategy, as long as certain factors are considered. However, the image transference is less complicated if there is a link between the sponsoring brand and the programme.

Keywords: brand image, target audience, broadcast sponsorship, compatibility, information processing, learning theories

METROPOLIA AMMATTIKORKEAKOULU

Koulutusohjelma:	European Management
Opinnäytetyön nimi:	Broadcast sponsorship; Modifying brand image and expanding target audience through programme choice
Tekijä:	Sanna-Mari Pirhonen
Vuosi:	2010
Sivumäärä:	46+15
Sanoja:	11077

Tiivistelmä

Tämän opinnäytetyön tarkoituksena on selvittää onko televisio-ohjelmien sponsoroinnilla mahdollista muuttaa brändin imagoa ja laajentaa kohderyhmää valitsemalla ohjelma, jonka imago, katsojat ja arvot poikkeavat brändin nykyisestä markkinointistrategiasta.

Opinnäytetyössä tutkitaan asiaa yleisellä tasolla käyttäen havainnollistavana esimerkkinä suomalaista urheiluvaate- ja kodinsisustustuotemerkkiä Luhtaa, joka sponsoroi Big Brother tositelevisio-ohjelmaa syksyllä 2009 muuttaakseen brändin imagoa nuorekkaammaksi ja tavoittaakseen myös nuoremman kohdeyleisön, jota se ei aikaisemmin ole tavoitellut.

Opinnäytetyö pohjautuu pääasiassa akateemiseen kirjallisuuteen ja alan julkaisuihin televisio-ohjelmien sponsoroinnista ja sen vaikutuksesta brändin imagoon. Erityistä huomiota on kiinnitetty artikkeleihin, jotka arvioivat brändin ja televisio-ohjelman yhteensopivuuden vaikutusta sponsoroinnin tehokkuuteen. Empiirisenä tutkimusmenetelmänä opinnäytetyössä on käytetty Luhdan viestintä- ja markkinointijohtaja Tarja Malisen haastattelua ja kuluttajille suunnattua kyselyä Luhdan sponsoroinnista.

Opinnäytetyössä käsitellään brändin imagoa, televisio-ohjelmien sponsorointia keskittyen brändin ja televisio-ohjelman yhteensopivuuteen, sekä kuluttajien tiedonkäsittely- ja oppimisprosessia, jotka vaikuttavat mielikuvien muodostamiseen brändeistä. Tutkimustuloksissa on yhdistetty akateemisen kirjallisuuden ja artikkeleiden, sekä empiirisen tutkimuksen tuloksia kattavan lopputuloksen varmistamiseksi. Tulokset paljastavat, että televisio-ohjelmien sponsoroinnilla on mahdollista muuttaa brändin imagoa ja laajentaa kohderyhmää valitsemalla ohjelma, jonka imago, katsojat ja arvot poikkeavat brändin nykyisestä markkinointistrategiasta, kunhan yritys huomioi tiettyjä sponsoroinnin tehokkuuteen vaikuttavia tekijöitä. Kuitenkin imagon muuttaminen tapahtuu vaivattomammin, jos ohjelmalla ja sponsoroivalla brändillä on jokin yhdistävä tekijä.

Asiasanat: televisio-ohjelmien sponsorointi, brändin imago, kuluttajien tiedonkäsittely- ja oppimisprosessi

Table of Contents

ACKNOWLEDGEMENTS.....	2
ABSTRACT.....	3
TIIVISTELMÄ.....	4
INTRODUCTION.....	7
1 LITERATURE REVIEW	8
2 BACKGROUND INFORMATION	10
2.1 COMPANY OVERVIEW: LUHTA.....	10
2.2 THE BIG BROTHER CONCEPT	11
2.3 BIG BROTHER 2009 IN FINLAND	12
3 BRANDING.....	13
3.1 BRAND VALUES	14
3.2 BRAND ASSOCIATIONS	14
3.3 BRAND PERCEPTION.....	15
3.4 BRAND IMAGE	16
4 BROADCAST SPONSORSHIP.....	16
4.1 PROGRAMME SELECTION.....	17
4.2 COMPATIBILITY OF THE SPONSORING BRAND AND THE PROGRAMME	20
4.3 VIEWERS CREATING THE LINK	20
4.4 INTEGRATING SPONSORSHIP TO THE COMMUNICATIONS STRATEGY.....	22
4.5 PRODUCT PLACEMENT	23
5 CONSUMERS' INFORMATION PROCESSING.....	24
5.1 EXPOSURE	24
5.2 ATTENTION	25
5.2.1 Preattention.....	25
5.2.2 Factors Influencing the Level of Attention.....	26
5.3 COMPREHENSION	27
5.4 ELABORATION	28
6 LEARNING THEORIES	28
6.1 COGNITIVE LEARNING	29
6.1.1 Rote Learning.....	30
6.2 BEHAVIOURAL LEARNING	30
6.2.1 Classical Conditioning.....	30
7 METHODOLOGY.....	31
7.1 SECONDARY RESEARCH	31
7.2 PRIMARY RESEARCH	31
7.2.1 Interview	32
7.2.2 Survey	32
7.3 SAMPLE.....	32
8 FINDINGS.....	33
8.1 SECONDARY RESEARCH	33
8.2 PRIMARY RESEARCH	34
9 CONCLUSION.....	37
10 REFERENCES.....	40
11 BIBLIOGRAPHY	43
12 APPENDICES	47

List of Tables and Figures

Figure 3.1 Brand Prism.....	15
Figure 5.1 Consumers' Information Processing.....	24
Figure 6.1 Learning Theories.....	29

Introduction

As technological developments enable viewers to avoid commercial breaks by changing channels or using DVR and advertising clutter diminishes the effectiveness of advertisements, companies are forced to look for alternative ways of communication in order to promote their brands. In recent years the number of sponsored television programmes in Finland has increased and in most cases the connection between the programme and the brand is obvious, for example L'Oréal Paris sponsoring Project Runway. However, there are sponsorships where the link between the programme and the sponsoring brand is not so obvious due to different kinds of images, values or weak product relatedness, which arouses the question what the brand is trying to achieve with the sponsorship? One of the most common reasons for sponsorship are increasing brand awareness through property association and changing the brand image. Therefore the main purpose of this dissertation is to investigate the possibility to modify brand image and expand target audience through broadcast sponsorship by choosing a programme, which does not match the image, values or marketing strategy of the brand. The example case is Finnish sports clothing and interior decoration brand Luhta, which sponsored Big Brother reality show 2009 in order to rejuvenate the brand image and expand the target audience to young consumers. This particular example has been chosen because the appropriateness of the sponsorship has been questioned in platforms on internet by consumers.

In theoretical section of the dissertation, the first part presents the concepts of branding and brand image in order to explore how brand image is constructed. The second part consists of discussion on broadcast sponsorship focusing on the compatibility of the sponsoring brand and programme, and its influence on the effectiveness of the sponsorship. The third part is about consumer psychology; information processing and learning theories, which influence the image formation of brands. The empirical research part focuses on interview of marketing and communications manager of Luhta, Tarja Malinen and questionnaire about the example case, which is followed by the result section where the secondary data and primary data are combined to form the conclusion.

1 Literature Review

In this dissertation the theoretical frameworks are divided into three sections and the literature is reviewed accordingly. The first section consists of branding and brand image, the second focuses on broadcast sponsorship and the third introduces consumers' information processing and learning as part of the brand image formation. The theories used are discussed and evaluated more detail in each section where they are applied to the example case.

In the first section, the most extensive source of information used is *Strategic Brand management - Building, measuring and managing brand equity* by Kevin Lane Keller. He emphasises the importance of creating strong, unique and positive brand associations in consumers' minds. (Keller, 2003 p.59-67) This is echoed by Pickton (2001) who considers generating values in consumers' minds through marketing communication the essence of branding. In most literature of branding the idea of emotional values and positive associations is brought up as an important factor. Hollis (2008) expands this idea by suggesting that these associations should make the brand more valuable so that consumers want to buy it. Kapferer (2008) criticizes the approach by stating that this definition focuses on the mental associations but excludes the product itself, even if brand management starts with the product and service as the prime sector of perceived value. (Kapferer, 2008, p.10)

Most authors link brand image to perceptions and associations. According to VanAuken (2002) brand image consists of all perceptions consumers have on the brand and Keller (2003) suggests that perceptions are reflected by the associations held in consumers' memory. This is echoed by Pickton *et al.* (2001) who suggest that brands generate value through associations. All in all, finding critique or differing opinions towards the importance of brand associations and perceptions in brand image was challenging.

In the second section, which focuses on broadcast sponsorship and especially on the compatibility of sponsoring brand and sponsored programme the most recent and appropriate data was found in journals. Academic literature provides a lot of information on sponsorship in general without focusing on broadcast sponsorship, unlike journals available, which include several differentiating opinions about the importance of

compatibility. Most authors suggest that the programme has to match the sponsoring brand. According to Masterson (2005) the link between the programme and sponsor is essential for successful sponsorship as the sponsor cannot hope to gain any benefit in terms of awareness, positive consumer attitude or image transfer without it. (Masterson, 2005) However, Millman (1995) criticizes this by stating that transferring the characteristics of the programme to the sponsoring brand requires a start with enough shared elements to make a match between the two images, but not too many since then there would be nothing to transfer (Millman, 1995). Jagre *et al.* (2001) suggest that moderately inconsistent fit will be more effective in attracting the audience's attention than a perfect fit. (Jagre *et al.* 2001 cited in Masterson, 2005)

As a critique to the implications that image transference requires link between the programme and sponsoring brand in Masterson's (2005) article it is discussed that consumers actively look for the link between to programme and the sponsoring brand and sometimes start creating it themselves if it is not apparent. (Masterson, 2005). In Admap Magazine April 2004, Issue 449 there is an interesting case study of a fast moving consumer good brand sponsoring a radio morning show, which reveals that in long term consumers started to connect the brand to the radio show more clearly than at the beginning. (Hall, 2004)

In some articles it is suggested that sponsorship has to fit with the brand's overall communications strategy in order to be efficient. According to Millman (1995) the creative treatment of sponsorship should link to other communication and especially not contradict with it (Millman, 1995). Another reason for integrating sponsorship to the communications strategy is suggested in Millward Brown Knowledge Points 2006, where it is stated that consumers are not actively looking for brands at the time they are exposed to the sponsorship so it should be supported and leveraged through other media. However, Masterson (2005) argues that mild mismatch between advertising and sponsorship would stimulate consumers and therefore make communication more effective. (Masterson, 2005)

In the third section, which focuses on consumer psychology; consumers' information processing and learning, the literature used is limited to books, which discuss consumer psychology related to marketing strategy. The theory of consumers' cognitive processes involved in interpretation is discussed in most sources and there are no contradictions in

the information offered. Both Foxall (2002) and Hawkins *et al.* (1995) agree about the stages; exposure, attention, comprehension and elaboration. However, there are different viewpoints in factors influencing attention for instance, where Hawkins *et al.* (1995) focuses on the factors of stimuli, which influences the level of attention whereas Peter&Olson (2005) look into the audience's viewpoint. (Peter&Olson, 2005, p. 108-125) Overall, the limitation of these books is that the possibility of the viewer not going through the whole information processing, but stopping to the attention step for instance without comprehending the message, is not considered.

Similarities are found in information about learning theories as well. All Foxall (2002), Hawkins *et al.* (1995) and Peter&Olson (2005) divide the learning in Cognitive learning and behavioural learning. However, there are differences as Peter&Olson (2005) focuses on levels of cognitive learning, whereas Foxall (2002) and Hawkins *et al.* (1995) concentrate on rote learning and vicarious learning.

2 Background Information

2.1 Company Overview: Luhta

L-Fashion group was founded in Lahti, Finland in 1907. Company employs 1470 people and makes a turnover of about 209 million Euros. (<http://www.luhta.fi>) L-Fashion Group is one of Europe's largest clothing manufacturers with exports to over 40 countries. In recent years L-Fashion group has earned a reputation for supplying both technically advanced and design oriented products, for which it has been recognized with several prizes and awards. The products' key focus areas are high quality, clear Finnish design and top functionality. In promotion L-Fashion group builds on the success of its brands. In recent years the company has focused mainly on sports sponsorship and in- store promotions. (Bird *et al.* 2005 p.52-53)

Luhta is the oldest L-Fashion Group brand and the collection is about modern and attractive design, comfort and functionality. (Bird *et al.* 2005 p.52-53) Luhta's products are divided into three categories: Sport, which represents contemporary sportswear that combines trendy looks with the functionality of athletic wear, Fashion, which offers

relaxed and stylish ensembles and a variety of coats for casual wear, and Home, which offers textiles and interior products for modern, Scandinavian home decor.

(<http://www.luhta.fi>) Luhta's brand values are based on quality, unique style, comfort, innovation and multifunctional usage. The brand has a strong Finnish identity offering self-confident men and women contemporary clothing for sporty and active lifestyles. Luhta honours its Finnish roots and strong professionalism and is proud of its origin and traditions. (Email from marketing and communications manager, Tarja Malinen) Luhta's target group are modern, active people who appreciate quality, freshness and clarity. They want to wear clothes in harmony with their personalities. Luhta has been a frequent sponsor of major international and national sports events as well as sports-people. (Bird *et al.* 2005 p.52-53)

Luhta sponsored the reality show Big Brother 2009 by combining both traditional broadcast sponsorship and product placement. The logo of Luhta was shown at the bottom of the television screen together with other brand logos sponsoring the programme when it began and ended. Additionally the Big Brother house was partially decorated with Luhta Home products, such as towels, pillows and sheets (Appendix 1) and the contestants were given Luhta skiing jackets as part of the show.

2.2 The Big Brother Concept

The first "Big Brother" was broadcasted in 1999 in the Netherlands on Veronica. This date marked a change in the way TV contents were made and how viewers approached TV programmes. (Braun, 2009) This mould-breaking series has been hailed as the 'godfather of reality shows'.

The idea of Big Brother is that twelve people, who have never met before, move into the Big Brother house where they must spend the next 100 days. In their compound they're denied any contact with the outside world and their family or friends. No phones, newspapers, radios or televisions are allowed. Cameras and microphones are placed all over the house. Everything the contestants do is recorded and broadcasted on television and online. Once a week the housemates must nominate two or more of the contestants for

eviction, but the viewers ultimately decide who has to leave. The last participant to leave the house wins the programme, and a huge cash prize. (<http://www.bigbrother.com>)

2.3 Big Brother 2009 in Finland

In 2009 the fifth season of Big Brother was shown on TV channel Sub. In addition to the main show there was wide range of media activities built around the series. From Monday to Saturday at 10pm the main show was on air for one hour and on Sunday at 9pm in the Big Brother talk show one of the contestants was evicted. The Big Brother Extra was on air every day and during that show there was a text message chat where viewers could comment the show and contestants. The show was expanded to internet as well and viewers were able to buy a package which enabled them to see what happened in the house in real time 24/7. The Sub's internet pages (Appendix 2) for Big Brother had competitions, news, advertisements, links, sponsor information, fan pages and forums, so the Big Brother format made use of almost all media forms. (<http://www.sub.fi/bigbrother2009/>)

All in all the Big Brother 2009 gathered 1,4 million viewers weekly * and during the whole 5th season it reached 3 million people.* Most viewers were from 15 to 44 years old and the average age of the viewers was 39.

*Reach= watched the show continuously more than 5 minutes

All ratings of Big Brother 2009 increased from last year. The broadcasts every night at 10pm reached 419 000 viewers on average, the talk show on Sundays reached 585 000 viewers on average and the Big Brother Extra reached 182 000 viewers on average. The Big Brother final 2009 made Sub's viewer record of all times with 779 000 viewers on average during the two hours' show. When the winner was announced (10.30pm-10.45pm) the show had 973 000 viewers on average.

In the Sub's Big Brother internet pages, the busiest time was week 40 when it had almost 520 000 visitors. In Facebook the Big Brother group had almost 32 000 fans. (<http://www.sub.fi/bigbrother2009/>)

Despite the high ratings of Big Brother, every season it has been a topic of general conversation and target for criticism due to behaviour of contestants. In 2006 for example the behaviour of Big Brother contestants disappointed two sponsoring companies R-Kioski and Saunalahti, which led to conversations with the channel and clarification of the situation. (<http://www.iltasanomat.fi>) Reality shows in general are great opportunity for the sponsoring brand, but there is a risk of ruining its reputation. Even though part of Big Brother's plot is written, there is the possibility of watching the show live 24 hours a day, when the behaviour of contestants cannot be censured. (<http://www.taloussanommat.fi>)

3 Branding

Branding has existed for centuries as a way of distinguishing the goods of one producer from those of another. The word brand's origins are in the Old Norse word "brandr" which means "to burn", as brands were originally means by which owners of livestock marked their animals to identify them. The American Marketing Association (AMA) defines a brand as "a name, term, sign, symbol or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers, and to differentiate them from those of competition." (Keller, 2003, p.3)

A brand is intangible but critical representation of what the company stands for. A consumer rarely has a relationship with a product, but he or she may have a relationship with a brand. (Davis, 2002, p.3) Therefore the company has to build a relationship between consumers and the brand through communication, and generate values in the minds of consumers. (Pickton&Broderick, 2001, p.23) According to Keller "A brand is a set of mental associations, held by the consumer, which add to the perceived value of a product or service". (Keller cited in Kapferer, 2008, p.10) The challenge in building a strong brand is to create a marketing programme that helps in linking the desired thoughts, feelings, images, beliefs and perceptions to the brand. (Keller, 2003, p.59) But why would companies invest millions on brand identity and marketing to build nothing more than a collection of perceptions? What is missing from the definition is the idea that these perceptions must somehow make the associated product more salient or more interesting than it otherwise would be. The mental associations must make the branded product valuable enough to potential buyers to inspire them to choose it over alternatives. (Hollis,

2008 p.9) All in all, this definition focuses on the mental associations but excludes the product itself, which would make brand management mostly a communication task, which is incorrect. Modern brand management starts with the product and service as the prime sector of perceived value, while communication is there to orient tangible perceptions and to add intangible ones. (Kapferer, 2008, p.10)

3.1 Brand Values

Brand values describe the features and associations that the brand is constructed of. Brand values capture brand's essence in a few words, which sum up what makes the brand unique. (Morton, 2009) Luhta's brand values describing the products are Finnish, sporty, and good quality.

In buying situations consumers may choose a brand that supports his or her own values if there is only small difference between the performances of competing products, which makes it important to create and sustain brand's uniqueness through emotional values. (De Chernatony, 2001, p. 31) However, it has also been argued that the uniqueness cannot be achieved through a list of adjectives, as brands have histories and character traits, which make the brand interesting and unique. (Morton, 2009)

3.2 Brand Associations

Brand associations can be defined as anything a consumer associates with the brand in his or her mind. According to Aaker these associations could relate to the product features, organization or symbols for example. (Aaker cited in VanAuken, 2002, p.17) It can be argued that if a brand symbol does not create any associations in consumers' minds it exists in name only, does not have any brand equity and therefore is no more than a trademark. Brands generate value through associations and in a situation where there is only little differentiation between competing products, consumers tend to choose the brand that produces more positive associations. (Pickton&Broderick, 2001, p.35)

Even the users of certain products may create brand associations. This is often exploited in advertising and especially in sponsorship by creating images of prestige or success by associating the brand with glamorous personalities, like athletes or movie stars.

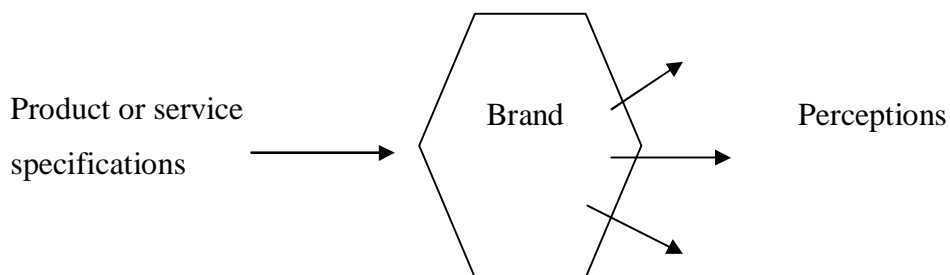
(Doyle&Stern, 2006 p.168)

3.3 Brand Perception

According to Kotler "Perception is the process by which people select, organise and interpret information to form a meaningful picture of the world." (Kotler *et al.* 2005, p.273) In the interpretation process brands work like prisms (Figure 1 Brand Prism): The different kinds of perceptions are influenced by the product itself and the brand.

(Tybault&Calkins ed. 2005, p.2-3.)

Figure 3.1 Brand Prism



(Tybault&Calkins ed. 2005, p.2-3.)

One stimulus may lead to several different kinds of perceptions among consumers due to three perceptual processes: selective attention, selective distortion and selective retention. Selective attention means that people tend to screen out most of the information they are exposed during the day, selective distortion describes the tendency to fit incoming information into an existing mind-set so that the information is interpreted in a way that supports what they already believe, and selective retention describes people's tendency to forget much of what they have learned and retain information that supports their beliefs.

(Kotler *et al.* 2005, p.273)

3.4 Brand Image

Brand image is the representation of the brand in consumers' minds. It consists of all the perceptions consumers have on the brand resulting from previous experiences and knowledge of the brand. (VanAuken, 2002, p.18) Brand perceptions are reflected by the brand associations held in consumer's memory, which may reflect characteristics of the product or other independent factor linked to the brand. (Keller, 2003, p.64) This kind of characteristics or factors may be particular characters associated with the brand, symbols, endorsers, lifestyles and type of users, for instance, which together create the associations. (Batra *et al.* 1996, p.321)

According to most sources the image of a brand is a subjective thing, consisting of the associations and perceptions each consumer has on the brand. But if a brand is experienced in a unique and personal way, without consumers having any common idea about the brand, why would brand managers invest in creating a certain type of brand image? Hollis (2008) argues that there should be at least some collective understanding among consumers of the brand or otherwise it would not have any value. (Hollis, 2008 p. 12)

4 Broadcast Sponsorship

There are several definitions for broadcast sponsorship. According to ITC 2000 “a Sponsored Programme is a programme that has had some or all of its costs met by a sponsor with a view to promoting its own or another's name, product or service”. Ford&Ford (1993) define broadcast sponsorship as “the direct or indirect financing of a programme by an outside party not involved in broadcasting, with a view to promoting its name”, which is slightly more extensive definition including the aspect of a sponsor not being involved in broadcasting. According to the third definition “Commercial sponsorship is an investment, in cash or in kind, in an activity, in return for access to the exploitable commercial potential associated with that activity.” (Meenaghan, 1991) According to this definition the price paid is sponsor's investment in return for permission to exploit the exposure potential which the activity has in terms of audience, and the image associated with it. (ITC, 2000, Ford&Ford, 1993, Meenaghan 1991, cited in Masterson, 2005)

Broadcast sponsorship in Europe began in the 1980s and now it is allowed in most broadcast markets in Europe in some form. (Bloxham, 1998). In Finland the national law and the EU directive “Television without Frontiers” regulate broadcast sponsorship and product placement (see appendix 3&4). (Vilppula, ed. 2008, www.finlex.fi, <http://eur-lex.europa.eu/>). Broadcast sponsorship is becoming more common as in 2006 the worldwide spending on it was almost \$3.4 billion and in 2007 it had grown to \$4.4 billion. US remains the largest global market, accounting for two-thirds in spending, but the growth is driven by loosen European regulations and emerging Asian markets. (Marx 2007 cited in Smit, 2009) The number of Sponsored programmes has also increased in Finland. Sponsorship and product placement are most common in reality TV shows, such as *Big Brother*, *Fab Five* and *The next top model*. (<http://www.taloussanomat.fi>)

Companies see sponsorship as an alternative to traditional advertising methods, which have become less effective due to advertising clutter, audience’s lack of interest and technological developments giving viewers more control over what they watch. (Smit, 2009) People are able to change channels during commercial break or use the DVR to skip commercials, but it can be logically concluded that if they decide to watch a television programme they cannot escape the possibility of being exposed to brand name in case of sponsorship. Advertisers simply move to sponsorship to put their brand name in a position where it is almost impossible to be ignored. (Fortunato&Windels, 2005) Broadcast sponsorship not only diminishes the ‘problem’ of consumers avoiding commercials, but can also add favourable associations to sponsoring brands and improve brand image through associations. (Wenner 2004; Van Reijmersdal et al. 2007, cited in Smit, 2009).

4.1 Programme Selection

In broadcast sponsorship the programme selection is a crucial factor influencing the success of the sponsorship as it works differently from traditional advertising and has limited means of communicating the message. Sponsorship works by creating associations in consumers’ minds by linking the brand to the programme so the message itself is not as important as the associations created by the factors in the programme. Therefore it is essential to consider what kinds of associations television programmes create and choose the one that helps in reaching the objectives. In terms of media, sponsorship is described as

a non-verbal medium whose message is delivered by association with the sponsored programme, whereas advertising for example uses a mixture of visuals, vocals and context to put the message across (Meenaghan 1991). In order to rejuvenate the brand image, Luhta sponsored Big Brother 2009 to associate the brand to a programme, which attracts mostly young consumers.

When creating associations with the programme the company is not able to influence what kinds of associations the match generates. It is not only the positive features and values of the programme which are transferred to the brand, consumers might associate the negative attributes in the programme to the brand too. The element of association in sponsorship creates bigger risks than advertising for instance. (Jackson&Lowde, 2000) As a television programme Big Brother has made a splash every season and some consumers become huge fans whereas others consider it rubbish. The biggest fuss has been caused by the behaviour of the contestants, which often attracts condemnation among some consumers. According to Tarja Malinen, in Luhta they were aware of the nature of the programme, consumers' opinions about it and the potential risks of sponsoring that particular programme, but despite the risks chose Big Brother in order to reach an audience which is not their normal target audience.

The most common reasons for companies to consider sponsorship are increasing brand awareness through association and changing or improving the brand image. (Jackson&Lowde, 2000). Changing brand's image and increasing awareness is achieved through associations created with the programme and therefore the company has to choose a programme with ideal image to be transferred.

The programme should be chosen according to the objectives. If company's strategy is to reinforce its current brand values it may require one sponsorship vehicle, whereas if the strategy is to modify attitudes towards the brand another very different sponsorship vehicle may suit better. (Walford, 1992) Luhta for example could have sponsored a sports programme if it had wanted to reinforce its image as sporty clothing collection but instead the company chose to sponsor Big Brother in order to modify the brand image. When choosing the programme, the length of the sponsorship is one strategic aspect to be considered. The duration of the sponsorship and the link between the brand and the sponsored programme influence the level of persuasiveness of the sponsorship (Crimmins

& Horn 1996, cited in Masterson, 2005). A short-lived sponsorship with no obvious link may work simply on the level of sponsors attaching their brand name to the programme and combining a raised presence on television with the possibility that some of the programme's image characteristics might be transferred to the sponsor. Longer-lived sponsorships can enhance or even generate the sense of appropriate link between the brand and the programme through repetition and familiarity. (Millman, 2000) In Luhta's case the duration of the Big Brother season is only a few months, so the sponsorship is quite short-lived. However, as the programme is on air every day, the possibility of exposure is bigger, which improves Luhta's possibility of enhancing or even generating the sense of appropriate link with Big Brother, as it might not be obvious from the beginning.

It is noticeable that most brands choose to sponsor a programme which matches the brand image, its products or target audience. It is easy for the viewer to combine the sponsoring brand to the programme if their connection is clear from the beginning. Many authors agree that the link between the programme and sponsoring brand is essential for successful sponsorship. Without the link creating association with the programme is much more complicated and consumers may become confused and question the appropriateness of the sponsorship. According to Masterson (2005) sponsor cannot hope to gain any benefit in terms of awareness, positive consumer attitude or image transfer without the fit between the brand and the programme. A good fit promotes positive attitudes towards the sponsoring brand and enhances the sponsor's credibility with the sponsorship vehicle's audience making it more likely that consumers will attribute altruistic motives to the sponsor. (d'Astous & Seguin 1999; Rifon *et al.* 2004 cited in Masterson, 2005)

The link between the brand and the programme can work on three levels: theme, style and symbol. At thematic level there is a direct and logical link between the programme and a brand: L'Oréal Paris and Project Runway, for instance. However, it is unlikely that a thematic link would completely override the effects of contrasting values between brand and programme so there also needs to be a stylistic link. At stylistic level, there is a link between the values of the sponsored programme and the sponsoring brand. At the symbolic level the programme and the brand fall into the same lifestyle, which can also mean a functional link, where the product may be consumed while watching the programme. (Walford, 1992)

4.2 Compatibility of the Sponsoring Brand and the Programme

It has been mentioned earlier that if there is a link between the programme and sponsoring brand, the sponsorship becomes more efficient and image transference stronger. It is also suggested that if the programme and the brand form a perfect match, the whole programme can become part of the sponsor's message as the association becomes so strong. According to Masterson the effectiveness of the sponsorship's impact depends on the image fit with the programme and ideally in terms of impact, a perfect fit means the sponsor's message is the length of the entire programme. (Masterson, 2005)

On the other hand if the sponsoring brand and the programme are a perfect match there would be nothing new to transfer to the brand. A perfect match might work in reinforcing certain values that already exist, but in modifying brand image the programme should have at least some different values to be transferred to the brand. It is stated that if the company wants to go beyond increasing brand awareness and modify the brand image by transferring characteristics of the programme to the sponsoring brand there should be enough shared elements to make a match between the two images, but not too many since then there would be nothing to transfer. (Millman, 1995)

Sometimes inconsistent fit between the sponsoring brand and the programme attracts viewers' attention as they start to think about the connection which is not automatically recognised. Jagre *et al.* (2001) suggest that in a broadcast sponsorship moderately inconsistent fit will be even more effective in attracting the audience's attention by stimulating them than a perfect fit. (Jagre *et al.* 2001 cited in Masterson, 2005)

4.3 Viewers Creating the Link

It is stated that the image fit between the programme and the sponsoring brand is important, but what if the compatibility of the brand and the programme is not obvious, does the sponsorship have any potential to work?

There are arguments suggesting that the audience creates links in their minds between the programme and the brand when it is not obvious. According to Masterson sponsorship's

potential in modifying brand image is supported by audience's tendency to actively look for an image fit; sometimes manufacturing one themselves when it is not readily apparent. (Masterson, 2005) This finding can be supported by Hall (2004) who suggests that if there is not any clear connection between the sponsor and the sponsored programme, the viewers will try very hard to make one because it is part of a programme they want to appreciate. (Hall, 2004) The risk in viewers creating the link themselves is that the company is not able to influence the nature of the link created. Sometimes it may be created through negative associations and the message intended to communicate can become distorted.

A case study conducted with a fast moving consumer good brand, which wanted to revitalise its core brand values by sponsoring a morning radio programme highlighted three key findings; penetration and programme/brand association, effectiveness in strengthening the brand relationship and sponsorship's effects in terms of borrowing programme values.

As Figure 1 (Appendix 5) shows, the registration of the sponsorship strengthened over three-month period. It worked differently from a conventional TV advertising launch as it took more time to wear in and its impact derived less from increasing sheer penetration and more from strengthening of the association. The audience gradually understood and started to appreciate the connection between the programme and the brand (figure 2 appendix 5). At the beginning the programme had particular values they shared with the sponsoring brand and others which the brand lacked and as figure 3 (Appendix 5) shows, those exposed to the sponsorship began to associate these values strongly with the brand through sponsorship. Modifying brand image can be difficult with TV advertising but in this example it was achieved by radio sponsorship in just one quarter. (Hall, 2004)

At the beginning the compatibility of Luhta and Big Brother was not obvious, especially when image and values are considered, which might complicate the association creation and image transference in the sponsorship. However, as proven by the research the audience has the tendency to create the link themselves, especially in long term. The problem in Luhta sponsoring Big Brother is the rather short period of time one season lasts, as sponsorship takes quite long time to wear in. However, as the programme is on air every day during the season, the most active viewers are exposed to the message regularly, which might speed up the creation of the link between the programme and the brand.

4.4 Integrating Sponsorship to the Communications strategy

Broadcast sponsorship can either be integrated into the brand's overall communications strategy or it can work separately from other communications methods. Most authors agree that sponsorship is most effective when integrated into the communications strategy. When consumers are exposed to sponsorship they are not actively looking for brands, so supporting and leveraging the message through other media makes the communication more efficient. (Millward Brown Knowledge Points 2006) If the sponsorship is integrated into the communications strategy, the programme and the style of sponsorship should fit with the brand strategy and in order to create solid communication. According to Masterson (2005) there is a risk of sending mixed messages and confusing consumers if the sponsorship does not fit the overall communications strategy. Additionally the integration of sponsorship with other promotional tools influences its impact on brand recall. (Masterson, 2005) This is echoed by Millman (1995) who emphasizes the importance of linking the sponsorship to the current or recent spot advertising to maximise the efficiency. (Millman, 1995)

However, especially if the objective is to change the brand image or expand the target audience, integrating the sponsorship to former communications methods by using similar style and programme might not generate the wished results. Especially if the company wants to expand the target audience to a small part of the consumers but not lose the existing target audience, it might use sponsorship only in attracting the new target audience's attention but still continue communicating with the existing audience in traditional manner. It has even been suggested that a mild mismatch between broadcast sponsorship and press advertising would stimulate audience and therefore make communication more effective. (Masterson, 2005)

The sponsorship of Big Brother worked separately from Luhta's overall communications strategy as it usually sponsors athletes or sports events, or uses in-store promotions. However, as part of the sponsorship Luhta was mentioned in the Sub's Big Brother web pages and it had competitions concerning the Big Brother on its own home page as well.

4.5 Product Placement

Product placement means placing products into a television programme. The expression “product placement” essentially describes the location, or more accurately the integration of a product into a film or television programme. (Lehu, 2007 p.2). In Big Brother 2009 Luhta Home products were part of the interior decoration and bath products (see appendix 1).

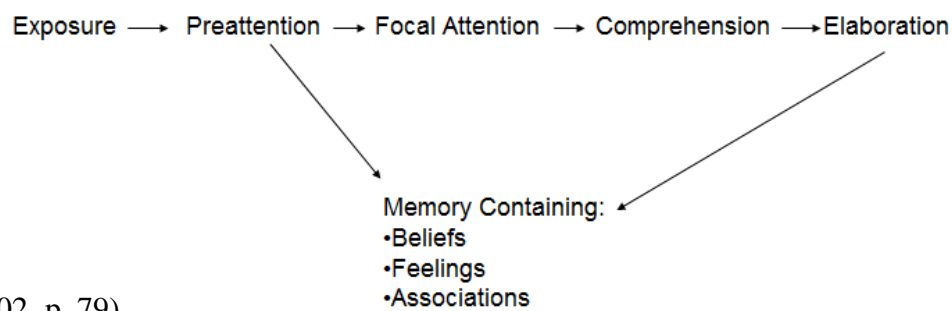
Product placement can be an effective way of communication if the products are noticed and the programme generates wished associations. However, the environment has to be carefully understood and controlled in order to achieve that. To be effective, the brand must be positively linked to appropriate associations in consumer’s memory as with any other effective marketing communication. (Ford, 2006) The problem is that the company is rarely able to control how its products are seen and whether the associations generated are positive or not. The company can choose a programme which seems to help in achieving its objectives but in the end it is not able to control how viewers see the characters or the storyline. The brand managers have relatively little control over the way their product or brand is seen in the programme and how the programme will succeed. It is possible that the programme ends up being a flop when the investment will be wasted. (White, 2007) When Luhta Home products were placed in Big Brother, Luhta was not able to influence how much their products were shown in the programme and how viewers would react to the programme and especially to contestants’ behaviour, which might influence the perceptions formed about the brand.

Product placement’s strength is the potential to enhance a strong brand as it can augment and clarify an image that has already been created, but it has difficulties in creating one. (Coleman, 2006) In Luhta’s case the purpose of product placement was to rejuvenate the brand image through associations with Big Brother, which is not ideal objective for product placement. However, the product placement was combined with sponsorship, which has the potential to change the brand image.

5 Consumers' Information Processing

Information processing and interpretation includes series of stages where the information comes from the external world, is attended by the consumer, interpreted, understood and stored in memory for future use. The process includes exposure to the stimuli, paying attention to it, comprehending the message and elaborating it (Figure 2 Consumers' Information Processing). (Foxall, 2002, p. 79) However, the limitation of this theory is that, it does not consider the option of consumer not finishing the process. He or she might be exposed to the message, pay attention to it but not comprehend it, when the communication is not successful.

Figure 5.1 Consumers' Information Processing



5.1 Exposure

Exposure occurs when a piece of information is targeted to consumers and there is a possibility of consumers noticing it. Exposure to information requires that either one or more receptor organs must be in contact with the stimulus containing information. (Foxall, 2002 p. 79) This means that the consumer should either watch a television channel or listen to a radio programme where the stimulus is presented, in order for the exposure to occur. However, the information does not have to be received for exposure to have occurred. (Hawkins *et al.* 1995, p. 239) Consumers are targeted thousands of stimuli every day through television, radio and the surrounding environment. Consumers are only exposed to a small part of the messages that are directed towards them and the built-in capability of their sense organs and brain structures prevent them from processing all the information that is available to them at once. (Foxall, 2002, p. 79)

For example in case of Luhta sponsoring Big Brother, the logo and products are placed in the programme so that viewers of the programme become exposed to the message. However, at the same time there are other sponsors of the same programme and advertisements on other channels, which are also directed towards the viewer, so he or she cannot be exposed to all of them at once. Even if the viewer focused on watching Big Brother and was exposed to the sponsor's message, he or she could receive information outside the programme, such as a telephone call, which requires information processing, so the brain structure could prevent him or her from processing the information of sponsorship.

5.2 Attention

“Attention Occurs when the stimulus activates one or more sensory receptor nerves, and the resulting sensations go to the brain for processing.” (Hawkins *et al.* 1995, p. 241) After consumers are exposed to the marketing information the interpretation process begins by paying attention. Attention processes vary from highly automatic, unconscious level called preconscious attention or preattention to a controlled, conscious level called focal attention. (Peter&Olson, 2005, p. 108-125) In this dissertation the focus is on preattention as it relates to broadcast sponsorship.

5.2.1 Preattention

“In psychological terms, attention refers to the amount of mental effort or cognitive capacity allocated by an individual to the stimulus environment at hand.” Or simply put, the level of attention a consumer pays to the information. As mentioned earlier consumers cannot pay attention to all stimuli surrounding them, so some of them are paid less attention to. Preattention is the lowest level of awareness where the mind uses only little capacity to process the information, while most of the processing capacity is used elsewhere. (Foxall, 2002, p. 81) Preattention is an automatic process, which uses little or no cognitive capacity or conscious awareness and is more likely to occur in situations where the involvement or importance is low or moderate. (Peter&Olson, 2005, p. 108-125) A viewer of Big Brother will probably use most of the cognitive capacity in processing the

information provided by the programme itself instead of the Luhta products placed in it or logo showed at the beginning or before commercial break, so the attention process is likely to be preattentive.

Some researchers have suggested that even if large amounts of information processing capacity is not used, information can be transmitted to memory through repetition of simple messages and images. According to 'mere exposure' hypothesis positive feelings or heightened recognition for some stimulus, such as brand name can be created through repeated exposures even if the consumer pays little conscious attention to it. (Zajonc and Markus 1982, cited in Foxall, 2002, p.81) This indicates that even through simple repetition of the logo, Luhta has the possibility of arouse positive feelings and heighten recognition by sponsoring Big Brother.

5.2.2 Factors Influencing the Level of Attention

Many factors can influence the level on consumers' attention to marketing information, like general affective state, involvement with the information and the prominence of the information. If the consumer is aroused or interested in the topic, it is likely that he or she is more focused on the information and pays more attention to it. Also if the stimulus associated with the marketing strategy is prominent it is more likely to attract attention. (Peter&Olson, 2005, p. 108-125)

In Luhta's case, if the viewer of Big Brother is aroused by the programme he or she is more likely to pay more attention to the programme itself, instead of the logos of sponsors or products placed on the background, whereas if the arousal is momentarily low he or she may pay more attention to the background. If the viewer is interested in decoration he or she may pay more attention to the Big Brother house and Luhta's products than a person who is not interested in it at all.

The factors of stimulus, which attract attention, are its size and intensity, colour and movement, position, isolation and format. Larger stimulus is naturally more likely to be noticed than smaller ones. If the stimulus is shown several times or if it is loud or bright, it is more likely to attract attention than a quiet stimulus shown only once. The usage of

bright colours and movement also improve stimulus' ability to attract attention as well as the format, the manner of how the stimulus is presented. If the stimulus is placed well in the viewer's visual field or isolated from other stimuli its ability to attract attention improves. (Hawkins *et al.* 1995, p. 245)

However, this theory does not consider the fact that viewers adapt to situations quite easily and when the message, such as sponsor's logo is repeated regularly the viewers get used to it and pay less attention to it. According to Assael (1998) the greater the consumer's adaptation level, the less likely it is that attention will take place. If viewers become so adapted to repeated messages they tend to tune out when they are exposed to it and do not pay attention to it. (Assael, 1998, p. 219)

Luhta's logo shown in Big Brother is not very big, but it is shown several times during one episode of Big Brother and especially during the whole season. The products placed on the programme are visible and shown all the time during the programme, but on the background, which lowers their ability to attract attention.

5.3 Comprehension

After the message, such as advertisement or logo of a sponsor, has been noticed and attended to the information within the message, the content must be comprehended. In the process of comprehension the mind retrieves already existing information from memory and uses it in creating meaning for the content, forming new representations to be stored in memory. Comprehension is very selective process and consumers can comprehend and response to messages several ways depending on their existing opinions and knowledge. (Foxall, 2002, p. 82)

The existing knowledge and beliefs consumers have influence the depth and elaboration of comprehension process. Consumers that have little prior experience with the product or brand, such as young consumers Luhta is trying to target, are able to comprehend marketing information only at superficial level. Consumer's involvement improves his or her motivation to comprehend the information and the influence of prior beliefs tend to generate associations that fit with the previous opinions instead of contradict them.

External factors, such as time pressure, consumer's affective states and other distractions, may have negative influence on the comprehension process. (Peter&Olson, 2005, p. 108-125) If the young viewer of Big Brother has already existing opinion that Luhta is not very youthful brand, the comprehension process may proceed according to that belief. If he or she is interested in interior decoration or sports clothing, the motivation to comprehend the information is likely to be higher than for a person, who is not interested in them.

5.4 Elaboration

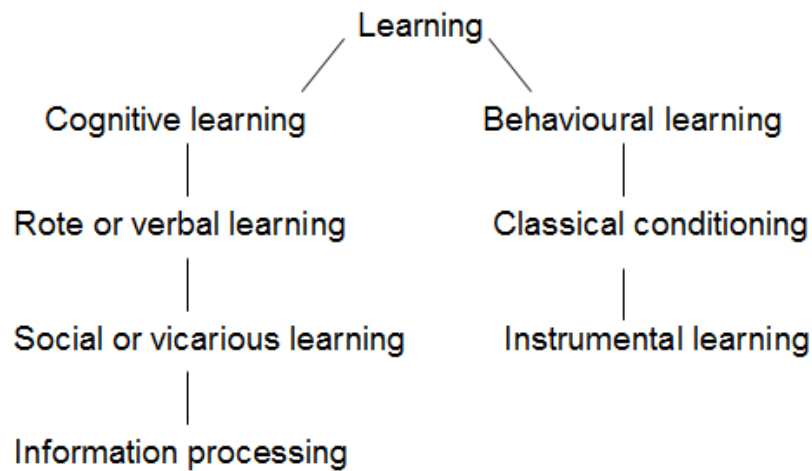
Elaboration is the final stage of information processing, and refers to the creation of complex networks of ideas, feelings, beliefs and images about products or brands in consumers' brain after receiving the messages from marketers. (Foxall, 2002, p. 83)

6 Learning Theories

Learning is important in creating brand image as it is related to perceptions, which form the brand image. All the things consumers know, feel or think about brands are stored in consumers' memory and come from the process of learning. (Foxall, 2002, p. 75) Learning may occur either in high-involvement situation, when the consumer is motivated to learn or in low-involvement situation, such as being exposed to broadcast sponsorship, when the consumer has no motivation to learn the material. (Hawkins *et al.* 1995, p. 270)

The concept of learning is very broad and it has several definitions but the most basic distinction of learning theory is between the cognitive and behaviourist approaches (Figure 3. Learning Theories). According to cognitive learning theory learning is mainly conscious mental activity, whereas behavioural approaches describe learning as unconscious changes in behaviour. (Foxall, 2002, p. 76)

Figure 6.1. Learning Theories



(Foxall, 2002, p. 76)

6.1 Cognitive Learning

Cognitive learning includes all the mental activities of humans as they try to scope with situations and it involves learning ideas, concepts, attitudes and facts about products and brands, for instance. (Hawkins *et al.* 1995, p 276) Cognitive learning occurs when people interpret information in the environment and create new knowledge, which often changes the existing knowledge structures in memory.

Interpreting information about products and services can result in three levels; accretion, tuning and restructuring. Most cognitive learning happens through accretion, in which consumers add new knowledge, meanings and beliefs of brands to their existing knowledge structure. At some point the knowledge structure becomes larger and more complex, and the different parts of knowledge are combined to form a new overall meaning. This process is called tuning. Restructuring involves revision of the entire associative network of knowledge and might mean creating completely new meaning structures. The difference of restructuring and other levels is that restructuring usually requires extensive cognitive effort and reasoning process, and therefore it tends to be rare. (Peter&Olson, 2005, p. 61-63)

Cognitive learning can be divided into three parts: rote or verbal learning, social or vicarious learning and information processing, which has already been discussed earlier. In this dissertation Rote learning is discussed as it relates to broadcast sponsorship.

6.1.1 Rote Learning

Rote learning means learning through repetition. The simplest form of learning occurs when consumers are repeatedly exposed to information, such as brand names or slogans, which the viewer memorises without paying much attention. In addition to being stored in the memory, the bits of information, such as Luhta's logo, may become associated with other information in mind forming weak beliefs and feelings about the brand. (Foxall, 2002, p. 77) Even though the level of learning may be weak, consumers can form beliefs about the characteristics or attributes of products. (Hawkins *et al.* 1995, p.276) Through rote learning, even simple messages, such as Luhta's logo may lead to learning and forming beliefs when repeated regularly.

6.2 Behavioural Learning

6.2.1 Classical Conditioning

Where the rote memory form of learning suggests that simple beliefs about products and brands can be formed through repeated exposure to information about them, the process of association called classical conditioning enables consumers to learn to form more sophisticated beliefs about products or brands. Associating conditioned stimulus, such as a brand name, with the unconditioned stimulus, consumers unconsciously learn to associate the original unconditioned feelings with the new stimulus forming a conditioned response. In conditioned response the conditioned stimulus alone produces the same feelings as the original unconditioned stimulus after repeated the pairings few times. This explains how consumers learn to associate certain feelings and beliefs with brands. (Foxall, 2002, p. 89-91) The classical conditioning is used in broadcast sponsorship, as the feelings awoken by a stimulus in the programme are transferred to the brand by combining the brand logo to the programme. The challenge of Luhta in sponsoring Big Brother is that the programme

awakes a wide variety of feelings, some viewers love it whereas others are shocked by the contestants' behaviour and it is possible that the brand logo may awake these same feelings in the future if they are associated.

7 Methodology

7.1 Secondary Research

In this research the main focus is on external secondary data, which is gathered for some other research from outside entities. (Shiu, et al. 2009 p. 140). In this dissertation academic literature on branding, consumers' information processing and learning, and broadcast sponsorship are used. In researching the broadcast sponsorship especially academic journals are used due to up to date information available and versatile opinions and research results presented. The advantages of using secondary data are its cost-efficiency and speed. However the credibility, accuracy and consistency of the data has to be carefully evaluated, which may sometimes be challenging, and therefore cause bias in the research. (Shiu, et al. 2009 p. 144)

7.2 Primary Research

Both qualitative and quantitative primary research is used in researching the example case, Luhta sponsoring Big Brother, in order to find out whether the sponsorship has rejuvenated Luhta's brand image and whether it succeeded in expanding the target audience to young consumers. The qualitative research method used is an interview with Tarja Malinen, the marketing and communications manager of Luhta, in order to find out company's viewpoint and objectives on the sponsorship. The quantitative research method includes a survey to consumers in order to find out how they see Luhta and the sponsorship, and whether they consider the brand image changed.

7.2.1 Interview

The qualitative primary research includes an interview with the marketing and communications manager of Luhta, Tarja Malinen. The form of the interview is free response interview, from which most are open questions. The purpose of the interview is to have inside information for the example case of Luhta sponsoring Big Brother 2009. The interview was conducted via email, due to long distance. (Appendix 6). In-depth interview enables collecting attitudinal and behavioural data from the subject by asking different kinds of questions in a flexible environment. However, it has its limitations as the findings might lack reliability caused by interviewer or interviewee errors. (Shiu, et al. 2009 p. 206)

7.2.2 Survey

The quantitative primary research consists of a survey for consumers to find out if they have watched Big Brother and what they think about the sponsorship (Appendix 7). The survey consists of closed ended, dichotomous questions, multiple choice questions and open ended questions. (Proctor, 2000, p. 164-165) The advantage of survey method is its ability to accommodate large sample sizes at relatively low costs, but its disadvantages are the difficulty of designing the study and questionnaire design, and avoiding errors in the research and analysing the results. (Shiu, et al. 2009 p. 226-227)

In this survey of Luhta sponsoring Big Brother the limitation is that it is conducted only after the sponsorship, whereas it should have been conducted both before and after the sponsorship in order to have reliable information about the image change, not only the information about the viewers' opinion on whether they consider the image changed and comparing the viewers' perceptions on Luhta to those of non-viewers.

7.3 Sample

The sample of the questionnaire includes young consumers aged 15-25 or 26-35 in order to measure the opinions of the consumers, which Luhta wanted to target by sponsoring Big Brother. The questionnaire was sent to students in different universities and universities of

applied sciences in Finland, as well as to a few companies where employees are mainly young adults. The number of responses received was 116, but due to several open ended questions, which take more time to analyse 80 of the responses are analysed. The 80 responses analysed are the ones in the middle, numbers 19-98. Analysing all the results or having bigger sample would give more reliable results, but due to limited time a smaller sample is analysed.

8 Findings

8.1 Secondary Research

According to academic literature brand image consists of all perceptions consumers have on the brand, which are reflected by the associations held in consumer's memory. As broadcast sponsorship works by creating associations, which influence consumer's perception of a brand, effective sponsorship has the potential to influence brand's image.

The link between the sponsoring brand and the programme is important in order for the image transference to occur. In ideal situation there would be enough shared elements between the programme and the sponsoring brand to make a match, but not too many since then there would be nothing to transfer. However, in some cases inconsistent fit would be an effective way of attracting attention. Normally the sponsorship should fit with the overall communication strategy in order to avoid sending mixed messages. As consumers are not looking for brands when they are exposed to sponsorship, it should be supported by other ways of communication. On the other hand a mild mismatch between the strategy and sponsorship might stimulate consumers and make sponsorship effective.

The most important arguments are the ones suggesting that consumers try to form the link between the sponsoring brand and the programme if it is not obvious from the beginning. The image of compatibility between the brand and the programme in consumers' minds strengthens when the message is repeated longer period of time. Especially the results of the case study showed that consumers who were exposed to the sponsorship began to associate certain programme values strongly with the brand through sponsorship, even though the brand lacked them at the beginning. When choosing the programme to be

sponsored the company should consider the risks of association if the link is not obvious, as consumers might not create the associations the company has planned.

Considering the consumer's information process and learning, the academic literature gives clear framework on the issues influencing the efficiency of sponsorship. Some of them are caused by the environment and therefore uncontrollable, but others the company can consider. First of all, consumer's involvement with the information increases the level of attention, so the brand should sponsor a programme which has viewers who are or could be generally interested in the products of the brand. The company should also consider the number of other brands sponsoring the programme, as if there are several of them, the level of attracting attention becomes lower, which weakens the possibility of comprehension and image transference.

The comprehension of message is influenced by consumers' previous beliefs, associations and knowledge of the brand, which may be difficult to change as consumers are actively looking for information that support their opinions and associations. Therefore the company should be prepared for a longer process if its objective is to change the brand image radically. The amount of prior knowledge also influences the depth of comprehension, so if the target audience is completely new and unaware of the brand they might be able to comprehend the message only at superficial level.

8.2 Primary Research

In this part the results of the survey (Appendix 7) are presented.

In the first question respondent is asked to choose the right age category. The age is asked because one of Luhta's objectives was to attract younger consumers and therefore the responses of young consumers should be paid attention to. All the responded fell into age categories 15-25 years old or 26-35 years old, from which 73% was from 15 to 25 and 27% from 26 to 35 years old (Appendix 8 graph 1)

In the second question, the respondent is asked whether he or she watched Big Brother in order to find out how many percentages of the respondents were exposed to the

information. From the respondents 27% watched the programme regularly, 43% occasionally and 30% didn't watch the show. (Appendix 8 graph 2)

In the third question respondent is asked to describe Big Brother with three adjectives, so that the overall attitude towards the programme would be found out. The question is open ended instead of multichotomus question with fixed alternatives in order to avoid influencing the respondent's opinion or missing some adjectives consumers think by leaving them out of the options. 12% of respondents who watched Big Brother described it funny, 10% entertaining and 9% easy to get hooked by. The rest 69% included adjectives such as surprising, annoying, crazy and indecent. (Appendix 8 graph 3)

In the fourth question the respondent is asked if he or she remembers any brands shown in Big Brother. This is not a multichotomus question with given alternatives as the purpose is to measure whether consumers remember any brands without prompting. 26% of the respondents did not remember any brands, 21% remembered one brand, 36% remembered two brands and 17% remembered three brands. Luhta was not considered when calculating the results as it was already mentioned in the questionnaire and the purpose was to measure how many brands are remembered without prompting. (Appendix 8 graph 4)

In the fifth question the respondent is asked whether he or she noticed any Luhta products placed on the programme. 60% of the respondents noticed Luhta's products in Big Brother whereas 40% did not. (Appendix 8 graph 5) However, the reliability of the result is degraded by the fact that some respondents may say that they remember noticing it, even if they didn't or they might not remember noticing it now that the programme has ended.

In the sixth question the respondent is asked to mention one to three Luhta products he or she remembers seeing in big Brother. The purpose of the question is not to test how many products viewers remember seeing but to confirm that they have actually paid attention to the products. Therefore only correct answers are considered when analysing the results. 24% of respondents did not remember any of the products, 38% remembered one product, 17% remembered two products and 21% remembered three products. (Appendix 8 graph 6) However, the reliability of the result is degraded by the fact that some respondents may have guessed some products they think might have been Luhta's.

In the seventh question the respondent is asked whether the sponsorship changed Luhta's image, and if yes, was the change positive or negative. 43% of respondents considered the image changed positively because of the sponsorship, 2% considered the change negative and 55% did not consider the image changed in any way. (Appendix 8 graph 7) However, as the question is asked from the viewers, they give a subjective answer on if they consider the image changed, which might not correspond the reality.

In the eighth question the respondent is asked if he or she is familiar with the brand in order to test how well young respondents know the brand. 46% of the respondents were familiar with the brand and had used the products, 43% knew the brand but had not used the products, 8% had heard about the brand and 3% do not know the brand. (Appendix 8 graph 8)

In the ninth question the respondents are questioned whether they think Luhta is appropriate sponsor for Big Brother or not in order to find out how they feel about the sponsorship. 59% of the respondents consider Luhta appropriate sponsor for Big Brother whereas 41% do not. (Appendix 8 graph 9)

In the tenth question the respondent is asked to describe Luhta in three adjectives in order to find out consumers' opinions about the brand and also to compare the differences and similarities between the adjectives they described Big Brother with. 19% of the responded described Luhta as Finnish, 17% high quality and 10% sporty. (Appendix 8 graph 10) The rest 54% included adjectives like expensive, reliable and durable. Comparing to the adjectives mentioned when describing Big Brother, the only match is "casual", which was mentioned by two respondents.

All in all, the questionnaire reveals that the respondents did not see the image of Big Brother and Luhta similar but still almost 60% considered it appropriate sponsor. 70% of the respondents watched Big Bother at least occasionally, so they were exposed to the sponsorship. 26% of viewers did not remember any sponsoring brand but 74% remembered either one or more brands when asked unprompted, which reveals that viewers pay attention to sponsors and remember at least some of them even after the programme has ended. 60% of respondents noticed Luhta's products in Big Brother and 76% of them were able to name either one or more products placed, which means that it

succeeded in expanding the target audience to younger consumers. 43% thought that sponsoring Big Brother changed Luhta's image positively, 2% thought it had changed negatively and 55% did not think it changed. The 2% who considered the image changed negatively reveals that not all associations are positive and especially when sponsoring a reality show, there is a risk of negative associations. Even though 55% didn't think the image had changed 43% did, which means that sponsorship succeeded in changing the image at least in the mind of part of the consumers. This is supported by the marketing and communications manager of Luhta, who stated that according to their own research Luhta is seen younger especially among younger consumers after the sponsorship. (Appendix 6)

Combining the results of secondary research and primary research, the findings indicate that it is possible to modify brand's image and expand the target audience through broadcast sponsorship by choosing a programme, which does not match the brand's image, values or marketing strategy. However, there are a few issues the company should consider. First of all, as consumers try to form the link between the sponsoring brand and the programme if it is not obvious, the company should consider all potential associations the chosen programme may generate. When consumers form the link and associations themselves the company is not able to control the outcome, it may not always be as intended. Therefore having some kind of link between the programme and the brand would make the image transference less complicated.

In terms of exposure and attention, which is required if the objective is to attract new target audience, the company should create a stimulus that attracts attention, ensure the sufficient repetition of the message and choose a programme that does not have too many other sponsors in order to avoid clutter.

9 Conclusion

The purpose of this thesis was to research if it is possible to modify brand's image and expand the target audience through broadcast sponsorship by choosing a programme that does not match the brand image, values or brand strategy.

The research on branding revealed that brand image is the representation of the brand in consumer's mind, consisting of all the perceptions on the brand, which are reflected by the associations held in consumer's memory. Broadcast sponsorship works in linking the brand to the programme and creating associations. Therefore efficient broadcast sponsorship has the potential to modify the brand image by creating brand associations, which influence the perceptions and therefore brand image.

Most authors agree that there should be a link between the sponsoring brand and the programme for the image transference to occur. The link may be between the images, values, products or target audience but the match should not be perfect, or otherwise there would be nothing new to transfer to the brand. However, if there is no obvious link between the sponsoring brand and the programme, the viewers tend to create the link by themselves, especially if the sponsorship is longer-lived. So the image transference is possible even without the link between the programme and the brand, but the risk in viewers creating the link is that the nature of the link cannot be controlled and the message intended to communicate can be distorted. Therefore there should be at least some kind of link between the brand and the programme in order for the company to avoid unnecessary risks.

The research on consumer's information processing and learning revealed that in order to attract attention, the sponsorship has to be creatively executed, unique and different from other sponsors' messages. The company should choose a programme that does not have too many other sponsors, as the possibility of the viewer paying attention to their sponsorship increases and therefore the possibility of creating associations and modifying perceptions increases as well. Consumers have the tendency to acquire messages that reinforce their existing beliefs and opinions about the brand so if the objective is to change perceptions and brand image, it is likely to take longer than reinforcing already existing image.

The research on example case Luhta sponsoring Big Brother 2009 in order to rejuvenate the brand image and expand its target audience to younger consumers revealed that the majority of young consumers were exposed to the sponsorship, more than half noticed Luhta's products placed in the programme and 43% considered the brand image changed

positively. This was supported by Luhta's own research results, which revealed that young consumers' opinions about the brand were more positive after the sponsorship.

All in all, the research result is that it is possible to modify brand image and expand the target audience through broadcast sponsorship by choosing a programme that does not match the brand image, target audience or brand strategy, as long as mentioned factors are considered. However, the image transference is less complicated if there is a link between the sponsoring brand and the programme.

10 References

- Luhta (2010) Luhta Home Page [internet]. www.luhta.fi Available from: http://www.luhta.fi/mxl-fashion/luhtawww.nsf/pages/en_yritys.html [Accessed 8th March 2010]
- Bird, Tim *et al.* (2005) *Superbrands Finland 2005- An Insight into the Strongest Finnish Brands 2005*. London, Superbrands Ltd.
- Malinen, T. tarja.malinen@luhta.fi (Thursday 18th February 2010) Regarding responses to interview questions. Email to Sanna-Mari Pirhonen (sannamari.pirhonen@gmail.com).
- Youtube (2010) *Big Brother Finland 2009 – Taloesittely* [internet] www.youtube.com Available from: <http://www.youtube.com/watch?v=hA3Lf-51Cfo> [Accessed 17th March 2010]
- Braun, Jacques and Callay, Alexandre (2009) TV Consumption is Growing – Latest Trends in TV Consumption Worldwide. *Esomar, Worldwide Media Measurement, Stockholm, May*. Available from <http://www.warc.com/>. [Accessed 8th March 2010]
- Big Brother World (2010) Big Brother World Homepage [internet] www.bigbrother.com Available from: <http://www.bigbrother.com/history> [Accessed 8th March 2010]
- Big Brother Finland (2009) Big Brother Finland Homepage [internet] www.sub.fi/bigbrother2009/ Available from: <http://www.sub.fi/bigbrother2009/uutinen.shtml?1008217>
- Iltasanomat (2006) *BB:n sponsorit pettyivät* [internet] Iltasanomat online. Available from: <http://www.iltasanomat.fi/viihde/uutinen.asp?id=1241935> [Accessed 8th March 2010]
- Taloussanomat (2008) *Tosi-Tv on sponsorille riski* [internet] Taloussanomat online. Available from: <http://www.taloussanomat.fi/mainonta/2008/09/02/tosi-tv-on-sponsorille-riski/200822657/135> [Accessed 8th March 2010]
- Keller, Kevin Lane (2003) *Strategic Brand Management – Building, Measuring, and Managing Brand Equity*. 2nd Edition, Pearson Education Inc, New Jersey.
- Davis, Scott, M. (2002) *Brand asset management – driving profitable growth through your brands*, San Francisco, John Wiley & Sons Inc.
- Pickton, David and Broderick, Amanda (2001) *Integrated Marketing Communications*, Essex, Pearson Education Ltd.
- Kapferer, Jean-Noel (2008) *The New Strategic Brand Management – Creating and Sustaining Brand Equity Long Term*. 4th Edition, London, Kogan Page Limited.
- Hollis, Nigel (2008) *The Global Brand – How to Create and Develop Lasting Brand Value in the World Market*. New York, Palgrave Macmillan.

Morton, Tom (2009) Why Brand Values Have Little Value. *Admap magazine July/August, Issue 507*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

De Chernatony, Leslie (2001) *From Brand Vision to Brand Evaluation – Strategically Building Sustaining Brands*. Oxford, Butterworth-Heinemann

VanAuken, Brad (2002): *The Brand Management Checklist – Proven Tools and Techniques for Creating Winning Brands*. London, Kogan Page Limited

Doyle, Peter and Stern, Philip (2006): *Marketing Management and Strategy, 4th Edition*, Essex, Pearson Education Limited

Kotler, Philip *et al.* (2005) *Principles of Marketing*. 4th European Edition. Essex, Pearson Education Limited

Tybault, Alice, M and Calkins, Tim (ed.) (2005) *Kellogg on Branding*. New Jersey, John Wiley & Sons Inc.

Batra, Rajeev *et al.* (1996) *Advertising Management*. 5th Edition. New Jersey, Prentice Hall Inc

Masterson, Rosalind (2005) The Importance of Creative Match in Television Sponsorship. *International Journal Of Advertising Vol 24. No 4*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Bloxham, Mike (1998) Brand Affinity and Television Programme Sponsorship. *International Journal Of Advertising Vol 17. No 1*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Vilppula, Anne (ed.) (2008) *Suomen Laki II, (Finnish Legislation)*. Helsinki, Talentum Media Oy

Finlex (2010) *The database of Finnish acts* [internet] www.finlex.fi available from: <http://www.finlex.fi/fi/laki/kaannokset/1998/en19980744.pdf> [Accessed 8th March 2010]

EUR-lex (2010) EUR-lex Homepage [internet] <http://eur-lex.europa.eu/> Available from: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:332:0027:01:EN:HTML> [Accessed 8th March 2010]

Smit, Edit *et al.* (2009) Today's Practice of Brand Placement and the Industry Behind It. *International Journal Of Advertising Vol 28. Issue 5*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Taloussanommat (2008) *TV-ohjelmien sponsorointi yleisty* [internet] Taloussanommat online. www.taloussanommat.fi Available from: <http://www.taloussanommat.fi/markkinointi/2008/02/28/tv-ohjelmien-sponsorointi-yleisty/20086029/135> [Accessed 8th March 2010]

- Fortunato, John A and Windels, Daniel M (2005) Adoption of Digital Video Recorders and Advertising: Threats or Opportunities? *Journal of Interactive Advertising Vol 6. No 1*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Meenaghan, Tony (1991) The Role of Sponsorship in the Marketing Communications Mix. *International Journal Of Advertising Vol 10. No 1*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Jackson, Mike and Lowde, Martin (2000) Sponsorship, Oh Well Just Add It To the Brand Tracking Study. *Market Research Society, Annual Conference*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Walford, Nick (1992) How It Works - Sponsorship Effects and Advertising Comparisons. *Admap Magazine July*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Millman, Ivor (2000) Broadcast Sponsorship Works. *Admap Magazine April*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Millman, Ivor (1995) Broadcast Sponsorship – The Viewers' Views – What Does it do for the Sponsors? *ESOMAR Sponsorship and Promotion, Madrid, March*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Hall, Mike (2004) Broadcast Sponsorship: How Does It Work? *Admap Magazine April, Issue 449*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Millward Brown Knowledge Points (2006): Can Sponsorship Be Effective? Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Lehu, Jean-Marc, (2007) *Branded Entertainment – Product Placement & Brand Strategy in the Entertainment Business*. London, Kogan Page Limited.
- Ford, John (2006) Comments - Product Placement. *International Journal of Advertising Vol. 25. No 1*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- White, Roderick (2007) Product Placement: Panacea or Partner? *Warc Best Practice January*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Coleman, Adrian (2006) Product Placement: Over-hyped? *Admap Magazine April, Issue 471*. Available from <http://www.warc.com/>. Accessed [8th March 2010]
- Foxall, Gordon *et al.* (2002) *Consumer Psychology for Marketing*. 2nd Edition. London, Thompson Learning.
- Hawkins, Del, I *et al.* (1995) *Consumer Behavior – Implications for Marketing Strategy*. 6th Edition. Chicago, Richard D. Irwin Inc.
- Peter, Paul, J and Olson, Jerry, C (2005) *Consumer Behaviour & Marketing Strategy*. 7th Edition. New York, McGraw-hill companies inc.
- Assael, Henry (1998) *Consumer Behaviour and Marketing Action*. 6th Edition. Cincinnati, South-Western College Publishing.

Shiu, Eric *et al.* (2009) *Marketing Research*. Berkshire, McGraw-Hill Education.

Proctor, Tony (2000) *Essentials of Marketing Research*. Essex, Pearson Education Limited.

11 Bibliography

Books

Assael, Henry (1998) *Consumer Behaviour and Marketing Action*. 6th Edition. Cincinnati, South-Western College Publishing.

Batra, Rajeev *et al.* (1996) *Advertising Management*. 5th Edition. New Jersey, Prentice Hall Inc

Bird, Tim *et al.* (2005) *Superbrands Finland 2005- An Insight into the Strongest Finnish Brands 2005*. London, Superbrands Ltd.

Davis, Scott, M. (2002) *Brand asset management – driving profitable growth through your brands*, San Francisco, John Wiley & Sons Inc.

De Chernatony, Leslie (2001) *From Brand Vision to Brand Evaluation – Strategically Building Sustaining Brands*. Oxford, Butterworth-Heinemann

Doyle, Peter and Stern, Philip (2006): *Marketing Management and Strategy*, 4th Edition, Essex, Pearson Education Limited

Foxall, Gordon *et al.* (2002) *Consumer Psychology for Marketing*. 2nd Edition. London, Thompson Learning.

Hawkins, Del, I *et al.* (1995) *Consumer Behavior – Implications for Marketing Strateg.* 6th Edition. Chicago, Richard D. Irwin Inc.

Hollis, Nigel (2008) *The Global Brand – How to Create and Develop Lasting Brand Value in the World Market*. New York, Palgrave Macmillan.

Kapferer, Jean-Noel (2008) *The New Strategic Brand Management – Creating and Sustaining Brand Equity Long Term*. 4th Edition, London, Kogan Page Limited.

Keller, Kevin Lane (2003) *Strategic Brand Management – Building, Measuring, and Managing Brand Equity*. 2nd Edition, Pearson Education Inc, New Jersey.

Kotler, Philip *et al.* (2005) *Principles of Marketing*. 4th European Edition. Essex, Pearson Education Limited

Lehu, Jean-Marc, (2007) *Branded Entertainment – Product Placement & Brand Strategy in the Entertainment Business*. London, Kogan Page Limited.

Peter, Paul, J and Olson, Jerry, C (2005) *Consumer Behaviour & Marketing Strategy*. 7th Edition. New York, McGraw-hill companies inc.

Pickton, David and Broderick, Amanda (2001) *Integrated Marketing Communications*, Essex, Pearson Education Ltd.

Proctor, Tony (2000) *Essentials of Marketing Research*. Essex, Pearson Education Limited.

Shiu, Eric *et al.* (2009) *Marketing Research*. Berkshire, McGraw-Hill Education.

Tybault, Alice, M and Calkins, Tim (ed.) (2005) *Kellogg on Branding*. New Jersey, John Wiley & Sons Inc.

VanAuken, Brad (2002):*The Brand Management Checklist – Proven Tools and Techniques for Creating Winning Brands*. London, Kogan Page Limited

Vilppula, Anne (ed.) (2008) *Suomen Laki II, (Finnish Legislation)*. Helsinki, Talentum Media Oy

Electronic Journals

Bloxham, Mike (1998) Brand Affinity and Television Programme Sponsorship. *International Journal Of Advertising Vol 17. No 1*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Braun, Jacques and Callay, Alexandre (2009) TV Consumption is Growing – Latest Trends in TV Consumption Worldwide. *Esomar, Worldwide Media Measurement, Stockholm, May*. Available from <http://www.warc.com/>. [Accessed 8th March 2010]

Coleman, Adrian (2006) Product Placement: Over-hyped? *Admap Magazine April, Issue 471*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Ford, John (2006) Comments - Product Placement. *International Journal of Advertising Vol. 25. No 1*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Fortunato, John A and Windels, Daniel M (2005) Adoption of Digital Video Recorders and Advertising: Threats or Opportunities? *Journal of Interactive Advertising Vol 6. No 1*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Hall, Mike (2004) Broadcast Sponsorship: How Does It Work? *Admap Magazine April, Issue 449*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Jackson, Mike and Lowde, Martin (2000) Sponsorship, Oh Well Just Add It To the Brand Tracking Study. *Market Research Society, Annual Conference*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Masterson, Rosalind (2005) The Importance of Creative Match in Television Sponsorship. *International Journal Of Advertising Vol 24. No 4*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Meenaghan, Tony (1991) The Role of Sponsorship in the Marketing Communications Mix. *International Journal Of Advertising Vol 10. No 1*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Millman, Ivor (1995) Broadcast Sponsorship – The Viewers' Views – What Does it do for the Sponsors? *ESOMAR Sponsorship and Promotion, Madrid, March*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Millman, Ivor (2000) Broadcast Sponsorship Works. *Admap Magazine April*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Millward Brown Knowledge Points (2006): Can Sponsorship Be Effective? Available from <http://www.warc.com/>. Accessed [8th March 2010]

Morton, Tom (2009) Why Brand Values Have Little Value. *Admap magazine July/August, Issue 507*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Smit, Edit *et al.* (2009) Today's Practice of Brand Placement and the Industry Behind It. *International Journal Of Advertising Vol 28. Issue 5*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Walford, Nick (1992) How It Works - Sponsorship Effects and Advertising Comparisons. *Admap Magazine July*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

White, Roderick (2007) Product Placement: Panacea or Partner? *Warc Best Practice January*. Available from <http://www.warc.com/>. Accessed [8th March 2010]

Internet

Big Brother Finland (2009) Big Brother Finland Homepage [internet] www.sub.fi/bigbrother2009/ Available from: <http://www.sub.fi/bigbrother2009/uutinen.shtml?1008217>

Big Brother World (2010) Big Brother World Homepage [internet] www.bigbrother.com Available from: <http://www.bigbrother.com/history> [Accessed 8th March 2010]

EUR-lex (2010) EUR-lex Homepage [internet] <http://eur-lex.europa.eu/> Available from: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:332:0027:01:EN:HTML> [Accessed 8th March 2010]

Finlex (2010) *The database of Finnish acts* [internet] www.finlex.fi available from: <http://www.finlex.fi/fi/laki/kaannokset/1998/en19980744.pdf> [Accessed 8th March 2010]

Iltasanomat (2006) *BB:n sponsorit pettyivät* [internet] Iltasanomat online. Available from: <http://www.iltasanomat.fi/viihde/uutinen.asp?id=1241935> [Accessed 8th March 2010]

Luhta (2010) Luhta Home Page [internet]. www.luhta.fi Available from: http://www.luhta.fi/mxl-fashion/luhtawww.nsf/pages/en_yritys.html [Accessed 8th March 2010]

Taloussanomat (2008) *Tosi-Tv on sponsorille riski* [internet] Taloussanomat online. Available from: <http://www.taloussanomat.fi/mainonta/2008/09/02/tosi-tv-on-sponsorille-riski/200822657/135> [Accessed 8th March 2010]

Taloussanomat (2008) *TV- ohjelmien sponsorointi yleistyy* [internet] Taloussanomat online. www.taloussanomat.fi Available from: <http://www.taloussanomat.fi/markkinointi/2008/02/28/tv-ohjelmien-sponsorointi-yleistyy/20086029/135> [Accessed 8th March 2010]

Youtube (2010) *Big Brother Finland 2009 – Taloesittely* [internet] www.youtube.com Available from: <http://www.youtube.com/watch?v=hA3Lf-51Cfo> [Accessed 17th March 2010]

Email

Malinen, T. tarja.malinen@luhta.fi (Thursday 18th February 2010) Regarding responses to interview questions. Email to Sanna-Mari Pirhonen (sannamari.pirhonen@gmail.com)

12 Appendices

Appendix 1. Luhta Home Products placed in the Big Brother House

LUHTA SPORT → LUHTA FASHION → LUHTA HOME

Luhta Home
BIG BROTHERISSÄ

BB-TALON LUHTA HOME -TUOTTEET

- Keittiö
- Kylpyhuone
- Makuuhuone
- Olohuone
- Sisustustavarat

Kuka lähtyy Luhta Home -alanoiden välistä? Kuka pääsee yläkerran luksushuoneeseen? Entä kuka on aamulle ensimmäisenä auki? Luhta Home -kodintekstiilit ovat läsnä BB-talossa niin ylä- kuin alakerrassa, eri huoneissa ja käytöissä. Tutustu BB-talon Luhta Home -tuotteisiin ja BB-sisusta kotiesi!

NIITYKUKKA

AALTO

LÄHIN LUHTA-MYYJÄSI

Välitse maa

Kylpyhuone

Klikkaa kuvaa, niin näet tuotteen tiedot.

Keittiö

Klikkaa kuvaa, niin näet tuotteen tiedot.



Lande



Lande



Aalto



Aamu



Satini



Meri

1 2

Makuuhuone

Klikkaa kuvaa, niin näet tuotteen tiedot.



Dyyni



Taika



Metropoli



Niittykukka



Lehdet



Orion

Sisustustavarat

Klikkaa kuvaa, niin näet tuotteen tiedot.



Päre



Kupla

Olohuone

Klikkaa kuvaa, niin näet tuotteen tiedot.



Tuisku



Tyyni



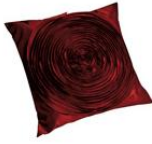
Hiekka



Liuske



Lumimarja



Kehrä

Makuuhuone

Klikkaa kuvaa, niin näet tuotteen tiedot.



Satu



Tuuli



Koski

Sisustustavarat

Klikkaa kuvaa, niin näet tuotteen tiedot.



Finlandiatiikki



Lastu



Kallio



Käpylyhty



Käpylyhty



Majakka

www.luhta.fi

Big Brother Finland 2009 - Talon esittely



☆☆☆☆ 1 ratings

146 views

Big Brother Finland 2009 - Talon esittely



☆☆☆☆ 1 ratings

146 views

www.youtube.com

Appendix 2. Big Brother 2009 Home Page

Etusivu Uutiset Asukkaat Osallistu Ohjelmat BB-talo Blogit 24/7 Kuvagalleria Palaute

■ Häätöäänestyksessä ■ Häädetty

Aso Minna Tuja Lotta Katlin Terttu Dana Jelena Niina Sami Ragnar Sampo Esa J



Big Brother 2009

Big Brother

Big Brother palaa jälleen ensi vuonna

SUBJECT - BIG BROTHERIN VIRALLINEN YHTEISÖ

su b iii
SUBJECT-YHTEISÖ

BIG BROTHERIN VIRALLINEN YHTEISÖ
"siellä ne kaikki ovat"



Big Brother 2009 Muista myös BB -yhteisö Facebookissa! **facebook**

SUB STORE

su b iii OSTOSKORI



Osta Osta Osta Osta

Big Brother -tuotteet saat vain Sub Storesta - tutustu!

Pyyhkeet, tohvelit, toilettilaukut ja kännykkäkorut. Nämä ja muut fanituotteet vain Sub Storesta!

BIG BROTHER -KYSELY

Voittiko oikea henkilö Big Brotherin?

- Kyllä, Aso on juuri oikea voittaja
- Ei, Katlinin olisi pitänyt voittaa
- Ei, Esan olisi pitänyt voittaa
- Ei, Antin olisi pitänyt voittaa

Lähetä

<http://www.sub.fi/bigbrother2009/>

Appendix 3 The Act of Television and Radio Operations in English and in Finnish

NB: Unofficial translation; legally binding texts are those in Finnish and Swedish

© Ministry of Transport and Communications of Finland

Act on Television and Radio Operations

(744/1998; amendments up to 1251/2006 included)

CHAPTER 1

General provisions

Section 1

Objectives of the Act

The objective of this Act is to promote television and radio broadcasting.

Section 2

Definitions

9) sponsorship shall refer to any contribution made by a public or private undertaking not engaged in television or radio broadcasting or in the production of audiovisual works, to the financing of television programmes transmitted in television or radio broadcasting with a view to promoting its name, its trade mark, its image, its activities or its products; and

CHAPTER 4

Advertising, teleshopping and sponsorship

Section 26

Requirements set for sponsored programmes

A sponsor may not influence the content and scheduling of sponsored television or radio programmes in such a way as to affect the responsibility and editorial independence of the broadcaster in respect of programmes.

Sponsored television and radio programmes must be clearly identified by the name or logo of the sponsor at the beginning or end of the programmes.

Sponsored television or radio programmes must not encourage the purchase or rental of the products or services of the sponsor or a third party, in particular by making special promotional references to those products or services.

Section 27

Forbidden sponsorship

A programme sponsored by an undertaking whose principal activity is the manufacture of tobacco products may not be transmitted on television or in the radio.

If the sponsor of a programme is an undertaking whose activities include the manufacture or sale of medicinal products and medical treatment, the name or logo of the undertaking may be shown in connection with the programme taking into consideration the provisions of section 26. However, a medicinal product or medical treatment available only on

prescription in Finland may not be promoted in this connection.

Section 28

Ban on sponsorship of news and current affairs programmes

News and current affairs programmes broadcast on television or in the radio may not be sponsored.

<http://www.finlex.fi>

Vi 111 L televisio- ja radiotoiminnasta 9.10.1998/744

1. LUKU

Yleiset säännökset

1§ Lain tarkoitus.

Lain tarkoituksena on edistää televisio- ja radiotoiminnan harjoittamista.

2§ Käsitteiden selitykset

9) sponsoroinnilla tarkoitetaan kaikenlaista osallistumista televisio- tai radiomainonnassa lähetettävien ohjelmien rahoitukseen, jos rahoitus tulee sellaiselta julkiselta tai yksityiseltä yritykseltä, joka ei harjoita televisio- tai radiotoimintaa tai audiovisuaalisten teosten tuotantoa, ja tarkoituksena on mainostaa yrityksen nimeä, tavaramerkkiä, mielikuvaa, toimintaa tai tuotteita.

4. LUKU

Mainonta, teleostoslähetykset ja sponsorointi

26§ Sponsoroiduille ohjelmille asetettavat vaatimukset. Sponsor ei saa vaikuttaa sponsoroidun televisio- tai radio-ohjelman sisältöön ja sijoitteluun ohjelmistossa siten, että se vaikuttaisi lähetystoiminnan harjoittajan vastuuseen ja toimitukselliseen riippumattomuuteen ohjelmien suhteen. Sponsoroitujen televisio- ja radio-ohjelmien alussa tai lopussa on esitettävä selvästi sponsorin nimi tai tunnus. Sponsoroidussa televisio tai radio-ohjelmassa ei saa rohkaista ostamaan tai vuokraamaan sponsorin tai kolmannen osapuolen tuotteita tai palveluja varsinkaan viittaamalla erityisesti ja mainosluonteisesti kyseisiin tuotteisiin tai palveluihin.

27§ kielletty sponsorointi. Pääasiassa tupakkatuotteita valmistavan yrityksen sponsorioimaa ohjelmaa ei saa lähettää televisiossa tai radiossa. Jos ohjelman sponsorina on yritys, jonka toimintaan kuuluu lääketuotteiden tai lääkehoitojen valmistaminen tai myynti, ohjelman yhteydessä voidaan esittää yrityksen nimi tai tunnus ottaen huomioon mitä 26pykälässä säädetään. Tässä yhteydessä ei kuitenkaan saa tuoda esille sellaista lääketuotetta tai hoitomuotoa, joka on Suomessa saatavissa ainoastaan lääkärin määräyksestä.

28§ Uutis- ja ajankohtaisohjelmien sponsorointikielto. Televisiossa tai radiossa lähetetyt uutis- ja ajankohtaisohjelmat eivät saa olla sponsoroituja lähetyksiä.

(Vilppula, ed, 2008, p.23)

Appendix 4 The "Television Without Frontiers" Directive

20071211

Directive 2007/65/EC of the European Parliament and of the Council
of 11 December 2007

amending Council Directive 89/552/EEC on the coordination of certain provisions
laid down by law, regulation or administrative action in Member States concerning the
pursuit of television broadcasting activities

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN
UNION,

Having regard to the Treaty establishing the European Community, and in particular
Articles 47(2) and 55 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Economic and Social Committee [1],

Having regard to the opinion of the Committee of the Regions [2],

Acting in accordance with the procedure laid down in Article 251 of the Treaty [3],

(54) As has been recognised by the Commission in its interpretative communication on certain aspects of the provisions on televised advertising in the "Television without frontiers" Directive [24], the development of new advertising techniques and marketing innovations has created new effective opportunities for audiovisual commercial communications in traditional broadcasting services, potentially enabling them better to compete on a level playing-field with on-demand innovations.

(55) Commercial and technological developments give users increased choice and responsibility in their use of audiovisual media services. In order to remain proportionate with the goals of general interest, regulation should allow a certain degree of flexibility with regard to television broadcasting. The principle of separation should be limited to television advertising and teleshopping, product placement should be allowed under certain circumstances, unless a Member State decides otherwise, and some quantitative restrictions should be abolished. However, where product placement is surreptitious, it should be prohibited. The principle of separation should not prevent the use of new advertising techniques.

(56) Apart from the practices that are covered by this Directive, Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market [25] applies to unfair commercial practices, such as misleading and aggressive practices occurring in audiovisual media services. Moreover, as Directive 2003/33/EC of the European Parliament and of the Council of 26 May 2003 on the approximation of the laws, regulations and administrative provisions of the Member States relating to the advertising and sponsorship of tobacco products [26], which prohibits advertising and sponsorship for cigarettes and other tobacco products in printed media, information society services and radio broadcasting, is without prejudice to Directive 89/552/EEC, in view of the special characteristics of audiovisual media services, the relation

between Directive 2003/33/EC and Directive 89/552/EEC should remain the same after the entry into force of this Directive. Article 88(1) of Directive 2001/83/EC of the European Parliament and of the Council of 6 November 2001 on the Community code relating to medicinal products for human use [27] which prohibits advertising to the general public of certain medicinal products applies, as provided in paragraph 5 of that Article, without prejudice to Article 14 of Directive 89/552/EEC. The relation between Directive 2001/83/EC and Directive 89/552/EEC should remain the same after the entry into force of this Directive. Furthermore, this Directive should be without prejudice to Regulation (EC) No 1924/2006 of the European Parliament and of the Council of 20 December 2006 on nutrition and health claims made on foods [28].

(60) Surreptitious audiovisual commercial communication is a practice prohibited by this Directive because of its negative effect on consumers. The prohibition of surreptitious audiovisual commercial communication should not cover legitimate product placement within the framework of this Directive, where the viewer is adequately informed of the existence of product placement. This can be done by signalling the fact that product placement is taking place in a given programme, for example by means of a neutral logo.

(61) Product placement is a reality in cinematographic works and in audiovisual works made for television, but Member States regulate this practice differently. In order to ensure a level playing field, and thus enhance the competitiveness of the European media industry, it is necessary to adopt rules for product placement. The definition of product placement introduced by this Directive should cover any form of audiovisual commercial communication consisting of the inclusion of or reference to a product, a service or the trade mark thereof so that it is featured within a programme, in return for payment or for similar consideration. The provision of goods or services free of charge, such as production props or prizes, should only be considered to be product placement if the goods or services involved are of significant value. Product placement should be subject to the same qualitative rules and restrictions applying to audiovisual commercial communication. The decisive criterion distinguishing sponsorship from product placement is the fact that in product placement the reference to a product is built into the action of a programme, which is why the definition in Article 1(m) of Directive 89/552/EEC as amended by this Directive contains the word "within". In contrast, sponsor references may be shown during a programme but are not part of the plot.

(62) Product placement should, in principle, be prohibited. However, derogations are appropriate for some kinds of programme, on the basis of a positive list. A Member State should be able to opt-out of these derogations, totally or partially, for example by permitting product placement only in programmes which have not been produced exclusively in that Member State.

(63) Furthermore, sponsorship and product placement should be prohibited where they influence the content of programmes in such a way as to affect the responsibility and the editorial independence of the media service provider. This is the case with regard to thematic placement.

Appendix 5 Case Study on Consumers Creating the Link between the Sponsoring Brand and the Programme

Figure 1: Change in Recognition of Sponsorship over 3 Month Period

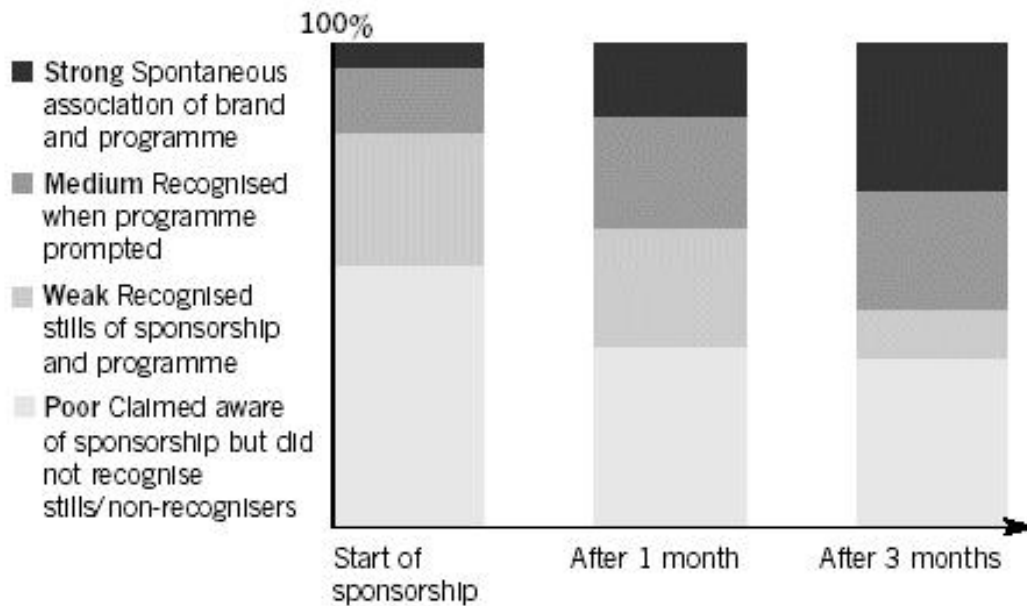


Figure 2: Change in Fit of Brand A and Family Show over 3 Months

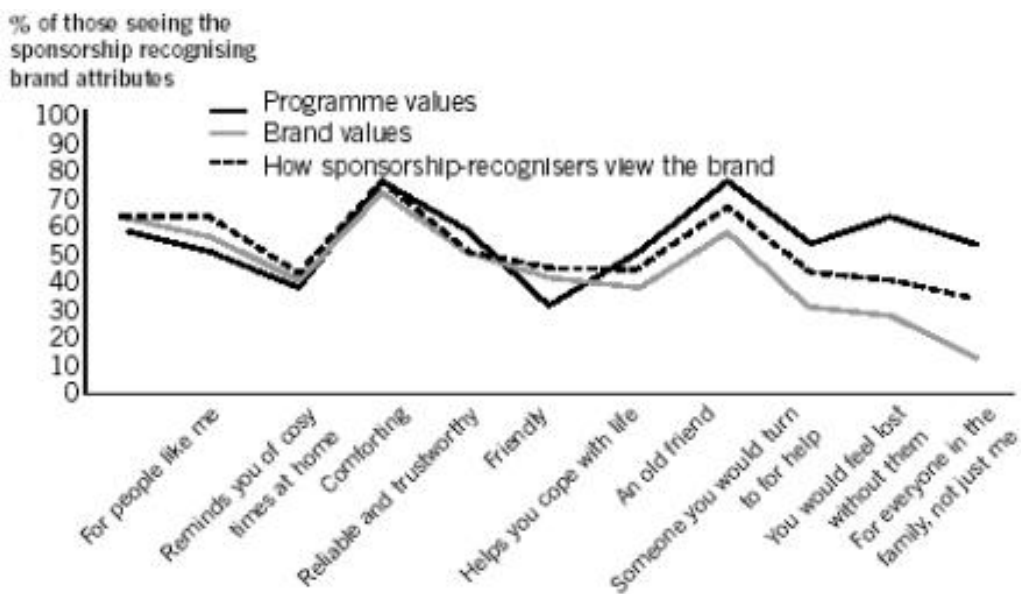
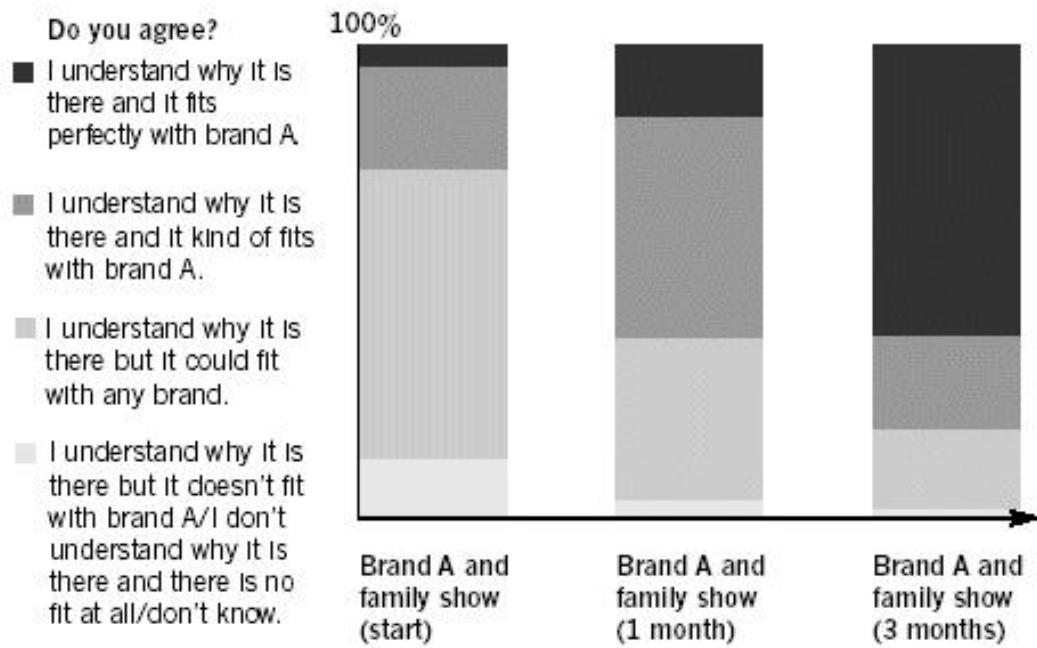


Figure 3. Brand Perception as a Result of Sponsorship



(Hall, 2004)

Appendix 6 Interview with the marketing and communications manager of Luhta

Interview with the marketing and communications manager of Luhta, Tarja Malinen

What is your position in L-Fashion Group?

-Communication and marketing manager

How do you see the image of Luhta?

-Luhta is relaxed sports clothing and interior decoration brand, which has its design inspiration from Finnish nature. Luhta is part of active lifestyle.

What kind of target market Luhta has?

-Luhta's target market is quite wide. The average customer of Luhta is relaxed but athletic, confident and enjoys his or her life.

Does Luhta have certain kinds of values?

-Luhta respects its Finnish roots and strong professionalism, and values innovative and modern approach.

What were the reasons for considering broadcast sponsorship in the marketing communications strategy of Luhta?

-The Objective was to increase the visibility of the brand, rejuvenate its image and target younger consumers, which hadn't been targeted before.

What was Big Brother Chosen as the programme to be sponsored?

-Because of the young viewers

During every season Big Brother has gained a lot of publicity, and some viewers have become huge fans whereas other have disliked the programme. Did you see any kinds of risks or only potential to succeed?

-We were aware of consumers' different kinds of opinions about the programme but chose the programme in order to reach the young consumers who watch the show actively.

Does Luhta and Big Brother share any values or factors, which influenced the decision of sponsorship?

-The only factor considered was the target audience, the young viewers of Big Brother

What kind of things you wanted to communicate about Luhta by sponsoring Big Brother?

-We wanted to attract the interest of younger consumers.

Was sponsorship of Big Brother integrated to the overall communications strategy of Luhta?

-The sponsorship of Big Brother worked separately from other communication methods.

Are you satisfied with the sponsorship of Big Brother and did you achieve your goals?

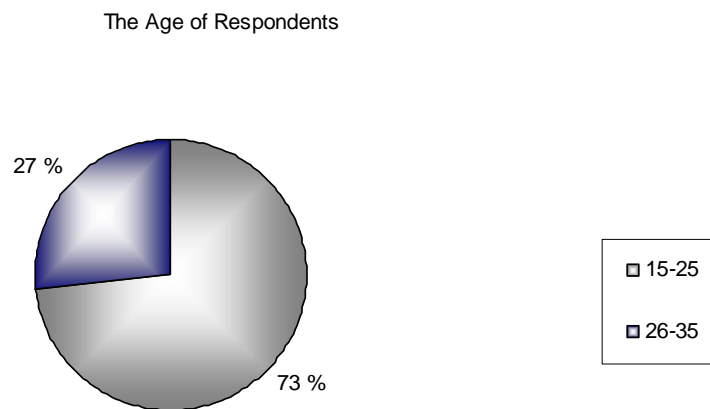
-Yes, we are satisfied and achieved our goals.

Do you think the brand image of Luhta changed because of Big Brother?

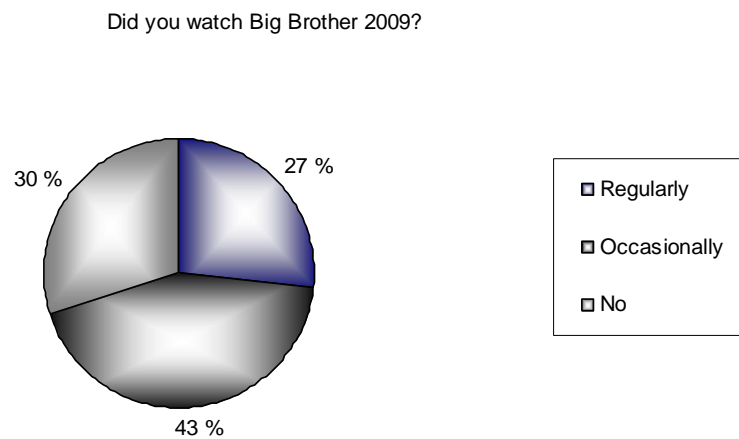
-Young consumers perceive the brand more interesting and younger than before the sponsorship.

Appendix 8 Results of the questionnaire

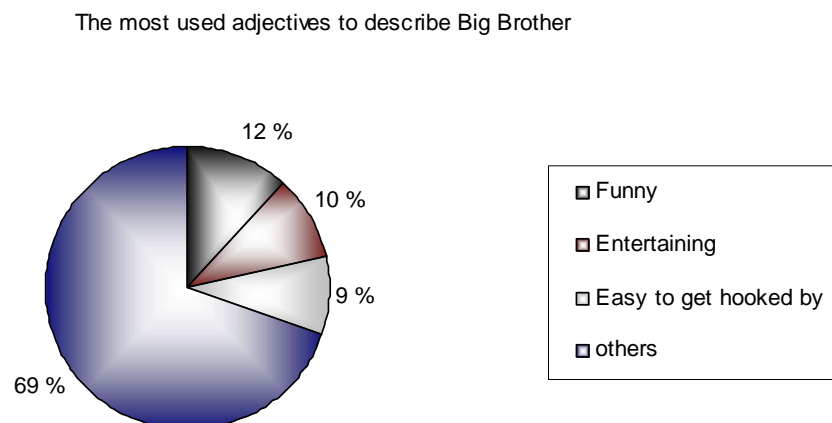
Graph 1. Age of Respondents



Graph 2. Did respondents watch Big Brother 2009

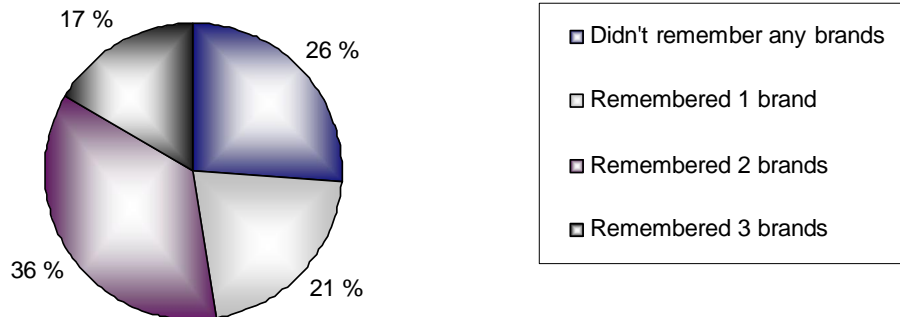


Graph 3. The most used adjectives to describe Big Brother



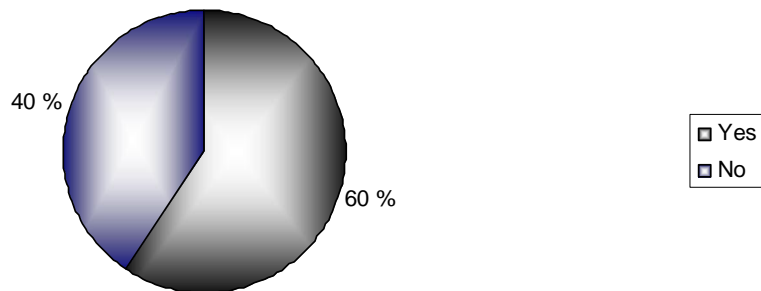
Graph 4. Brands seen in Big Brother

Brands seen in Big Brother 2009



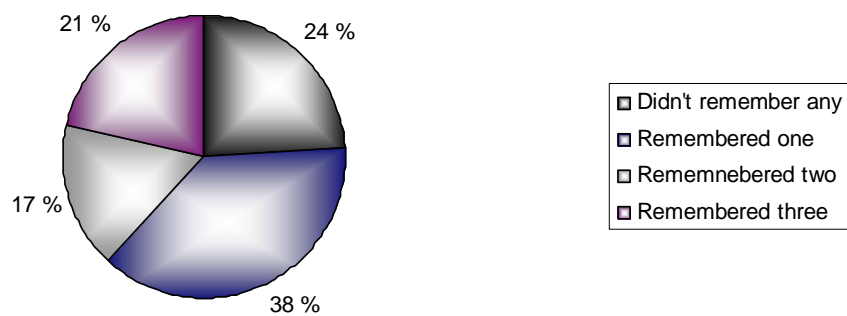
Graph 5 Were Luhta products noticed in Big Brother?

5. Did you notice any Luhta products in Big Brother?



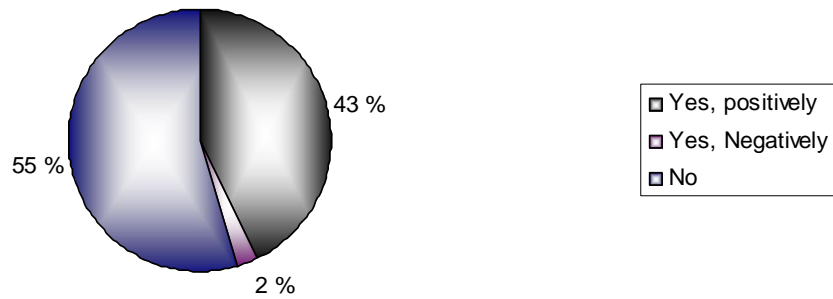
Graph 6. How many Luhta products were seen in Big Brother 2009?

6. Which Luhta products do you remember seeing in Big Brother 2009?



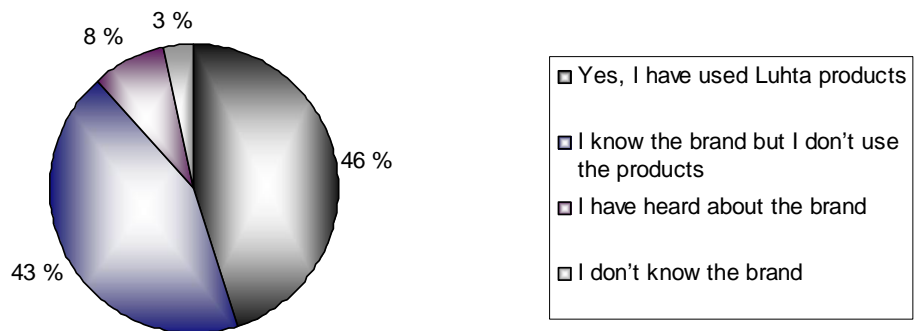
Graph 7. Did sponsorship change Luhta's image?

7. Do you think the image of Luhta changed after seeing its products in Big Brother?



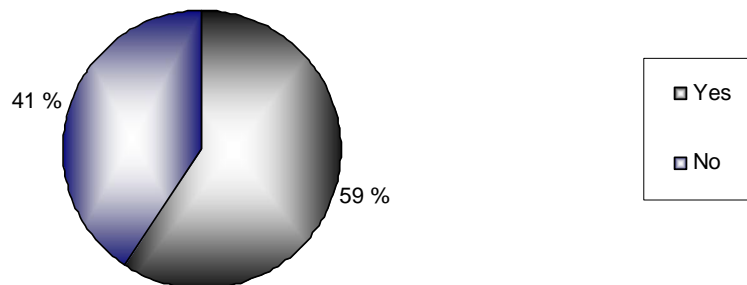
Graph 8. Is Luhta known as a brand?

8. Do you know the brand Luhta?



Graph 9. The appropriateness of sponsorship

9. Do you consider Luhta appropriate sponsor for Big Brother?



Graph 10. The adjectives used the most to describe Luhta

The adjectives used the most to describe Luhta:

