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CULTURAL SPONSORSHIP IN KAINUU

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<p>This thesis was written with the aim to find out what is the situation of cultural sponsorship in Kainuu and to gather helpful information for both, the sponsors and the sponsor seekers.</p> <p>The theory part of the final year thesis deals with marketing, marketing communications and it mostly focuses on sponsorship, more specifically on cultural sponsorship.</p> <p>The research was made by sending questionnaires by e-mail to companies from the Kainuu region. It was a qualitative research and the intention was to get information on such issues as the state of cultural sponsorship in Kainuu, how popular sponsorship is and what is sponsored, what do companies want to accomplish with sponsorship and their views on how it works for them. Also the aim was to get new ideas on how to improve the situation of cultural sponsorship in the Kainuu region and how to get better results from the sponsorship cooperations.</p> <p>The results showed that cultural sponsorship is quite well received by companies in Kainuu. According to the results, culture was the second most popular sponsorship target after sports. Most of the respondents have had positive experiences with sponsorship but to make it more effective, some improvements need to be made to benefit both the sponsor and the sponsor seeker.</p>	
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1 INTRODUCTION

Culture has a huge impact on people's lives. It offers stimulation and sources of inspiration that a person needs in the middle of the day-to-day routines. In addition, it is relaxing and takes people's mind off the stressful lifestyle that they live nowadays. It might be just for a short moment but it can offer people just what they need, a break. The visitor numbers to exhibitions, concerts and other cultural events have increased significantly. Most companies have also noticed the importance it has on people's lives and are investing more on culture. Those companies have become an important and increasingly bigger target group for cultural organisations, institutions and events.

The theory part of the final year paper is about marketing, marketing communications and it mostly focuses on sponsorship, more specifically on cultural sponsorship. It provides some useful information for both, the sponsor and sponsoree, about how can sponsorship benefit them and what would help them to achieve a successful sponsorship programme.

The empirical part of this study of cultural sponsorship is focused on how companies in Kainuu act towards sponsoring culture and what is their focus when they decide the sponsorship destinations. The research method used in this study is qualitative research. The results of the study will provide important information, e.g. for the culture producers who are aspiring to get the sponsors interested.

Also a pre-research was made to get the perspective of cultural organisations on the topic of cultural sponsorship. One of the organisations was the Kajaani municipal theatre. The theatre is not dependant on sponsors but it is one of the most important cultural organisations in Kajaani. They provided their opinion about what would be important topics to ask the companies. An open production house of modern dance, Routa, gave their view as a cultural organisation. They depend partly on sponsors, so they could offer a perspective that came out of experience as a sponsor seeker.

2 MARKETING

Marketing is based on the premise that the customer is the most important person to the organisation (Lancaster & Reynolds 1998, 2).

The American Marketing Association, which represents marketing professions in the United States and Canada, defines marketing as

The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organisational objectives.

According to the American Marketing Association, exchange is a central concept in marketing. For exchange to occur there must be two or more parties with something of value to one another, a desire and ability to give up something to the other party, and a way to communicate with each other. Effective marketing requires that managers recognise the interdependence of such activities as sales and promotion and how they can be combined to develop a marketing program. Advertising and promotion play an important role in the exchange process by informing consumers of an organisation's product or service and convincing them of its ability to satisfy their needs or wants. (Belch & Belch 1998, 6-7.)

Marketing is defined as being beyond business transaction in another definition of the concept of marketing by Kotler (1972):

The core concept of marketing is the transaction. A transaction is the exchange of values between two parties. The things of value need not be limited to goods, services, and money; they include other resources such as time, energy and feelings. Transactions occur not only between buyers and sellers, and organisations and clients, but also between any two parties.

Marketing has changed during the last decade. New insights, new tools, new opportunities and new challenges have emerged. Marketing has moved from 'customer acquisition' which means winning new customers, through 'customer retention', keeping customers for life, towards 'customer selection' when companies dump unprofitable customers while selectively seek and keep the more profitable ones. A lot of customers these days are non-

loyal bargain hunters who exploit any sales promotion and move on to the next supplier as the next special offer appears. Those kinds of customers cost a lot of money and give very little in return; in fact most of them are unprofitable. (Smith 1998, 3-5.)

According to Smith (1998, 3-5) some estimates suggest that selling to existing customers can be five times more profitable than winning new customers. Therefore the marketing challenge is attracting and retaining profitable customers efficiently. Lifetime customers are built through strong relationship marketing skills and those skills also are useful when creating 'marketing marriages' such as joint promotions, shared databases and shared distribution networks. They offer new opportunities for existing markets but also offer new routes into global markets.

2.1 Marketing Mix

Profits and consumer want satisfactions are achieved by providing appropriate products, at appropriate prices, in convenient locations, and communicated in appropriate ways (Kitchen 1993, 370-371.) The marketing mix is a conceptual framework which helps to structure the approach to each marketing challenge. There are many different approaches to the marketing mix, e.g. 4Ps, 5Ps and 7Ps. Canadian author Jerome McCarthy first called the 4Ps the marketing mix. (Smith 1998, 6) The four factors; product, price, place and promotion, are known as the four Ps and are the basis of the effective marketing strategies and tactics. To be effective, each of the factors has to be focused upon the needs of the target markets. (Kitchen 1993, 370-371.)

The 4Ps provide a basic framework for marketing (Smith 1998, 6). **Product** is the basis or foundations of the marketing mix. The product must be considered as the starting point for marketing strategy, because without a product there is nothing to promote and nothing to price or distribute. **Price** is a particularly potent element of the marketing mix because of its direct impact on the customer, the company and the economy. To the consumer, price is a major indication of quality and an important factor in the decision-making process. For the company, the price at which a product or service is sold represents the sole means of recouping costs and making profit. **Place** is concerned with all those activities needed to move the product or service from the seller to the buyer

(Lancaster & Reynolds 1998, 44, 46, 51). The next chapter deals with the fourth factor of the marketing mix: **Promotion**.

2.2 Marketing Communications (Promotion)

Marketing communications, which is also known as promotion, is an important element of marketing management (Kitchen 1993, 370-371). Companies ranging from large multinational corporations to small retailers increasingly rely on promotion to help them market products and services (Belch & Belch 1998, 6). In the marketing communications process the aim is to establish commonness of thought and meaning between organizations and individuals. Business organizations attempt to inform, persuade, remind and induce target markets to adopt courses of action compatible with an organization's need to create exchanges that satisfy objectives. (Kitchen 1993, 370-371.)

When a company has manufactured products that are needed by target markets, the products need to be priced correctly and displayed in appropriate locations that are convenient to purchasers, but most importantly the consuming public must be made aware of the existence of the products and given reasons why they should prefer them over competitive alternatives or substitutes. (Kitchen 1993, 370-371.) A product cannot be sold if the target market is unaware of it (Lancaster & Reynolds 1998, 48).

Promotion is needed to create brand awareness, to inform of product changes or availability, to introduce price changes, to encourage new distributors, to create or maintain company image, or to induce purchase (Kitchen 1993, 370-371). Also the purpose of promotion or marketing communication is to take the customer closer to the purchasing decision and to communicate about a company's positive reputation and the superior competitive edge (Ajala & Forssell 2004, 18).

The ability of promotional methods to deliver carefully prepared messages to target audiences has given promotion a major role in the marketing programs of most organisations (Belch & Belch 1998, 6). The promotion of a product is perhaps the element of the marketing mix which is the most subject to variation according to the type of product on offer. For some products, promotion may only play a minimal role in the marketing effort; for others, the marketing strategy may be almost solely based on this mix element

(Lancaster & Reynolds 1998, 48). Consumers have learned to rely on advertising and other forms of promotion for information they can use in making purchase decisions (Belch & Belch 1998, 6).

2.3 The Communications Mix (Promotional Mix)

Promotion has been defined as the coordination of all seller-initiated efforts to set up channels of information and persuasion to sell goods and services or promote and idea. While implicit communication occurs through the various elements of the marketing mix, most of an organisation's communications with the marketplace take place in a carefully planned and controlled promotional program. The basic tools used to accomplish an organisation's communication objectives are often referred to as the promotional mix. They are advertising, direct marketing, sales promotion, publicity/public relations, and personal selling. (Belch & Belch 1998, 13.)

The communications mix, which can be also referred to as the promotional mix, lists all of the communications tools available to a marketer.

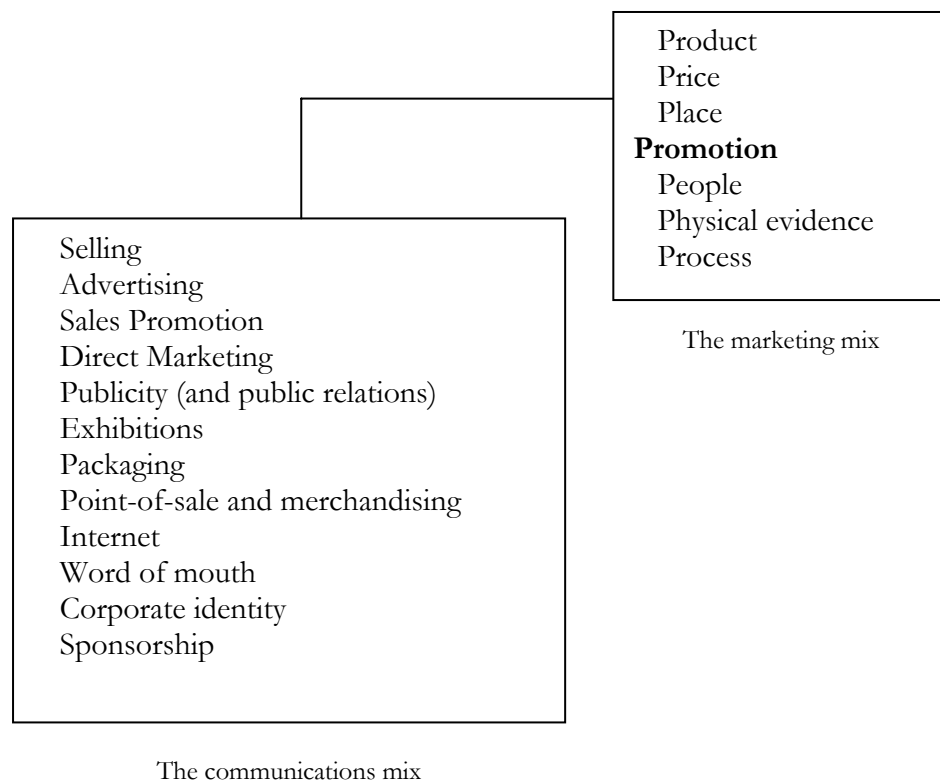


Figure 1: How the communication mix feeds into the marketing mix (Smith 1998, 7)

Before **selling** was a short-term, quick sale scenario but it has changed from that. Combative salesmen are being transformed into 'customer servants'. Selling today is more about 'partnering' and relationship building which means that selling is about building durable relationships that are dependent on satisfying the customer constantly. Many companies are now measuring success not just by units sold out also by customer satisfaction. And selling has moved beyond the marketing and sales departments as companies realise that in today's competitive markets the whole company has to sell. (Smith 1998, 248.)

Advertising is the best-known and most widely discussed form of promotion, probably because of its pervasiveness. It is also a very important promotion tool, particularly to companies whose products and services are targeted at mass consumer markets. There are several reasons why advertising is such an important part of many marketers' promotional mix. First, it can be a very cost-effective method for communicating with large audiences. Advertising can also be used to create images and symbolic appeals for a company or brand, a very important capability for companies selling products and services that are difficult to differentiate on functional attributes. Another advantage of advertising is that when a advertising campaign becomes popular, it attracts consumer's attention and can help generate sales.

The nature and purpose of advertising differ from one industry to another and across situations. The targets of an organisation's advertising efforts often vary, as do its role and function in the marketing programme. One advertiser may seek to generate immediate response or action from the customer; another may want to develop awareness or a positive image for its products over a longer period. (Belch & Belch 1998, 14-17.)

Sales promotion is a big business. Its growth has been fuelled by several factors such as the movement towards relationship marketing, the growth of direct mail, the emergence of promotion literate customers who expect promotions with certain product types, powerful retailers favour suppliers whose products sell quickly and high television advertising costs force marketing managers to look for more cost-effective, below the line tools such as sales promotions.

Sales promotion is a below the line activity that can be used externally with end users (customers), and intermediaries (trade distributors) and also internally with an organisation's own sales force. (Smith 1998, 296.)

In **direct marketing** organisations communicate directly with target customers to generate a response or a transaction. Direct marketing is more than direct mail and mail-order catalogues. It involves a variety of activities, including database management, direct selling, telemarketing, and direct-response ads through direct mail and various broadcast and print media. (Belch & Belch 1998, 17.)

Publicity refers to non-personal communications regarding an organisation, product, service, or idea not directly paid for or run under identified sponsorship. It usually comes in the form of a news story, editorial, or announcement about an organisation and its products and services. The advantage of publicity is its low cost, since the company is not paying for time or space in a mass medium such as TV or newspapers. (Belch & Belch 1998, 20.)

The difference between **public relations** and publicity is that in public relations an organisation systematically plans and distributes information in an attempt to control and manage its image and the nature of the publicity it receives (Belch & Belch 1998, 20).

Frank Jefkins (1988) provides the following definition to Public Relations:

Public Relations consists of all forms of planned communication, outwards and inwards, between an organisation and its publics for the purpose of achieving specific objectives concerning mutual understanding.

(Lancaster & Reynolds 1998, 216.)

Exhibitions are the only medium that brings the whole market together – buyers, sellers and competitors – all under one roof for a couple of days. The products and services can be seen, demonstrated and tested, and face-to-face contact can be made with many important decision makers in a short period of time. If carefully planned, exhibitions are a good place to strengthen relationships and seize opportunities. (Smith 1998, 405.)

The packaging of a product helps to bring a particular brand to customers' attention and to help them with the difficulty of choosing a particular product that is created by the increasingly broad range of seemingly similar brands. The design of the pack can create competitive advantage by adding value, developing stronger shelf presence, positioning a brand in a certain way and creating a relationship between the customer and the buyer. (Smith 1998, 465-466.)

The point-of-sale is the point in the buying cycle where the customer is physically in front of the product or service and is about to make decision whether to buy or pass by. In many consumer markets the consumer's final decision to buy is often made inside the store, not outside. **Merchandising** techniques such as display and store design are therefore important communication tools that can guide a buyer towards making a purchase. (Smith 1998, 495-496.)

Information technology (IT) changes very quickly. The pace of IT change is accelerating, and IT arguably changes everything. It is important to recognise this change and adapt accordingly. Rapidly changing IT brings advantages and disadvantages to society, business and marketers. Estimates suggest that hundreds of millions of customers will be moving out of the market place and buying products and services from **the Internet**. In marketing, Internet has its positive and negative features. On a positive note, the organisation's website and associate technologies can help marketers e.g. with gathering market research, database building, relationship management, customer service, new product development, internal communications, cost reduction and also in promotion, selling and distribution. On a negative note, for example security has always been an issue with the internet, such problems as viruses, credit card frauds and database abuse are not uncommon. (Smith 1998, 534-537, 557.)

People talk about companies, their products, their services and their staff. Not just the products themselves but their advertising campaigns, editorial stories, publicity stunts and special offers which are discussed among buyers and potential buyers. Of all the elements of the communications mix, **word of mouth** is by far the most potent on a one-to-one basis. No amount of advertising or expert selling can compete with a colleague or friend recommending or criticizing a particular product or service. (Smith 1998, 509-510.)

Corporate identity is a visual means of identifying a corporation, company or organisation. Logos and names are a part of organisation's identity. Corporate identity is a strategic asset that helps to achieve the longer-term communication goals. It cannot be used as a short-term tactical tool like advertising or PR, which can change from day to day. Corporate identity is a symbolic uniform that acts as a flag expressing everything about the organisation. This includes the 'permanent media' or buildings, vehicles, uniforms, business forms etc. (Smith 1998, 439-450.)

Because **sponsorship** is a crucial part of the thesis, chapter 3 focuses more specifically on the subject.

2.4 Creating a Business Image

The companies that practice sponsorship do it mainly because they want to achieve a certain business image for their company. The business image can be created but it also exists even if the company does not put an effort on achieving one.

In order to keep the customers and to acquire new ones, it is important to continually build a positive company image (Gerson 2002). A company image is the combination of the thoughts, feelings, beliefs, opinions and visions people have about a company and its products and services. The company image and marketing communications are interdependent, they both influence one another.

The company image is both a simple and complex concept. It is simple because successful companies create images that are easily described and recognised by their target audience. And it is complex because it takes many discreet elements working together to create an image. Some of the elements that create an image are advertising, marketing communications, publicity, store locations, prices and product positioning.

The company image is also the company's identity in the marketplace. The identity is not exclusive to a one company. Two competitors might have the same image. For example, two grocery store chains may both have an image of offering quality products at reasonable prices. The other one's image may, however, differentiate from the other. For example, one chain might not be as clean as the other one.

Even if a company does not advertise, pass out brochures or issue press releases, there are some items that will quietly, yet actively, create a company image. Such items include the company logo, website, product packing and business card. Also the location and operating hours of a company, how the employees are dressed and how the phone is answered are part of an image. A company has an image even if they do not undertake any activities to try to build one: the customers have thoughts, feelings, beliefs and opinions about the company and its products and services. (Small Business Notes 2006; Gerson 2002.)

3 SPONSORSHIP

An increasingly common promotional activity is sponsorship. Sponsorship is a business relationship between a provider of funds, resources or services and an individual, event or organisation which offers in return rights and association that may be used for commercial advantage and gaining publicity in return for the sponsorship investment. According to Jiffer and Roos (1999), sponsorship is business method to communications and marketing where the aim in long- and short-term is to enhance the recognition of the sponsor's brand and image and also to increase the sales of the company. Sponsorship is one of marketing communication's hardest methods but when it is done successfully it is one of the most effective methods. (BDS Sponsorship 2006; Ikävalko 2004; Alho 2005, 11.)

The communication manners of sponsorship differ from other elements of marketing communications (Touri 1995, 8). In sponsorship, the company rents the images of the organisation that it sponsors and attaches it to its own image. Sponsoring is an indirect form of affecting and is normally separated from the company's business. It is a way of communicating with the company's target group and telling them about their set of values. (Alho 2005, 13.)

The values that different sponsorship targets communicate are as follows according to Aaker and Joachimsthaler (2000) and Meenaghan (1999):

Table 1. Values sponsorship targets communicate (Alho 2005, 25)

Sports	energetic, muscular, youthful, speedy, healthy
High culture	discriminating, exclusive, sophisticated, serious, upper class
Popular culture	contemporary, innovative, commercial, youthful, friendly
Social targets	caretaking, approvable, caring, intelligent

One way an organization can try to make their service tangible is to attempt to get customers to link the image of its organization or of specific services with a more tangible event or activity. While publicity can successfully perform this function, sponsorship can also have long-term value. Sponsorship activities include such examples as a bank

sponsoring football matches and the sponsorship of specific television programmes. (Palmer 2001, 346.)

The target of sponsorship can be anything from a charity gala to the Olympic Games. By definition, the chosen event will have only limited connection with the brand, and so it cannot usually be used to initiate a new brand. However, particularly in the context of increased media coverage of some events, sponsorship has become increasingly important in supporting branding. (Lynch 1992, 197.)

Sponsorship is especially attractive to companies that provide services as it allows the relatively known characteristics of an event or activity being sponsored to help enhance the image of an organization's own inherently intangible services. As an example, an insurance company wishing to associate itself with high quality may seek to sponsor the activities of a leading arts organization noted for the quality of its productions. A further advantage of sponsorship is that it allows a company to avoid the general media clutter usually associated with advertising. Furthermore, audiences can be segmented and a sponsorship vehicle chosen whose audience matches that of the sponsoring company, in terms of socioeconomic, demographic and geographic characteristics. In this way, a regional insurance broker might sponsor a local theatrical group operating solely in its own business area. (Palmer 2001, 346.)

Cooperating is very important in sponsorship. In fact many companies prefer to use the term cooperation instead of sponsorship when they talk about sponsorship contracts. The term cooperation highlights the mutual obligations that are involved in sponsorship. (Alho 2005, 14.)

The sponsoring relationship is formed around the sponsorship contract. A short-term sponsoring contract does not attach the sponsor to a long-term investment but it can bring publicity and awareness especially if it is with a new project. The negative aspect, however, is that it is not usually enough to make a permanent difference. The recommended duration for a contract is 3-5 years. Over that period of time both parties have time to get to know each other and they can fully benefit from the project. The contract includes aims that are put into practice in divided periods of time. The first year is usually used for implementing the rules of the sponsorship relationship, the second year is starting to work according to the

contract and bigger results can be expected from the end of the second year onwards. The risk with long-term contract is that the popularity of the sponsorship target may decrease, also the target group and personnel of the company could lose interest towards it. (Alho 2005, 18; Touri 1995, 26.)

Several bigger sponsors in Finland prefer to focus on only a couple of big projects rather than many targets with small investments. The companies can be the main or a side sponsor. The side sponsor does not get the same attention compared to when a company is sponsoring alone but it can be a part of a big project with small investment. As a basic rule, a recommended amount of sponsors for a project is 1-2 main sponsors and 3-5 side sponsors that share the visibility. (Touri 1995, 26.)

It is difficult to evaluate sponsorship activities because of the problem of isolating the effects of sponsorship from other elements of the promotion mix. Direct measurement is only likely to be possible if sponsorship is the predominant tool. Sponsorship should therefore be seen as a tool that complements other elements of the promotional mix. (Palmer 2001, 346.)

3.1 The Objectives of Sponsorship

Clear objectives in sponsorship help to focus both the spin-off activities such as sales promotions linked with the core sponsorship programme, and the marketing support activities such as advertising and publicity which announces the sponsorship programme. A sponsorship programme can satisfy many objectives simultaneously. The range of objectives is varied. (Smith, 1998, 391.)

3.1.1 What Sponsorship Can Achieve For the Sponsor

Probably the most important aspect that sponsors desire when starting to sponsor a specific destination is increasing **awareness**. Companies want to create a presence, become a household name and generally raise awareness of a previously relatively unknown company. Sponsorship can also help **enhance brand or corporate image**. Building an image can help to reposition or strengthen a brand or corporate image through association with particular types of sponsorship activities.

Sponsorship allows a company to **improve or maintain relations** with customers, employees and investors through hospitality and entertainment at a sponsored event. Sponsorship can also help to **increase sales** and **open closed markets**, give the company a chance to **showcase products** and **differentiate from competitors**. (Smith 1998, 391.)

The following table shows what benefits can different assets give to the sponsor:

Table 2. Sponsorship assets and related sponsorship benefits (BDS Sponsorship 2006)

Sponsorship Assets And Related Sponsorship Benefits		
Asset		Related Benefit
Marks and logos	→	Promotional rights
Audience	→	Access
Publication materials	→	Visibility
Signage	→	Impressions
Web site	→	Extented Reach
Sites/venues	→	Access
Guaranteed media	→	Impressions
VIP opportunities	→	Incentives
Database	→	Access
Events + Programmes	→	Proprietary platform
Merchandise	→	Impressions + promotional incentives

3.1.2 What Sponsorship Can Achieve For the Rights Holder

The purpose of sponsorship differs depending on the rights holder. Of course any organisation needs **financing**. For many organisations the sponsorship money is crucially important. With sponsorship the rights holder can get in kind **support**, extended

marketing reach and additional **resources** for e.g. product development. Also they can focus more on marketing communications actions and **save on expenditure** which help the economical risks to decrease. To the rights holder it means possible economical, functional and often even image based competitive advantage.

The rights holder can choose which companies they want to sponsor their organisation and this way they can improve **brand association** and **brand building**. Eventually sponsorship helps to enhance the organisation. (Ajala, Forssell 2004, 25-26; BDS Sponsorship 2006.)

3.2 Running a Sponsorship Programme

There are some important points that both, the sponsor and the rights holder must consider before they start running a sponsorship programme in the company or organisation. When the sponsorship programme is done with care and thought, it has much better chances of gaining results.

The main idea is that both parties need to understand when entering into sponsorship cooperation is that both of their values are very important. Personal relationships with the other party are important especially when looking for a long-term partnership because trust is the basis of a committed cooperation. Also having the right attitude towards the cooperation has a huge impact. Short-term sponsoring especially in the field of culture does not necessarily produce the wanted results right away so continuity and long-term cooperation is aimed at between the parties. (Ikävalko, 2004.)

The following chapters will concentrate on giving more details on what the parties need to consider and how to prepare entering into sponsorship cooperation.

3.2.1 The Sponsor

When a company is starting to run a sponsorship programme, **the first thing** that they need to do is to analyse and summarise the current sponsorship situation, including competitive review, previous sponsorship experiences, sponsorship strategies etc. Also it is important to define the sponsorship objectives. The selection should be based on facts and statistics of the target's image, target group, visibility and the competitors' projects. Evaluating the

sponsorship targets and adapting them into the marketing and sponsoring strategy is challenging. It needs to be done by considering everything from the schedule to the finances and the practical aspects of the cooperation.

The company needs to have a clarifying strategy, which includes information such as how the sponsorship programme contributes towards the overall corporate mission, marketing objectives, communication objectives, and how it can be leveraged or stretched, exploited and supported by other communication tools. Then it is important to develop the tactical details of how it all fits together. (Smith 1998, 392; Alho 2005, 17, 5.)

The next step is to define target audiences. There are two different audiences. The first is the one immediately involved with the programme and the second is the one that can be reached through advertising and media coverage. Although there are many spin-off objectives that offer benefits to different target groups, the primary objective should be linked clearly with the primary audience. This involves some research into the lifestyles, attitudes, behaviour patterns, leisure activities, issues and demographics relevant to the primary target group. Previous research should have identified the current situation, i.e. how the sponsor is positioned in the target audience's mind. This will reveal the kinds of specific communications objectives that need to be set. The company should remember that using just a logo or a brand sign doesn't usually bring the best results. The message that they want to deliver should be formed so that it fits the target group, sponsorship target and implementation of the sponsorship campaign. (Smith 1998, 392; Alho 2005, 16.)

Finally the company should build in some form of measurement or evaluation to see whether the programme is worth repeating. Having measured the result, further analysis as to why a programme was particularly successful or successful will help future sponsorship programmes. (Smith 1998, 390, 395.)

As an alternative, the company can also use a sponsorship consultant's help when planning sponsoring. According to a research conducted by Wicher, Creig, Culligan and Harvey (1991), 39% of companies used a consultant's help in sponsoring sports, only 16% in sponsoring arts and 6% in other fields. The reasons mentioned why they use consultants were the lack of professional skills and resources. (Alho 2005, 16.)

3.2.2 The Sponsor seeker

When applying for sponsorship every stage in the process is essential. Here are a few practical things that need to be considered when starting a sponsorship programme:

1. Know your own project and believe in it. It is extremely important to know what you are talking about and believe in it when pitching the event to a possible sponsor. Thorough planning is very important. The first mistake is usually that the sponsor seekers try to sell the wrong package of benefits to the wrong people at the wrong time of year at the wrong price.
2. Find out the right contact person. 95% of success in sponsorship sales comes from targeting the right person within the right company. It is important to contact the person who is in charge of the sponsorship programme. Many projects with potential have not gone through because they were pitched to a wrong person.
3. Meetings are the most important part of the sales process. Having worked hard to get meetings lined up with sponsors, the sponsor seeker must make the meeting count. They will most likely never get a second chance to present the opportunity in person. The presentation should be prepared carefully (the time of the presentation, who will present, the material given etc. should be taken into consideration). It will often take several meetings to close a sponsorship agreement. It is important to be in contact regularly with the company in question.
4. If the sponsor seeker is going to persuade a sponsor to pay them any money, and especially if they want to charge a premium fee, it is very important to be able to justify the price. If the sponsor seeker is lucky enough to get to the stage of signing a sponsorship contract, they need go through it very carefully and make sure that they understand everything in the contract. After signing the sponsorship contract, the work really begins to ensure that they will have a sponsor as long as possible.

(Niinikoski & Sibelius 2003, 177; How to find Sponsorship 2007.)

As the markets are growing, the role of the sponsorship seekers gets more challenging when looking for sponsors; the activity and the professional skills on selling the idea of the organisation are crucial factors. The interaction between the sponsor and the sponsoree is essential to assure the effectiveness of the sponsorship activity. When looking for a sponsor, the sponsor seeker has to be able to bring up the strengths of their organisation in the negotiations. To make an impact, the strengths would have to be meaningful to the sponsoring company's communication or marketing. (Lipponen 1999, 11; Alho 2005, 5.)

In the interaction between the parties, the purpose is also to establish a foundation to the practical implementation. If the intention is to connect the company's and the sponsoree's images together, the sponsoring requires a link between the company/product and the target so that it has a significance to the audience. (Lipponen 1999, 11.)

Succeeding in the sponsorship programme requires profound entering into the other party's world. As the targets' own expertise and experience grow, the skills and the quality of the cooperation develop significantly. The company's needs and wishes should be acknowledged and aimed to be fulfilled as well as possible. (Ajala & Forssell 2004, 24.)

3.3 The Types of Sponsorship

All sectors of society can be targeted and reached through sponsorship. Just about anyone or anything can be sponsored. The range of sponsorship opportunities is only limited by one's imagination. The most common ones are sports, broadcast, education, community and culture. (Smith 1993, 386.)

Sports sponsorship is the most popular form of sponsorship. According to the Sponsor barometer of the Union of Advertisers, 93% of companies in Finland were sponsoring sports in 2003. Whether the events are small or large, sports offer an effective route into the mind of various target markets. Major sporting events have the advantage of being attended and more importantly watched by large numbers of people. They also attract significant media coverage. Even within a particular sport there are a range of different sponsorship opportunities. It is possible to sponsor a title of a sports event, e.g. Coca Cola Cup, or a stadium e.g. Hartwall Arena. It is also possible to sponsor a team or even an individual player. Players that receive sponsorship from a company may in return have to open stores

and meet employees, for example. Sports is easy to commercialise and it's language is international.

Broadcast sponsorship is becoming more and more common. Television and radio programme sponsorship has become more visible also in Finland in the last couple of years. The increasing fragmentation of television in the UK through new digital channels is providing many more opportunities for sponsorship of this kind.

Educational sponsorship can take several forms, from the sponsoring of individual students at college through to the provision of books and computers nationwide using the redemption of product or store-related vouchers (e.g. Tesco's Computers for Schools)

Community sponsorship is becoming increasingly important as businesses recognise the importance of their community and their corporate responsibility.

Arts events or organisations are not as well attended as sports events but are often regarded as more worthy and more in keeping with the image of certain businesses and brands. The next chapter focuses more on **Cultural sponsorship**.

(Smith 1998, 386; Tutor2u 2006; Ajala & Forssell 2004, 13; Alho 2005, 21.)

3.4 Cultural Sponsorship

Sponsorship has become a trend also in culture. Cultural institutions, organisations, and festivals seek for a sponsor because others have one, and for the same reason companies start sponsoring without making it first clear what they want, what they can do and what are the needs of the other party. Cultural bodies have the best knowledge of their own cultural branch but usually they do not know marketing or have economic resources. The situation in companies is often quite the opposite. Some improvements have been made and nowadays applications pay more attention to the needs of the sponsor and even artists are seeking sponsorship. (Oesch 2002, 130.)

Sponsoring different association, events and places are really common for companies. Sponsorship has grown rapidly over the last 30-40 years (Oesch 2002). During the 1970s and

1980s companies made a lot of cultural acquisitions to their premises. During the economic recession in Finland in the 1990s, companies decreased the amount of money spent on sponsorship in general, which also included culture sponsorship. Companies reduced the number of cultural acquisitions but instead they started to hold the customer and personnel functions at cultural events. Since 1995, sponsorship has recovered year by year and nowadays sponsorship seems to be growing more than sponsorship on average. At the same time, an increasing number of companies have taken culture as one sector of their sponsorship, besides sports and social issues. Most of the cultural venues have assets such as the audience, tenants, advertising and promotional budget, signage, tickets, promotions, programs, premier seating, hospitality and profile in the community. All of the mentioned assets have a potential value to a sponsor. Many companies want to use culture as a way of differentiating positively from other companies. (Niinikoski & Sibelius 2003, 174; Oesch 2002, 126.)

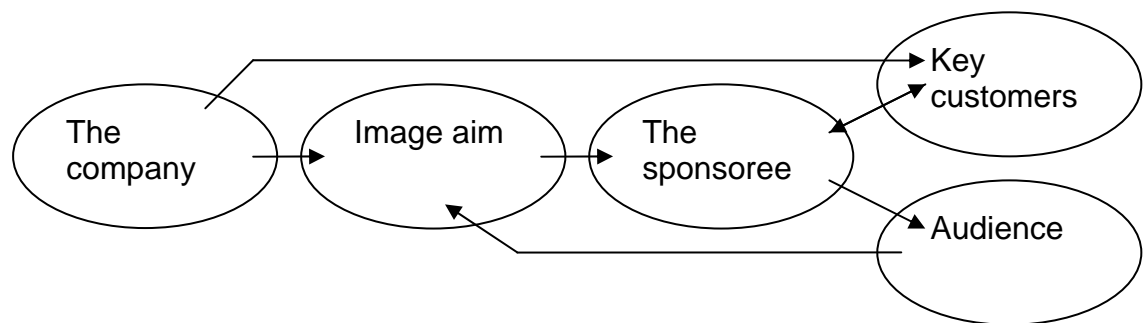


Figure 2. The thought behind sponsorship.

As stated before in the text, usually when a company sponsors culture, they want to aim at a certain image. Sponsoring culture gives the target audience a sophisticated and positive image of the company. The target of sponsorship can help to reach a certain audience and that way the target of sponsorship helps the company to get the image they are aiming at. The company's key customers are of course important for them. The company can for example arrange free tickets for their key customers. This way everyone benefits; the company has a way to please their key customers, the sponsoree gets more exposure to new audiences, and the customers get benefits.

Examples of sponsorship targets include orchestras, theatres, museums, events, dance groups and operas. Usually a company that focuses on culture is seeking a more individual approach to their customers and culture offers that approach more than sponsoring sports,

for example. Most co-operation projects that are put into practice through sports have several co-operation companies and the benefit that one company gets from the project is shared with many different companies. In most bigger events that might even be the only way of carrying out an event. But in smaller happenings it is possible to get just one, or at most two or three co-operation companies. The less there are companies involved the more clearly the event profiles itself with the company or the companies that sponsor the event. (Oesch 2002, 57; Niinikoski & Sibelius 2003, 174.)

There are a lot of different kinds of cultural targets available and they all have their special features. Benefiting from sponsoring high culture such as opera emphasizes often on publicity and relations activities because it is usually not good taste to show off the sponsor too much at the event. Sponsoring entertainment, on the other hand, does not contain as strict boundaries. The sponsors are very visible and sometimes bring out strongly their role as the force behind making the event possible. Entertainment is quite a popular sponsorship target. One main reason is that the events have to raise a prominent amount of their budget from sponsorship money to make it possible to arrange the event. (Touri 1995, 52-53.)

One example of cultural sponsorship is the Emma Museum in Espoo. On their website there is a page that is solely about the sponsors of the museum. They also explain how they benefit from sponsorship and how they influence one another. The museum hopes to get more audience and more resources for the museum. The sponsors get more visibility by getting the logo and the link to their website on the museum's website and in addition, they can introduce new cultural activities for their customers. The sponsors of the Emma Museum include the insurance company Tapiola. This is appropriate because the museum is located in a part of Espoo called Tapiola. (Emma museum, 2007.)

The problem of cultural sponsorship is usually weak commercialism which counts out part of the companies that clearly seek to benefit out of sponsoring. Culture is also often dependent on national economy. During the weakest times culture loses often relatively more funds and audience compared to e.g. sports. On the other hand, during an upswing it turns in favour of culture. (Oesch 2002, 22-26; Touri 1995, 52-53.)

Even though the most talked about form of support is sponsorship, there are also other ways. One example is the tax free donations that are made for the foundations, funds and

organisations that support arts and culture. Other examples include art acquisitions and business cooperation. The difference between sponsorship and business cooperation is faltering. Sponsorship is usually perceived as companies' direct financial support to institutions, artists and events in a way that brings up the company's name and gives it image and commercial value. Both, sponsoring and business cooperation, cover an exchange where the company gives project, event and research financing or other benefits such as services, equipment and discounts to the cultural organisation. And the supported party may offer such commodities as the use of their premises and free tickets. (Heiskanen, Kangas, Mitchell, 2002, 142.)

When dealing with culture, sponsorship is often associated with donations. Not all marketing transactions involve the exchange of money for a tangible product or service. Non-profit organisations such as charities, religious groups, arts and colleges and universities receive large amounts of money in donations every year. Nonprofits often use ads to solicit contributions and support from the public. Donors generally do not receive any material benefits for their contributions; they donate in exchange for intangible social and psychological satisfaction such as feelings of goodwill and altruism. (Belch & Belch 1998, 7.)

The main idea of sponsorship is that it benefits both parties. Philanthropists do not expect any commercial benefit or publicity from the donation, or at least it is not the main motive of the activity. Philanthropy does not require mutual contracts. If the donation is announced publicly or in some other form of marketing communications, it comes close to the benefit aspect of sponsorship. The only thing that is missing from the action is the equivalent thinking which is prominent for sponsorship. (Ajala, Forssell 2004, 25-26.)

4 RESEARCH METHOD

The main purpose of all research is to find answers to questions in such way that the answers will be reliable and unbiased (Lancaster & Reynolds 1998, 145).

There are essentially two types of research: quantitative and qualitative. Quantitative research uses surveys based on a representative sample of the population or target group. Qualitative research involves an in-depth, unstructured exploration with either small groups of individuals (group discussion or focus groups) or with individuals on a one-to-one basis (depth interviews). (Smith 1998, 117.)

The research method that is used in this study is qualitative research because the objective is to get new ideas and thoughts about the subject of cultural sponsorship in Kainuu, not just to get the information on what the situation is right now and measure the results of the questionnaire.

4.1 Qualitative research

Qualitative research, by definition means "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification" according to Strauss and Corbin (1990, 17).

The essence of qualitative research is that it is diagnostic which means that it seeks to discover what may account for certain kinds of behaviour; for example, brand loyalty. It seeks deeper understanding of factors, sometimes covert, which influence buying decisions. Basically it investigates the why and how of decision making, as compared to what, where, and when of quantitative research. It is impressionistic rather than conclusive as in it probes rather than counts. It observes and reflects on the complexity of human activities in satisfying many needs. Primarily, it is subjective. For its findings it cannot produce statistical evidence based on probability sampling. But for all its limitations, qualitative research is able to provide unique insights to inspire and guide the development of e.g. marketing strategy and tactics. (Chisnall 1997, 180.)

Probably the most important test of any qualitative study is its quality. A good qualitative study can help us understand a situation that would otherwise be enigmatic or confusing (Eisner 1991, 58). Issues of reliability and validity are often ignored within qualitative research because they are usually just associated with quantitative approach and are basically impossible to achieve within qualitative inquiry. In the concept of a good quality research, reliability is a concept to evaluate quality in quantitative study with a purpose of explaining while quality concept in qualitative study has the purpose of generating understanding. (Stenbacka 2001, 551.)

Patton (2002) states that validity and reliability are two factors which any qualitative researcher should be concerned about while designing a study, analysing results and judging the quality of the study. To ensure reliability in qualitative research, examination of trustworthiness is crucial. When establishing good quality studies through reliability and validity in qualitative research, the trustworthiness of a research report lies at the issues that are conventionally discussed as validity and reliability. (Seale 1999, 266; Golafshani 2003.)

There are means available by which the quality of qualitative inquiry can be judged. Lincoln and Guba (1985) have proposed four criteria for judging the soundness of qualitative research and explicitly offered these as an alternative to more traditional quantitatively-oriented criteria. These four criteria are credibility, transferability, dependability and confirmability.

The **credibility** criteria involves establishing that the results of qualitative research are credible or believable from the perspective of the participant in the research. Since from this perspective, the purpose of qualitative research is to describe or understand the phenomena of interest from the participant's eyes, the participants are the only ones who can legitimately judge the credibility of the results.

Transferability refers to the degree to which the results of qualitative research can be generalized or transferred to other contexts or settings. From a qualitative perspective transferability is primarily the responsibility of the one doing the generalizing. The qualitative researcher can enhance transferability by doing a thorough job of describing the research context and the assumptions that were central to the research.

The idea of **dependability** emphasizes the need for the researcher to account for the ever-changing context within which research occurs. The researcher is responsible for describing the changes that occur in the setting and how these changes affected the way the research approached the study.

Qualitative research tends to assume that each researcher brings a unique perspective to the study. **Confirmability** refers to the degree to which the results could be confirmed or corroborated by others. (Lincoln & Guba 1985; Trochim 2002; Benton D.C 1996.)

4.2 Implementation

The target area of the research is Kainuu, so the questionnaire was sent to companies in the Kainuu area. The companies that were selected are middle-sized companies and were selected by random sampling from a list of companies provided by TE-Centre in Kajaani. No previous research about the companies' sponsorship past was done. The questionnaire was sent by email to 25 companies. Most of the questionnaires were sent to the managing director of the companies and some straight to the person who is responsible for marketing in the company.

To attract responses, there was drawing along with the questionnaire. There was a chance to win a prize that was a pair of tickets to see any play in the Kajaani municipal theater. The drawing was conducted with the help of the Kajaani municipal theater.

All in all ten companies answered the questionnaire so the response rate was 40%. The e-mails were sent in January for the first time but only a few filled in questionnaires came back. The reminders were sent in February and also a couple of new contacts were added to the list hoping to get more answers.

There are 15 questions in the questionnaire and most of them are multiple choice questions. The idea was that the multiple choice questions would provide some basis for the open questions and the open questions would give more profound information on the matter. The questions were created with the help of the Kajaani municipal theater because they have the knowledge and experience to know what to ask the companies to get useful answers that

would help to gather the information that was aimed at. Basically the intention was to get information on such issues as the state of cultural sponsorship in Kainuu, how popular sponsorship is and what is sponsored, what do companies want to accomplish with sponsorship and their views on how it works.

Does your company have experience of being a sponsor? The idea of the first question was to get information if the company has any interest on being a sponsor. If the replying company doesn't have any experience and no interest in starting sponsoring, the respondent can't really continue with the questionnaire.

What does your company sponsor? The second question asks more specifically what do the companies that answered yes to the previous question sponsor. The multiple choice options were taken mostly from a list that Smith (1998) has provided and it is also used in the theory about what are the most common targets of sponsorship.

If your company has experience of sponsoring, what have been the biggest plus and minus sides of it? The third question inquires what the positive aspects of sponsorship are and what do the respondents think needs more developing. Basically the idea was to get the companies' experiences of sponsoring, what in their opinion works and what does not, and that way find ideas how it can be improved.

If your company has given up on sponsorship, what reasons have effected the decision? This question aims to get more insight to the previous question by asking if the companies have given up sponsorship and what are the reasons behind the decision. By asking this question the intention was to get experiences of the companies that might help the cultural organisations avoid the mistakes others have made in the past.

Is your company interested in cooperation with a cultural producer? The fifth question inquires how willing the companies in Kainuu actually are to sponsor culture. If they are not at all interested, they can't answer the next questions because the questions are inquiring about the subject more specifically.

Is your company interested in a cooperation partner from some field of culture in particular? The aim of the question is to get an idea to what field of culture are the companies in Kainuu most interested in sponsoring.

Is your company interested in supporting a cultural production that is specifically targeted to a particular group? With this question the intention was to find out if the companies are specifically aiming to reach a certain group with sponsoring and what is the most popular target group.

If your company is interested in cooperating with a cultural producer, what are the three most important reasons? According to sources in the theory part, probably the main reason for sponsoring culture (and also other targets) is the effect that it has on the company image. By asking the eighth question the intention was to get the information if the companies in Kainuu also think so or do they think that something else is more important.

What is the most suitable duration for a sponsorship contract for your company? The ninth question inquires how long do the companies think the sponsorship contract should be. According to the theory the average duration for a sponsorship contract is 3-5 years to get results. This question aims to find out how it compares with the contract durations that the companies in Kainuu use.

What kind of visibility would you like the partner to offer? This question basically asks what the companies think is the best form of visibility that works for them and hope the sponsor seeker to offer. The intention was to get the most popular forms of visibility that work in the Kainuu region so that the cultural producers get an idea what to offer the companies.

What else would you want from the cooperation partner in return? The intention of the eleventh question was to find out what other benefits, in addition to visibility, the companies hope to get from sponsoring the target.

Is local visibility enough or do you wish for national visibility with the cooperation? The twelfth question inquires if the companies are satisfied with just local visibility or are they aiming for national or even international visibility with sponsorship.

How does the art producers artistic contents affect when considering partnership?

The thirteenth question asks how does the artistic contents affect them when they are making the decision on which cultural sponsorship targets to choose. So basically, do they have very specific standards about the contents or are they more random with their decisions.

What is the best form of partnership financially? The fourteenth question inquires what do the companies think is the best form of partnership financially. The intention with this question was to find out how involved the companies want to be. Are they hoping for a larger responsibility or a smaller one that they can share with others.

How much money is your company willing to invest on sponsoring a cultural production? The fifteenth and last question asks how much the company is willing to pay for sponsoring a cultural production yearly. The intention was to find out what the cultural organisations in Kainuu can expect the companies would invest in culture.

5 RESULTS

The results were gathered from the answers of the questionnaire that were sent to companies in the Kainuu area. The results have been divided into four themes: experiences, interests, objectives and financing, to make it clearer.

5.1 Experiences

The first question in the questionnaire asks if the respondent company has experience of being a sponsor. Out of the ten companies nine answered that they are a sponsor at the moment and one answered that they have been a sponsor before but are not sponsoring at the moment. From the results one can see that all of the repliers have been sponsoring at one point. From this you might draw the conclusion that only the ones that are or have been sponsoring answered the questionnaire.

According to the results, nine companies out of ten are sponsoring sports, and it is therefore the most popular sponsoring target. What might be a little surprising is that culture is close behind: seven companies are sponsoring culture at the moment. Could this result be because the questionnaire's subject was "Cultural sponsorship in Kainuu" and that drew in more replies from companies that actually sponsor culture? Education is sponsored by four of the companies and also community is sponsored by four of the companies. Municipality is only sponsored by one of the replying companies. One company is also sponsoring other targets such as children's and young adults' free time activities which were not mentioned as an alternative in the list. One respondent left the question unanswered as they are not sponsoring anything at the moment.

Most of the companies that sponsor sports, also sponsor culture according to the questionnaire results. Only two companies answered that they sponsor only sports and nothing else. Four of the repliers sponsor more than two targets. Two answered that they sponsor four different fields: sports, culture, education and communities. One of the two others sponsor also municipality and the other one other targets as mentioned earlier.

The third question was directed only to the companies that have had experience in sponsoring. It was a two part question: the first part inquired what have been the positive

aspects of their experience in sponsoring and the second part asked what they think needs to be developed. From the answers to the question about the positive aspects that most stood out from the questionnaires was awareness and visibility. Four of the companies that replied to the question answered similarly that the positive aspect of sponsorship is awareness and visibility. According to the theory sponsorship is a great way of raising awareness and helps also previously unknown companies to gain visibility.

One respondent answered that the positive aspect for them is being able to enable the continuance of an organisation and that way it also brings positive publicity for the company. Getting awareness and interest in the company was mentioned by one of the respondents and also one company hopes to attain trust to the services that the company offers. According to the theory sponsorship allows a company to improve or maintain relations with customers and one respondent actually answered that sponsoring helps to get new contacts and networks.

One of the companies aims to achieve a positive image by supporting children's and young people's hobbies. Another company said that their sponsorship decisions are based on so called corporate social responsibility, which means that they are trying to do their part in improving the economy, the activities and affecting on making things more enjoyable for children and young people in Kainuu. The company hopes that the visibility of the name or the logo of the company in different local associations partly affects customer loyalty because the customers can see that the company is taking part in improving the welfare of the county. By doing this they also hope to score points compared to the competitors.

When asked what would be the things that need developing in sponsoring according to the respondents' experiences, there was one answer that came up a couple of times: it is difficult to measure the results of sponsorship. One respondent expanded the answer by wondering if the benefits from sponsoring are worth the money and time spent on the cause. According to Palmer (2001) in the theory, it is difficult to evaluate sponsorship activities because of the problem of isolating the effects of sponsorship from the other elements of the promotion mix. If sponsorship is the prominent tool, direct measurement is likely to be possible but sponsorship should rather be seen as a tool that complements other elements of the promotional mix.

In the questionnaire a subject that also came up by two respondents was how it is difficult to prioritize the applicants; there are many more applicants than there is money to invest in sponsorship. One of the respondents replied that they are hoping for improvement in the amount of visibility and that they are more interested in tailored cooperation that is contract orientated, and are not interested in just sponsorship nowadays. One company was worried about the fact that the sponsorship targets do not usually have the knowledge to run a sponsorship programme. Another company was wondering how to utilise the investments to sponsorship efficiently in marketing communication so that it would really add customer loyalty and would give the company more points in the customers' selecting process.

One of the companies that answered the questionnaire suggested that there should be new ways to utilise the sponsorship contract. Normally the sponsoring company gets visibility for their logo e.g. in the brochure or the premises of the target. According to the answer, this is so traditional and usual that it is not effective. This brings up some possibilities for improvement. The sponsoring company could be more active in the cooperation e.g. by coming up with new ideas how to utilise the cooperation. But on the other hand that would lead to more work for the company if they don't have employees and resources for such a task. Also the sponsored organisations could develop their supply but mostly they do not have the knowledge, resources and time to do that.

The fourth question asks if the company has given up sponsorship and what are the reasons behind it. One company answered that if the sponsorship does not meet the expectations that they had when starting the cooperation or if the event/organisation has gotten its activity to become stable, they end the sponsorship contract. Another company responded that if they have not gotten as much awareness and visibility when compared to the cost and work put in the sponsorship.

Another reason that was mentioned by one company was that the added value that was planned to be achieved with sponsorship did not come true. If the sponsorship programme is not planned thoroughly, it is easy to go overboard with it. When there are more sponsorship targets than the company can handle, according to one answer it means too much work and money for the company and they have to let go of some or all of their sponsorship destinations.

According to the questionnaire's answers, sometimes companies also give up sponsorship because they are not happy with the actions of the sponsorship destination. One example of this is using doping in sports. One of the replying companies had ended sponsoring because of doping. They took a couple of year's break and then continued sponsoring sports again.

5.2 Interests

Eight respondents answered to the question if their company is interested in starting a sponsorship partnership with a culture producer. Four of the respondents are already sponsoring culture. One company has been planning on starting one and one might be interested. Two of the respondents are not interested in starting a sponsorship partnership with a culture producer.

The sixth question inquires if the companies are interested in sponsoring some field of culture in particular and which ones. One important aspect stood out from the answers: the sponsorship destination has to have a target audience. This means that cultural organisations and events should really focus on targeting a certain group of people and make it clear when they are looking for sponsors and meeting with their possible sponsors.

Many of the companies are sponsoring different kinds of culture such as theatre, dance, art and music. Chamber music and brass band were mentioned as forms of music that interest the companies most. One company chooses sponsorship targets so that they can reach different target groups every year. Also two of the replying companies mentioned that they are specifically interested in sponsoring children's and young adults' cultural activities.

The next question specifically asks what target group they hope to reach by sponsoring culture. All of the respondents' answers included children and young people. More specifically one of the respondents answered that their target group is young people who are still in the compulsory school age. And another respondent mentioned that their target groups are young families and young adults.

5.3 Objectives

The eighth question inquires what are the three main reasons why they sponsor a cultural production. In this question the respondents were asked to mark their answers from the most important to not so important by using numbers 1-3. The option that turned out to be most important for the companies was that sponsoring culture affects on the company image. Three of the companies answered that it is most important for them. Also it was the second most important to three of the companies and third to one of the companies.

Almost as important to the companies was the effect that sponsoring culture has on the region's activity. This was also chosen as most important reason by three companies. It was chosen as the second important reason by two and third important by one of the companies. The third important reason why the companies are interested in sponsoring culture is that they support the recreational activity for the personnel of the company. One of the companies chose this option as the most important reason, two companies as the second important and three as the third important reason. Only one of the companies chose the personal interest of the management of the company as a reason to sponsor culture and it was their third most important reason.

According to the theory the recommended duration for a sponsorship contract is 3-5 years because during that time period both the parties get to know each other and find out how to benefit most from the cooperation. When asked what the companies in Kainuu think is the most suitable duration for a sponsorship contract for them, it turned out that the responding companies mostly prefer a yearly contract as the duration for the sponsorship contract. Four of the respondents answered so. Two of the companies prefer contracts that last several years. One of them have four and ten year contracts in sports and the other one has 1-2 year contracts depending on the sponsorship case. None of the companies that answered the question prefer having separate projects that last less than a year.

According to the answers of the questionnaire, the kind of visibility that the companies would prefer the sponsorship partner to offer is showing the company's logo in the brochures or posters. Three of the companies chose this option as their preference. One of the companies chose this as second and three of the companies as their third most important option.

The second most preferred option was getting the company's advertising board at the partner's premises. Three of the companies list this option as their first choice, one as the second and one as the third choice. Also a mention of the company's logo on the partner's website was quite important for the companies. Only one of the companies chose it as their most important kind of visibility that they hope to get which might be a little surprising considering the importance of the internet today but also three of the companies chose it as second and three as third most important.

Two of the respondents mentioned an advertising space on the brochures or programmes of the partner as their second most important choice of visibility. And one of the respondents would like if the partner offered a mention on a radio or television advertisement. It was their second choice. Perhaps most of the cultural organisations and projects that are sponsored in the Kainuu area do not advertise on radio and television a lot and that is why the replying companies did not consider that option as important.

When asked what else the companies would want in return for the sponsoring, the most popular answer was that the cultural organisation would take part in organizing event for the company. Three of the companies chose it as their first choice and one as their second choice. Also education e.g. in performance skills, speech technique and creativity practices was popular. One company chose it as most important, two as second important and also two as third important. Some companies would also like free tickets to the shows of the organisation that they are sponsoring. One of the companies considered it as most important thing they wanted in return and one as second important.

One of the companies that answered the questionnaire put tailored visits to the sponsorship destination as their first choice of what they would like in return for sponsoring. One other company put it as their second choice. A reserved performance at an agreed price was one company's first choice and two others' third choice. Some companies also would like the cultural organisation to offer programme for the company's happenings. None of the respondents chose the option as their first choice but two chose it as their second and other two as their third choice.

When asked if local visibility is enough for the sponsors or do they wish for national visibility with the sponsorship destination, six of the respondents answered that local

visibility is enough for them. One of the companies explains that local visibility is enough because they operate locally. One other company says that sponsoring is not a medium to advertise for them but rather corporate social responsibility. The company also mentions that of course national visibility is added value if it is possible to get without notable rise in the price of the contract. One of the companies always wants at least national visibility but prefers international visibility. Also one other company says that local and national visibility are not enough.

When asked how the art producer's artistic contents affects when they are considering a partnership one of the companies said that the contents does matter but it is not crucial. Other one said that the contents should have the interest of the masses. To one of the companies the art form does not matter but it should have high quality. One respondent requires value compatibility between the company and the sponsored organisation. Also it was mentioned that commitment to the cooperation is the most important thing.

5.4 Financing

According to the theory, many of the biggest sponsors in Finland prefer to focus on only a couple of big projects rather than many targets with small investment. When asked what the companies in Kainuu think is the best form of partnership financially the answers divided quite equally. Two of the companies think that the best form is a big partnership alongside one or two other sponsors. Other two think that a medium partnership alongside five other sponsors in maximum is suited for them. But three of the companies prefer a small partnership alongside five to even over ten other sponsors. This might be because it generally means less work on the sponsor's side but still they get the visibility and other benefits of being a sponsor. Of course the downside is that the company does not stand out as a sponsor but has to share the "spotlight" with several other companies.

The responding companies are not willing to put more than 5000 euros per year on sponsoring a cultural production. In fact, two of the respondents would only be willing to pay 1000 euros per year. Four would pay 1000-5000 euros per year. The options 5000-10 000 euros and over 10 000 euros got no answers.

6 CONCLUSION

The results of the research show that companies in the Kainuu region are interested in sponsoring culture and a lot of them are already doing so but some improvements need to be made to benefit both the sponsor and the sponsor seeker more.

One of the points that stood out for me was that according to the results, most of the respondents prefer sponsorship contracts that last for one year. According to the theory, the recommended duration for a sponsorship contract is 3-5 years because it takes time to fully benefit from the cooperation. Maybe the sponsors do not want to invest too much in sponsorship because it always has its risks but maybe taking the risk would pay off. It takes a lot of research even before finding the right sponsorship target and it takes time and patience to get results. Usually the cooperation partners have the same target group because it is one of the main reasons a sponsor chooses its target but should not rely on that alone but find the values and interests that tie them together to show their audiences that there is an idea behind the cooperation.

Normally the sponsoring company gets visibility for their logo in the brochure or the premises of the target etc. One example of a cultural production is an open production house of modern dance, Routa, in Kajaani. Their only sponsor at the moment is an IT-company that has created Routa's website. The sponsoring company's logo is showing on all of Routa's printed publications. According to the responds from the questionnaire, the kind of visibility that the sponsorship targets normally offer to the sponsors is so traditional and usual that it is not effective. There should be more effective and new innovative ways to bring up the sponsor. The sponsoring company could be more active in the cooperation by coming up with new ideas how to utilise the cooperation. That would lead to more work for the company if they do not have employees and resources for such a task but it could be worth the effort.

Also the sponsored organisations could develop their supply. It would be a very big advantage in getting a sponsor if the sponsor seeker could present a new innovative way of visibility to the sponsor. People who work in the culture field are known for their creativity so with a little bit of thought there could be a whole new lot of sponsoring companies interested. Of course there are some companies out there that might be a bit more

conservative to new ideas but there are also ones that are innovative and open to the new ideas. The thing that might be a problem most of the time for the sponsor seekers is that they do not have the resources, time and the knowledge of sponsorship to do that, which brings us to the next point.

As referred previously, according to the answers of the questionnaire, one point that needs improvement in sponsorship is that the sponsor seekers do not have the needed knowledge to run a sponsorship programme. To get more sponsors, the sponsor seekers should really educate themselves about how to deal with sponsorship. They really should put more effort and consideration into it to get sponsors.

As an example, the production house Routa has made effort to try and find new collaboration partners e.g. by arranging an event for companies but it has not worked for them. The event got a very good response from the guests but it didn't help create any new collaboration partners. There are some ideas in the theory about what should be taken into consideration when the organisation starts looking for sponsors. The activity of the sponsor seeker is crucial. It is very important to find the right contact person and have skills to sell the idea to the possible sponsors. What stood out from the answers in the questionnaire was that the sponsors really look into the sponsor seeker's target group and they really should make it clear to the possible sponsoring company.

The reliability and validity issues are often questioned in a qualitative research such as the one made in this thesis. Because of the quite low number of answers that were received for this research, most of the results were based on only one or a couple of the respondents answers, like it is usually in qualitative research. But to not mislead the reader to wrong conclusions, the research context and the assumptions that were central to the research were described so that the reader can understand which were the respondents' answers and which were the researchers own assumptions. Also the process of the research was made clear to the reader so that they get an idea what was the point of the research.

Finishing this thesis has been a long process. It has required a lot of work and at times it has been somewhat challenging. I am quite pleased with the theory part of the thesis. I especially wanted to concentrate on sponsorship and providing information for both, the

sponsor and the sponsor seeker. I have learned a lot about the concept of sponsorship in general and what it involves as well as getting an idea about what the situation of cultural sponsorship is in Kainuu. I was quite happy with all the answers that I got from the companies for the questionnaire even though I hoped to get more answers than I eventually got. I hope that at least some companies that are sponsoring and especially cultural organisations that are seeking for sponsors will find some helpful information from the answers gained from the research. I am grateful for the help that I got from the municipal theater of Kajaani, the TE-Centre of Kajaani and the cultural project Routa because the kind of information that they provided would have been basically impossible to gain from books.

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CULTURAL SPONSORSHIP IN KAINUU

Please fill in the questionnaire by putting the letter x (or numbers 1-3 if mentioned in connection with the question) to the box next to the question in multiple choice questions. There is a space under the open questions where you can write your answer.

1. Does your company have experience of being a sponsor?	
<input type="checkbox"/>	yes, our company is a sponsor at the moment
<input type="checkbox"/>	yes, but our company does not sponsor at the moment
<input type="checkbox"/>	no, our company does not sponsor
<input type="checkbox"/>	no, but our company has considered starting to sponsor

2. If you answered yes to the previous question, what does your company sponsor? You may choose several options.	
<input type="checkbox"/>	sports
<input type="checkbox"/>	culture
<input type="checkbox"/>	radio/TV broadcast
<input type="checkbox"/>	education
<input type="checkbox"/>	community
<input type="checkbox"/>	municipality
<input type="checkbox"/>	other, what?

3. If your company has experience of sponsoring, what have been the biggest plus and minus sides of it?	
Plus sides:	
Minus sides:	

4. If your company has given up on sponsorship, what reasons have affected the decision?	

5. Is your company interested in cooperation with a cultural producer?	
<input type="checkbox"/>	we are cooperating at the moment
<input type="checkbox"/>	we have thought about starting cooperation
<input type="checkbox"/>	cooperation might interest us
<input type="checkbox"/>	we are not interested

6. Is your company interested in a cooperation partner that is from some field of culture in particular (theater, dance, art, music etc.)? What?	

7. Is your company interested in supporting a cultural production that is specifically targeted to a particular group (e.g. children, young people, elderly)? What?	

8. If your company is interested in cooperating with a cultural producer, what are the three most important reasons? Please mark in order of importance with numbers 1-3.	
	the partnership benefits the company image
	to support the recreational activity of the personnel
	the affect the partnership has on the region's activity
	personal interest of the company's management
	other, what?

9. What is the most suitable duration for a sponsorship contract for your company?	
	separate project that lasts less than a year
	yearly contract
	several years, how many?

10. What kind of visibility would you like the partner to offer? Please choose three most important options (1-3).	
	mention, logo or link on the website
	the company's logo in the brochures or posters
	advertising space in the brochures or programmes
	the company's advertising board at the partner's premises
	mention on a radio or television advertisement
	other, what?

11. What else would you want in return from the cooperation partner? Please choose three most important options (1-3).	
	free tickets to shows
	taking part in organizing company's events
	reserved performances at agreed prices
	tailored visits
	education (e.g. performance skills, speech technique, creativity practices)
	programme for company's happenings
	other, what?

12. Is local visibility enough or do you wish for national visibility with the cooperation?	

13. How does the art producers artistic contents affect when considering partnership?	

14. What is the best form of partnership financially?	
	big partnership alongside 1-2 other sponsors
	medium partnership alongside max. 5 other sponsors
	small partnership alongside 5 to even over 10 other sponsors

15. How much money is your company willing to invest in sponsoring a cultural production?	
	1 000 €/ year at most
	1 000 – 5 000 €/year
	5 000 – 10 000 €/year
	over 10 000 €/year

Example of a cultural organisation in Kainuu: Routa

Routa is an open production house of modern dance which was founded in 2002. The production house is looking for new collaboration partners continuously because dance as an art form is still new and the audience base is very narrow. Financing of the production is still in its infancy. One of Routa's main objectives is to bring professional dance art to Kainuu and through that create work for professional dancers in the region.

After producer Mari Niskanen began working with Routa in September 2005, the production activity has increased notably. But in spite of that their only sponsor at this moment is an IT-company that is owned by a relative of one of the founding members of Routa. The company has created Routa's website. The sponsoring company's logo is showing on all of Routa's printed publications.

Routa has made effort to try and find new collaboration partners e.g. by arranging an event for companies. They invited over 70 guests. The event got a very good response from the guests but it didn't help create any new collaboration partners. Routa has partners in the field of culture but the breakthrough to the business world hasn't happened yet. According to the producer of Routa, cultural organisations in Kajaani and Kainuu have to have collaboration partners to survive.