

Bachelor's thesis

Degree Programme of International Business

International Business Management

2014

Juha-Matti Hellstén

OBJECTIVES AND RISKS PERCEIVED IN SPONSORING A SEMI-PROFESSIONAL ICE HOCKEY TEAM

–case TUTO Hockey



TURUN AMMATTIKORKEAKOULU
TURKU UNIVERSITY OF APPLIED SCIENCES

BACHELOR'S THESIS | ABSTRACT

TURKU UNIVERSITY OF APPLIED SCIENCES

Degree Programme of International Business | International Business Management

2014 | 47+1

Emmanuel Querrec

Juha-Matti Hellstén

OBJECTIVES AND RISKS PERCEIVED IN SPONSORING A SEMI-PROFESSIONAL ICE HOCKEY TEAM

Sponsorship is not a new phenomenon; it has been used in different ways since the ancient times. It can be said, that even the expeditions of Cristopher Columbus were made possible because of sponsorship by Queen Isabella of Spain.

Sponsoring of sport has overcome a significant change since its introduction in the mid-19th century. Today, sponsors are expecting a better return for their investment in sponsorship, instead of just giving money away. The tightening economic environment puts pressure on sport organizations to provide better service to their sponsors and especially to deliver value greater than the sponsors' investment.

The objective of this work was to find out what kind of expectations companies have when sponsoring a semi-professional ice hockey team TuTo Hockey. Furthermore, what sort of risks they perceive to be involved in the sponsorship partnership and how TuTo Hockey could further improve its level of service to its sponsors.

In the thesis, a qualitative research method was chosen because it appeared as a more suitable method given the nature of the information enquired. A qualitative research method enabled respondents to reason their answers more profoundly.

The findings of the research indicate that all the points presented in the literature do not completely hold in the case in question. There still can be seen signs of "unprofessionalism" among the sponsors. All of them are not expecting significant returns for the sponsorship and none of them were able to mention any major risks involved in sponsorship.

All of the conclusions are valid within the sponsor selection for this thesis and cannot be generalized due to the low number of respondents.

KEYWORDS:

sponsorship, marketing, ice hockey, sport,

OPINNÄYTETYÖ (AMK) | TIIVISTELMÄ

TURUN AMMATTIKORKEAKOULU

Degree Programme in International Business | International Business Management

2014 | Sivumäärä

Emmanuel Querrec

Juha-Matti Hellstén

TAVOITTEET JA KOETUT RISKIT PUOLI-AMMATTILAISJÄÄKIEKKOJOUKKUEEN SPONSOROINNISSA

Sponsorointi ei ole moderni ilmiö; sitä on käytetty eri tavoin jo antiikin ajoista saakka. Voidaan sanoa, että Espanjan kuningatar Isabellan sponsorointi mahdollisti jopa Kristoffer Kolumbuksen tutkimusmatkat

Urheilun sponsorointi on muuttunut merkittävästi 1800-luvun puolivälin jälkeen, jolloin sen katsotaan alkaneen. Nykyajan sponsorit odottavat sponsoroinnin olevan tuottava sijoitus, eikä ilmaista rahaa enää ole jaossa. Kiristynyt taloudellinen tilanne pakottaa urheiluorganisaatiot palvelemaan sponsoreitaan paremmin ja etsimään keinoja lisäarvon tuottamiseen.

Tämän työn tavoite oli kartoittaa minkälaisia tavoitteita yritykset asettavat yhteistyölle puoli-ammattilaisjäykkiekkjoukkueen sponsoroinnille. Sen lisäksi tarkoitus oli selvittää mitä riskejä sponsorit kokevat liittyvän sponsorointiyhteistyöhön TuTo Hockeyyn kanssa ja vielä miten TuTo voisi entisestään parantaa palvelunsa laatua.

Tutkimusmenetelmäksi valittiin laadullinen tutkimus, koska se antaa vastaajille paremman mahdollisuuden vastata laajemmin ja perusteellisemmin esitettyihin kysymyksiin.

Tutkimuksen tulokset osoittavat, että kirjallisuudessa esitetyt väitteet eivät suoraan pidä paikkaansa tässä tapauksessa. Sponsoroiden joukossa näyttäisi edelleen esiintyvän ”epäammattimaisuutta”. Kaikki sponsorit eivät olleet niinkään kiinnostuneita sponsoroinnin taloudellisista tuotoista, eikä yksikään sponsori osannut mainita suuria riskejä sponsorointiin liittyen.

Pienestä vastaajamäärästä johtuen, kaikkia tuloksia ei voi pitää yleisluontoisina. Päätelmät pitävät paikkansa vain tutkimukseen osallistuneiden kohdalla.

ASIASANAT:

urheilu, sponsorointi, markkinointi, jääkiekko

CONTENT

1 INTRODUCTION	5
2 SPONSORSHIP IN FINLAND TODAY	7
3 STRATEGIC NATURE OF SPONSORSHIP	11
4 SPONSORSHIP AND CORPORATE SOCIAL RESPONSIBILITY	18
5 ACQUISITION OF SPONSORS	22
6 METHODOLOGY	29
7 EMPIRICAL ANALYSIS OF THE RESEARCH	31
8 CONCLUSIONS	42
REFERENCES	44

APPENDICES

Appendix 1. List of questions to the sponsors of TuTo Hockey

1 INTRODUCTION

Getting sponsorship money is not easy to get (Mainostajien Liitto, 2013). The economic conditions of today force companies to demand added value and return for their money. Unfortunately, sponsoring a local sports team is often seen only as a cost, adding at most the feeling of goodwill to the owners of a business (Valanko, 2009). However, as will be pointed out in the thesis, there is a significant difference between sponsorships and pure goodwill. In addition to being a major source of revenue for a sports team, sponsorships can provide great benefits also for a business when properly used, such as image improvement.

The decision to select this topic was greatly influenced by a large public interest in sports and especially in ice hockey, which at the moment is the most popular sport in Finland (Sponsor Insight, 2014). Additionally, a keen consumer of sports entertainment cannot help not to become bombarded by sponsorship messages. Does putting a company's logo on a local sports team's shirt actually improve sales?

The purpose of this thesis is to research the sponsors of TUTO Hockey. The research questions are:

- 1) What are the objectives of sponsoring TUTO Hockey?
- 2) What are the perceived risks involved in the sponsorship?

Also, additional objective of this thesis is first find out how pleased sponsors are in TuTo Hockey's offering of services in exchange for sponsorship money. Furthermore, discovering how sponsors are using these services to promote their business and what the importance of a game is in sales promotion is one of the desired outcomes of this thesis.

In the theoretical part of the thesis, different definitions of sponsorship are given and explained how it differs from pure goodwill followed with a brief introduction to the history of sponsorship.

Also, sponsorships today as a method of marketing communication in Finland and globally are discussed. The goal is to include some interesting statistics to provide more information.

The thesis will first explore the sponsorship process from the sponsor's point of view starting from goal setting until the expiration of the sponsorship contract: What the advantages and opportunities are, but also the challenges and threats associated with sponsorship.

The final chapter deals the process from the sponsorship seeker's side. The idea of the chapter is to explain, what steps are necessary steps for successful sponsorship acquisition and long term sponsorship partnerships.

In the empirical part of the thesis four to five companies among the sponsors of TUTO Hockey who also are sponsoring other local teams are interviewed, in order to identify their sponsorship motivation. The service provided in exchange for the sponsorship by each of the team sponsored by the business is compared. Finally the answers received are analyzed and evaluations are made regarding the company's level of satisfaction with each sponsorship deal signed.

One of the objectives of this thesis is to provide valuable information for TUTO Hockey about their sponsors' opinions and attitude, give some new recommendations on how to improve the sponsorship process and to serve their corporate customers better.

2 SPONSORSHIP IN FINLAND TODAY

In a study, conducted in spring 2013 by The Association of Finnish Advertisers, it was discovered, that 12 percent of its member companies were going to increase their sponsorship budget, whereas 23 percent of companies intended to decrease their share of sponsorship spending (Mainostajien Liitto, 2013). There is less money spent in sponsorships each year, but at least the speed of the reduction is slowing down. In the previous year, only three percent intended to use more money on sponsorships.

The association (2013) estimated that 166 million euros were spent in sponsorships in 2012, about three percent less than in 2011. It was divided with sports, which received 96 million, culture 24 million and other targets 46 million euros.

The current economic situation can be seen in the fact, that this was the fifth year in a row, when the number of companies cutting their sponsorship budget was larger than the number of companies increasing it. The most attractive targets to sponsor were football club HJK of Helsinki, formula one race car driver Kimi Räikkönen and the museum of contemporary arts, Kiasma.

The most popular method for sponsorship is sport, which took 55 percent of all sponsorship money (Mainostajien Liitto, 2013). The most dominant sport was ice hockey, which took 10 percent of all sponsorship money used in Finland.

Thirty percent of the respondents intended to cut their spending of sponsoring professional sports. In contrast, thirty percent of businesses were thinking of shifting more emphasis to local and youth sports. Also science and education, in addition to environmental targets, are getting more money from businesses. This indicates a strong shift in attitudes and values regarding to selecting sponsorship targets (Mainostajien Liitto, 2013).

The study conducted by the association (2013) asked about the effect of the public discussion about violence in ice hockey and athletes using alcohol in their sponsoring decisions, thirty seven percent of the respondents said that

they will still continue sponsoring sports, but shift their focus more in youth sports. One third will continue as before and eighteen percent will reduce it, but none will abandon sponsoring sport altogether. As the CEO of The Association of Advertisers Ritva Hanski-Pitkääkoski says, even though nobody considers abandoning sport sponsoring because of negative publicity, it will decrease the amount of money it receives. Interestingly, two percent of the companies see the fuss as an opportunity to increase sponsoring sports.

Sixty two percent of the respondents were pleased with their results with sponsoring, while six percent of the companies said sponsoring did not reach its objectives (Mainostajien Liitto, 2013). Very interesting is the fact, that one fourth of the companies did not set any goals for sponsoring. In this case, the characteristics of sponsoring are hardly met, because sponsoring is always goal-directed activity. Spending money without expecting anything in return is goodwill, something that needs to be distinguished from sponsorship. The most important goal for businesses is, according to the study, maximizing media coverage.

The position ice hockey has had until today as the number one among sports, may be changing quickly. In a recently published study researching the prestige of different sports in Finland, ice hockey had lost its top position, which it had held for years (Taloustutkimus, 2014) and football was considered as the most highly appraised sport. Also athletics had surpassed ice hockey, which held the third place. There has been incidents that may continue to diminish the prestige of ice hockey, such usage of illegal substances by a few ice hockey players in the 2014 Winter Olympics and the cabinet decision to promote Sport from Vaasa to the elite league Liiga, disregarding the issues of athletic performance altogether. This decision has raised a lot of discussion over the state of Finnish ice hockey, and whether business is more important than the idea of fair competition in sport. This trend might show also in the allotment of sport sponsorship money in the future.

2.1 Sponsorship market in Finland smaller than in Scandinavian countries

Sponsorointi- ja tapahtumamarkkinointi ry conducted a research in 2013 to study the current state of the Finnish sponsorship markets.

In relation to capita, Finnish companies spend more than one third less in sponsorship in comparison to our Nordic neighbor countries (Virkkunen, 2013). Despite the smaller investment, taking full advantage of sponsorship is a challenge for Finnish sponsors. One in every six sponsors capitalizes all parts included in the contract and less than a half uses social media to take advantage on the partnership.

There is a lot of room for development in the sponsorship activities of Finnish companies in both the amount of investments and in fully capitalizing it. On a Nordic scale, Finland is far behind Sweden and Norway.

Less than a half uses social media to exploit the investment. Given the strong position of social media today, this is surprisingly low.

Finnish sponsorship needs to develop in planning and measuring, as well as in taking full advantage of the investment. If enough time is not spent in strategic planning and capitalizing sponsorship, it is difficult to get positive results. At best, sponsorship can provide a significant return on investment.

Finnish sponsor invests 31 euros per capita, whereas a Swedish puts in 120 euros and a Norwegian spends 104 euros (Virkkunen, 2013). On a global scale, Finnish investment per capita is about on the average level. In Europe the average investment is 35 euros and in North America only 26 euros per capita.

About a half of the respondents consider sponsorship strategically important and a natural part of marketing communications in their company (Virkkunen, 2013).

Primary objectives are commercial goals such as brand creation, media exposure, reaching the target group and sales. In Sweden corporate responsibility is a key motive.

More strategic approach to sponsorship by Swedish companies can be detected in the fact that the sponsorship decision makers are also the CEO and top management. In more than half Finnish companies the decision is made by a marketing executive. In Sweden the sponsorship funding comes in addition to marketing budget (36 percent) also from budgets of other business areas. In Finland the majority, 69 percent, of sponsorship investments is covered from marketing budget (Virkkunen, 2013).

The research conducted by Sponsorointi- ja tapahtumamarkkinointi ry indicates that 84 percent of companies capitalize on the partnership. The majority uses the investment through the events and channels of the target. Own event and channels are used less often. Most companies have better processes to take advantage of the investment.

In 2012 sponsorship investments in Sweden grew by 9 percent when compared to the previous year, being in total 1 140 million euros (Virkkunen, 2013). In Norway the respective figures were 4 percent and 520 million euros. In Finland the market actually shrank 3 percent to 166 million euros. During the past four years the sponsorship market in Sweden grew 50 percent. Norway and Finland follow with 16 and 10 percent respectively (Virkkunen, 2013)

3 THE STRATEGIC NATURE OF SPONSORSHIP

Consulting company IEG has defined sponsorship as “a cash and/or in-kind fee paid to a property (typically in sports, arts, entertainment or causes) in return for access to the exploitable commercial potential associated with that property” (Belzer, 2013) .

Sponsorship of today is a strategic and a goal-orientated activity, which requires resources and work (Valanko, 2009). Because it relates to the distribution of resources in order to meet an organization’s goals and objectives, sponsorship can be called as strategic in nature. It can be used, for instance, in expansion strategies and in creating competitive advantage. Sponsorship interacts with the culture, organizational structure and the leadership in a corporation (Pickton and Broderick, 2005).

3.1 Objectives, strategy and image of sponsors

Companies set strict commercial objectives for sponsorship and use it to promote their business (Pickton and Broderick, 2005). Sponsorship can be used to network with other sponsors in order to find new business-to-business opportunities and to increase product awareness. Sponsorship is an excellent method to reach target audience in a more cost effective way than traditional advertising. This requires specific data on the target's audience profile.

Stakeholder objectives have become one of the most important areas for sponsorship goals (Valanko, 2009). Different stakeholders of a company include current and potential personnel, suppliers, customers, media and other parties interacting with the company. Stakeholder objectives may include issues, such as motivating the staff, improving internal communication, strengthening customer relationships and improving a company's image as an employer (Valanko, 2009).

Alaja (2001) lists objectives for sponsorship partnership as follows:

First, there are objectives related to the image of the business, which have traditionally been the most important objectives for partnership. These

objectives include increasing conspicuousness, demonstrating social responsibility and enhancing corporate image.

Second, there are objectives connected to product marketing. These are increasing conspicuousness of a firm's certain product or product image and reaching a desired target audience.

Additionally, Alaja (2001) lists stakeholder objectives, business objectives and other objectives.

Lipponen (1999) divides sponsors into four different groups, based on their objectives, strategy and image:

A patron is satisfied with the status quo. It does not communicate actively besides its operations. The company has a stabilized customer base and it is not looking to expand. These corporations usually support their sponsee financially without expecting something in return. They are happy just to participate.

The second group is companies, which want to maximize the exposure in a selected target group. They want to increase awareness of the company and its products or services. Sponsorship provides a good opportunity for this objective. The exposure is mostly maximized in the early stages of a product's life cycle and the image perceived is secondary.

Third, a small circle brand wants to influence carefully selected target groups by using image associations. They are not interested in large publics. Lipponen gives Ferrari as an example. The Italian manufacturer of luxury cars uses its own Formula One race car team to influence its selected target group of wealthy individuals, and to link the prestigious image of its race cars with its street cars.

The final group Lipponen presents is a brand for the masses. The main goal of this strategy is to achieve the top-of-mid position. These companies look to combine wide exposure and the factors of image creation with sponsorship. Lipponen's example of this kind of sponsor is Nokia, who had massive exposure

in different surroundings and products for several target groups (Lipponen, 1999, p. 47-54).

Traditionally, increasing the public awareness of the company has been one of the largest motives for sponsorship (Alanko, 2000). Also, sponsorship provides a platform for communicating a company's corporate social responsibility activities. Finally, sponsorship helps in creating a desired company image. By selecting the target for sponsorship accordingly, the image of the target can be transferred to the company.

Sponsorship may also be used in aiding in recruitment and rewarding well performed individuals. However, this kind of use of sponsorship is decreasing as it is becoming more rationalized and goal-orientated.

3.2 How to select the right targets for sponsorship

Pickton and Broderick (2005) argue that sponsorship can be used as any other resource to gain competitive advantage. They list four criteria that must be met in order for sponsorship to be used as a tool for competitive advantage:

First, there needs to be a strategic fit between the companies and the sponsored target. A well-matching image between the two, such as that of Marlboro cigarettes and car racing, is hard to compete with.

Second, competitive advantage is quickly lost, if the resource leading to it is easily replicated. Thus, also sponsorship must hard to imitate. This can be done by linking the sponsorship with other parts of the sponsoring firm's image. Valanko (2009) adds, that just having a company's logo appearing on television, is not enough. Corporations need have a sponsorship strategy, which is based on the values and the business plan of the company.

Third, the resource cannot be tradable, or be less valuable to another firm, than the company possessing it at the present time.

Finally, there must a presence of risks and uncertainty. Risks reduce competition and make it possible to exploit the resource below its market value.

Sponsorship is risky, because of the possibility of performance below expectations.

As the above list points out, sponsorship has shifted from sheer good will to an investment, which is believed to produce significant outcomes. Therefore, sponsorship decisions have become strategic and must be reflected with regard to other marketing activities of the sponsoring firm.

3.3 The benefits of sponsorship

Sponsorship can be more effective than other more traditional methods of marketing communication, because it creates audience attraction and binds the values of the sponsor and the sponsee (Pickton and Broderick, 2005). It also overcomes cultural and geographical borders, as well as targets different audiences efficiently. Additionally, sponsorship has other benefits, which may include:

Sponsorship presents an excellent opportunity to portray the company as a good corporate citizen, a firm that carries its social responsibility.

Sponsorship can be linked with other marketing activities, which are designed to influence both customers and strategic partners. For example, product trials together with sponsorship can be more cost-effective way increase awareness than traditional advertising.

Companies may use hospitality opportunities in order to create a good relationship with existing and/or potential stakeholders. Hospitality refers to opportunities to make face-to-face contact with exclusive audience in a high-status context, thus improving relationships with key business people.

High profile events receive a lot of media exposure, which can be capitalized through sponsorship. This also helps some international companies to get around national legislation, which bans advertising their products or services. For example, by having their logo on a jersey of a British football team, international betting companies get media exposure also in Finland. Veikkaus has a monopoly over gambling in Finland, and other companies are not allowed

to advertise in Finnish television. However, when British football is broadcasted in Finland, these companies receive media attention otherwise impossible to get.

Despite having several benefits over traditional methods of marketing communication, sponsorship does not come without risks.

3.4 The weaknesses and risks of sponsorship

There is always a possibility, that if the sponsored target is involved in negative incidents or events which damage its reputation and image, the impact on the sponsor may also be negative. This kind of transfer of negative associations is one of the major concerns of sports sponsors. The risk is more apparent in the case of personal endorsements. For instance, when golfer Tiger Woods got caught for having several extramarital affairs in 2009, his sponsors experienced substantial financial damages (Knittel and Stango, 2013). It was estimated that Woods's sponsors collectively lost somewhere between \$5 and \$12 billion US in 13 trading days after Woods was exposed as reduced share prices. Many of them eventually dropped Woods as their sponsorship target.

Also, France's Thierry Henry's game winning goal in a World Cup qualification match against Ireland in 2009 caused head ache for his personal sponsors. After the game, Henry confessed touching the ball with his hand before scoring the goal. According to a sponsorship consultant Pippa Collett, that was a mistake (Beard, 2009). Henry confessing cheating had a damaging effect on his integrity, which made him an unsuitable target for some sponsors, such as providers of financial services.

Another risk is sponsorship clutter (Pickton & Broderick, 2005). This is the chance of the target taking too many sponsors and becoming overly sponsored, thus making it more difficult for an individual sponsor to distinguish from other companies. The clutter of logos on the ice of Energia Areena in Oulu got attention even in North America in summer 2013 (Wyshynski, 2013). An ice hockey blogger called Puck Daddy criticized heavily the appearance of the playing surface, calling it "an eye-gouging orgy of commercialization". The ice

does certainly not please the eye, a fact that may raise negative associations towards the sponsors, which have “ruined” the ice.

In relation to sponsorship clutter, another risk is excessive commercialization. Today, everything is for sale if the price is right. Nick Evershed criticizes this trend in his blog (Evershed, 2013). He argues that nothing is sacred anymore. In his opinion, renaming stadiums and even teams according to sponsors leads to confusion and dissatisfaction among the sport fans. Evershed mentions that when Austrian football team SV Salzburg changed its name to FC Red Bull Salzburg it also changed its traditional colours to match the branding of its new sponsor despite a strong resistance of the team's supporters. Evershed argues that the names of teams should be left beyond the scope of sponsorship.

Another drawback of sponsorship is that despite the number of methods to measure its effects, such as surveys and assessing exposure in media, it is very hard to do empirically. There can be various factors influencing for instance a company's image, and isolating sponsorship's effect in it is next to impossible. Also, competitors may use ambush marketing to refute benefits received from sponsorship (Pickton and Broderick, 2005).

3.5 Future challenges in sport sponsorship

When asked about the possible future challenges facing sport sponsorship, more than half of Finnish sponsors list doping as the most serious threat (Itkonen et al, 2007). Other perceived threats were violence in elite sports, bribery and cheating. When taking a quick look in the recent history of Finnish sport, the sponsors' concerns are not ungrounded.

Perhaps one of the darkest moments in Finnish history of sports was in February 2001, when six Finnish cross county skiers, four men and two women, got caught in using Hemohe, an illegal substance used to dilute blood in order to lower the hemoglobin values in the blood. As the scandal expanded, the major sponsors of The Finnish Skiing Association, such as Merita, Pohjola and Veikkaus ended their sponsorship contract immediately. Because two thirds from the revenue of the Finnish skiing association came from sponsors, the

doping incident caused severe financial challenges to the association. Also, some sponsors were thinking of suing the skiing association for the damages caused to the sponsor's image and the ministry of education demanded a police investigation to find out whether public money had been used to finance doping usage. Although nothing similar has happened since in Finnish sports, the possibility of it happening again and the damage caused by it to sponsor's image, still seems to frighten the sponsors.

In August 2012, in an ice hockey match between Jokerit and HIFK, a Jokerit player attacked the captain of HIFK, a legend of Finnish ice hockey, from behind and mishandled him severely. Reportedly, he acted from the command of his coach. This incident and the ever since continued hatred between the two teams originating from it caused some sponsors to end their contracts or at least rethink their decision to keep sponsoring the teams and the game in general. According to the editor of Helsingin Sanomat Mikael Pentikäinen, the company emphasizes fair play in its sport sponsorship policy and therefore cannot support an activity, which is in contrast with its values and objectives (Helsingin Sanomat, 11.9.2012). Also, several other sponsors gave the final warning. For Instance, Fonecta's manager of marketing and communications Jukka-Pekka Vuori said that Finnish ice hockey is troubled by arrogance towards alcohol abuse and foul language, and if incidents like these happen again, future sponsorship negotiations would become much more difficult (Iltalehti, 11.9.2012). Later in that same season publishing company Aller decided to end sponsoring Finnish ice hockey. Aller CEO Pauli Aalto-Setälä justified the decision with "several events in the ice hockey rink, which cannot be called ice hockey" (Helsingin Sanomat, 25.2.2013).

In addition, other issues concerning sponsors were the expensiveness of sponsoring sport and the variety of different sports to choose from (Itkonen et al. 2007).

4 SPONSORSHIP AND CORPORATE SOCIAL RESPONSIBILITY

Trust in corporations is declining and the demand for ethical operation is increasing (Valanko, 2009). Business mistakes and public scandals all over the world are brought quickly to our awareness by media and influence our perceptions. Today, the corporate world is under critical and suspicious scrutiny, which sets new demands for businesses to be a good corporate citizen.

Kotler and Lee (2005, p.3) define corporate social responsibility as "a commitment to improve community well-being, through discretionary business practices and contributions of corporate resources". In fact, businesses are now expected not only to obey the laws, but also follow ethical and moral rules in all its activities. Companies making profits of millions are also expected to take care of its environment, in which it operates. An accurate definition of corporate social responsibility is difficult, because every company defines it for themselves. For some firms corporate social responsibility is just obeying the laws and paying the mandatory taxes, other companies also consider moral and ethical issues.

Sport can be used as a vehicle for deploying corporate social responsibility. Combining the global popularity of sports and the financial results of the business world offers companies an excellent opportunity to carry their responsibility of the society and also benefit from it financially (Smith & Westerbeek, 2007).

Fair competition, equality and healthy living are values traditionally linked with sports. In addition, sport has a unique ability to unite people and increase social capital, which usually means overall trust in society and its functions. It has been noted, that in nations, where sport has a significant social position, the overall standard of living and political activity are also higher.

By supporting sport, companies can link these positive values to their public image when at the same time carry their responsibility for the society. When done successfully, everyone benefits from the cooperation of businesses and society. Sport sponsorship provides an excellent opportunity to do public good in a financially profitable way.

The stakeholder approach argues that the interests of the corporation should be in balance with those of its stakeholders. Thus, CSR is based on the notion that all stakeholders are important participants in the company's operations. The business must take into account the various demands of different interest groups and have its operations evaluated openly. Therefore, practicing CSR through sport requires that its effect on all stakeholders need to be evaluated, and take a closer look at sport's public objectives.

4.1 Social responsibility in sport

Sport presents some unique features regarding the practicing of CSR. Smith and Westerbeek (2007, p.5-6) list points highlighting the special aspects of social responsibility of sport:

- The basic hypothesis regarding sport is that it values equality and fairness among all participants. This includes prohibiting any substances enhancing performance, as well as guaranteeing involvement to sports for everyone in the community.
- In order to be socially responsible, sport must not jeopardize the safety of its partakers and the audience, containing any threat of physical, sexual and verbal abuse of young contestants.
- Sports necessitate guidelines certifying that what happens on the field is not influenced by anyone not involved in the play, for instance those engaged with betting.
- Sport infamously has a political reputation, and sport associations have traditionally employed former athletes. Policies like this have to be transparent and the methods of managing the association must not be unclear.

- Offering means for growth and movement is also one of sport's responsibilities. This contains programs for the younger along with the elderly.
- Sport is inserted in a public environment. Sports associations operate with both local governance and communities, which helps to recognize the local public demands.
- Sport promotes the importance of physical activity and provides possibilities to healthy and active life style.
- Socially responsible sport realizes its demands on the environment and implies procedures to diminish its toll to the ecosystem.
- So that all the points mentioned above can be applied, sport has the responsibility to offer competent coaches and leaders.

This list offers a checklist for businesses looking to deploy sport in their CSR programs. The potential sport association partner should be evaluated against the list. Also, realizing that sport has special social responsibilities increases its power to social influence. Therefore, business managers are able to make better decisions regarding their social engagement strategy.

By sponsoring a sport organization corporations bring in the much needed financial contributions, whereas the sport organization possesses the resources and knowledge to practice CSR through sport in the community. Participating in organized sport can teach young children the important values listed above. Sport organizations have an important role in preparing children to become active members of society and future tax payers.

Currently, too many children do not have the chance to participate in organized sport due to financial reasons. This is where the companies can have a significant role. By taking part in the financial costs, companies can help some members of society to participate in sport arranged by the sport organization.

The optimum end result is, that companies receive recognition for their contribution, the sport organization collects the monetary benefits vital for its operations and the community gets a chance to participate in sport in a way otherwise out of reach.

4.2 Unique features of sport corporate social responsibility

Smith and Westerbeek (2007, p. 8-9) list unique features and benefits of using sport as a vehicle for corporate social responsibility:

First, sport presents an excellent opportunity for partaking and involvement, thus improving social investments. This can happen through plans presenting various sports, maybe adapted especially for younger participants. Also, sport's international popularity could be exploited, by using top sport people and teams. This however is greatly dependent on the monetary inputs by the business associate. Additionally, as described earlier in this work, using top athletes comes with a risk. There is always a chance of inadequate athletic performance as well as the risk of misconduct in the public.

Second, sport is largely popular among the youth. The young people are not only interested in participating in sports, but also follow sport as spectators. Therefore, sport can be used in exercising social responsibility by persuading partaking in a sport activity, in addition to using elite athletes as role models.

Third, sport is a perfect vehicle to promote the importance of activity and healthy living. The positive effects of active living have been largely identified as to support both physical and mental well-being as well as to reduce public spending on health. .

Finally, sport can help to spread cultural understanding and tolerance. For instance, the opening and closing ceremonies of Olympic Games offer a great platform for the hosting country to spread knowledge of their culture to the rest of the sporting world.

5 THE ACQUISITION OF SPONSORS

The process of acquiring sponsors can be divided in three phases:

- Internal planning
- selling the sponsorship
- servicing the sponsorship.

5.1 Internal planning

Sponsors have become more sophisticated in their expectations regarding sponsorships. They are no longer interested only in connecting their brand with a certain sport or event. Instead, they are now more interested in connecting with the sponsee's target audience in a way, that more traditional media cannot equal value (Skildum-Reid & Grey, 2005).

Modern sponsors want to use their sponsorship to deepen their relationship with the audience, adding value to the target market's experiences with the event and the brand (Skildum-Reid & Grey, 2005). The sponsee's job today is to help the sponsors achieve that connection and to understand their audience in a deeper way. Sponsors want to know why the audience attends the event and how they can make the experience even better for the public.

In order to succeed in modern-day sponsorship, the entire organization needs to understand that sponsorship is about creating a win-win-win situation. Also the target market needs to benefit from the sponsorship.

Despite being often overlooked, a sponsorship policy is necessary for every organization seeking sponsorship. The policy should include the objectives and administrative processes of the sponsorship program. It also defines the responsibilities and outlines specific issues relevant to an approach to

sponsorship. The sponsorship policy will ensure that the entire organization has a uniform approach to sponsorships (Skildum-Reid & Grey, 2005).

Marketing plan is a part of an organization's strategic planning process. This is the plan to market the organization and its events or products and it includes a media plan, a publicity plan and a plan to measure performance. A marketing plan helps to determine what makes the organization valuable to sponsors (Skildum-Reid & Grey, 2005).

Most sponsorship seekers tend to define who they are and what they do in very general terms. However, it is important to differentiate from competition and define the core essence of the organization and its events as specific as possible.

It is important to remember, that the brand is not defined by the organization. It is defined by the audience based on experience. The brand is formed in the mind of the consumers. Therefore, brand managers need to define how they would like someone leaving an organization's event think of the experience and use that as a benchmark (Skildum-Reid & Grey, 2005).

To maximize the power of a marketing program, target markets need to be determined by two general criteria, demographics and psychographics. Demographics is the hard data of the market place, such as gender, age and income, whereas psychographics is softer data, based on the behavior and attitudes of the target market. A target market is a group of people with the same demographic and psychographic profiles. An organization may have several target markets, which put together forms the audience (Skildum-Reid & Grey, 2005).

Once the marketing plan has been established, the next step is to make it work. There most common components in implementing the marketing plan are media promotion, online promotion, publicity, database/loyalty marketing and signage.

Having a media sponsor enables the organization to have media promotion without having to spend a lot of money. A media partner can provide exposure in exchange for sponsorship worth several times the investment.

An organization needs to have clear objectives for media promotion. Is the primary goal an event promotion, selling tickets or building the image?

Selecting the correct media helps to save money and to target the right markets in a cost effective way.

5.2 Selling the sponsorship

There are three things a sponsor generally wants from the sponsee:

First, to be able to use the sponsee's brand attributes and link them to its own brand; second, to access one or more of the sponsee's target markets and to connect with them in a meaningful way and third, to gain a range of tangible elements from the sponsee value (Skildum-Reid & Grey, 2005).

Therefore it is necessary for the sponsee to understand what it has to offer in these areas. Examining the target markets from the sponsor's perspective is advised, because it aids in gathering information about the markets. It is also worth remembering that people actually attending the events represent only a fraction of the entire target market. The rest of the target group can also be captured with the communication media (Skildum-Reid & Grey, 2005).

An inventory of all promotional and marketing opportunities that could possibly be valuable to a sponsor should be taken. The point is not to sell every possible opportunity, but rather use the inventory like a kitchen. Adding some elements as spices on top of major elements creates a winning combination. Using all of them at once would only create a mess.

After the inventory, a sponsorship seeker should list the potential sponsors. It is advised to focus more on specific brands, products and services instead of a certain company, because only very few companies have only one product or brand. Also, going directly after the brands minimizes competition. Additionally,

brand areas usually have their own marketing budgets, which are more flexible than an entire company's marketing budget (Skildum-Reid & Grey, 2005).

Potential sponsors should be researched, in order to discover those with the highest possibility for successful sponsorship partnership. A sponsor's philosophy, business, needs and objectives need to be understood before setting the goals for selling the sponsorship (Valanko, 2009). A matching sponsor is someone who has the same target markets, objectives or attributes or values. The real power comes from having two or more matching elements.

After a deliberate planning it is time to contact the potential sponsors and begin the negotiation process. There are many options of methods for the initial contact, such as letter, email or telephone (Alaja, 2001). However, it is important to remember that the contact person receives daily several suggestions for cooperation, maybe even dozens. Therefore it is crucial to stand out from competition. The goal of the first contact is to get a meeting with person in charge of sponsorship (Alaja, 2001).

Before the meeting, the potential sponsor should be researched as precisely as possible. All the important information, such as the business, products, services and key personnel need to be understood. Information is power in the negotiation (Alanko, 2001). Also, all the sales arguments need to be drafted. Valanko (2009) points out, that the arguments need be tailored according to the sponsor's needs and objectives. Too often the targets neglect the goals of their sponsor.

After the presentation, the schedule for future actions and decisions is formed. The target needs to give enough time for consideration to the sponsor (Alanko, 2001). Usually, companies need at least a few months to make the decision. During this time, the target's job is to deliver all the information required and wait patiently.

If the decision is negative, it should be taken politely and listen to the arguments behind the decision. The arguments will help to make the presentation better

the next time. Leaving a positive impression will be an advantage in the future negotiations (Alanko, 2001).

5.3 Servicing the partnership

Servicing the sponsor is when the real work begins. This is the process of making sure the sponsorship provides all the detailed benefits in the contract, within the right time frame. Giving good service includes communicating with the sponsors and providing them information, feedback and research results, in order for them to make judgments regarding the performance of the sponsorship partnership. Excellent servicing helps to generate renewal and further opportunities and to build and maintain long-term relationships (Skildum-Reid & Grey, 2005).

In order to service the sponsor well, a sponsorship plan needs to be drafted. In the plan, the roles and objectives of the both parties and the strategies to meet the objectives are defined. Also, the indicators to measure performance, the target audience, the timeline and the budget need to be stated. Finally, there needs to be a strategy for evaluating the sponsorship. To put it more simply, sponsorship plan tells what one wants to achieve, how it is going to be achieved and how one knows when it has been achieved.

In evaluating the sponsorship plan, pre- and post-sponsorship surveys can be used. In addition, sales figures and research results give knowledge about the performance. It is not possible to put an accurate monetary value on several important aspects of sponsorship, such as shifts in consumer perception and behavior. However, there are ways to make the sponsor's investment visible.

In measuring the performance of sponsorship, certain ground rules need to be kept in mind. First, benchmarking is essential before any measurement mechanisms. The starting point of the sponsorship has to be defined, as this is the comparison point for future results. You have to know where you started from. Second, measurement mechanisms need to be specified from the outset. Finally, one must remember that everything cannot be turned into a monetary value (Skildum-Reid & Grey, 2005).

Depending on the objectives of the sponsor, there are several ways to measure the performance of the sponsorship. These include mechanisms such as sales figures, exposure in media and changes in consumer awareness (Skildum-Reid & Grey, 2005).

5.4 Leveraging the sponsorship

Leverage is getting the greatest possible return for invested money, time or other resources (Skildum-Reid & Grey, 2005). It is the leverage that reaps the results from the sponsorship; therefore it needs to be supported. There was a rule of thumb of a ratio of one to one; every euro spent in sponsorship should be backed up with another euro for leveraging. Even though leveraging is the sponsor's responsibility, some sponsors still do not understand its importance (Skildum-Reid & Grey, 2005). Without leveraging the sponsorship will perform under its potential. Other, more up-to-date sponsors are now using sponsorship deals to support their overall marketing program, integrating it with their marketing communication.

Heineken is one of the sponsors of UEFA Champions League and leverages the sponsorship in its own promotional campaigns. Recently, Heineken organized a competition with a chance to win tickets to the Champions League final in Lisbon. Also, the company uses the football theme in its advertisements, thus trying to connect to the image of the sport and the Champions League to its own brand (www.heineken.com). Skildum-Reid and Grey (2005) also mention leveraging options, such as promotion, loyalty marketing and web-based activities. Leveraging the sponsorship also helps to protect against ambush marketing.

Alaja & Forssell (2004) list a few examples on integrating the sponsorship in other communications. Public relations are one way, through which it can be done. Using a pop star or a top athlete in corporate events adds a little extra touch and an opportunity to personally meet a celebrity is a positive experience. Second, linking sponsorship into promotion campaigns, such as customer competitions, helps to add interest to participate. Third, the target can be used

as a link between the sponsor and the target market in direct marketing in a way that creates curiosity. This way, the sponsor can contact potential customers, which would otherwise be difficult to reach.

6 METHODOLOGY

6.1 Research methodology

The research was conducted in April 2014, soon after the TUTO Hockey's season had ended. A request to participate in the research attached with the list of related questions was sent by email to ten companies sponsoring the team during the season. Eventually five companies took part in the research.

The objective of the research was to clarify the following points:

- 1) What are objectives and motivations of sponsoring TUTO Hockey?
- 2) What kind of risks the sponsors perceive to be involved in the sponsorship?
- 3) How could TUTO Hockey improve its service to sponsors?

In this thesis the data received from the interviews can be considered to be primary data, for it is directly gathered for this purpose. The theoretical frameworks of objectives and risks of sponsorship found in literature can be considered as secondary data.

In this research, a qualitative method was used for data collection from the sponsors. The qualitative method of data collection provides gathering of information in a verbal way, which appeared to be able to provide data of wider perspective. The small number respondents enabled to collect more in-depth information.

6.2. Research design

The questionnaire used in this thesis was designed based on the objectives of this thesis and the possibility to gather additional information based on the answers given. The number of questions was set to fifteen with the intent to cover all the underlying aspects of the research questions.

6.3 Data collection

The questionnaire was sent by email to persons responsible for the sponsorship of TUTO Hockey. Ten companies were contacted with a request to participate in the research. In the end, five companies took part in the research by email, telephone or face-to-face interview, which makes the total response rate 50.0 %.

6.4 Reliability, Validity & Generalization

Reliability means consistency of the results, meaning whether the results would be the same in other circumstances. The reliability of the research is subject to four risks: error in the part of subject or participant, bias in the part of subject or participant, observer error and observer bias. These include timing, attitudes, autonomy and interpretation of the questionnaire (Saunders et al, 2007).

Validity refers to the extent of which the data analyzing methods actually analyze the measures they were meant to measure (Saunders et al, 2007)

Generalization is the applicability of the results in other circumstances; in other words, whether the result can be generalized (Saunders et al, 2007)

Given the small amount of respondents, the results and analysis of the results cannot be considered completely reliable, valid or generalized beyond this thesis. A larger number of sponsors should In order to get more reliable, valid and generalized information.

7 EMPIRICAL ANALYSIS OF THE RESEARCH

7.1 Ekisähkö

Ekisähkö's Ville Moilanen said, that the reasons for selecting TUTO Hockey as a sponsorship target were, for instance, his own background with the club and the geographical proximity of the arena. Moilanen has played himself in TUTO as a minor, and therefore the club feels closer to him as for instance TPS. Ekisähkö's facilities are located within one kilometer from the Kupittaa arena.

The company's sponsorship contract includes advertising space in the plexiglass in the corners of the rink. Furthermore, Ekisähkö has received two season tickets and occasional additional tickets. Their main objective is to get media exposure through the partnership. Moilanen mentioned how their advertisement has been designed in such way using contrasting colors that get attention. He added that, the advertisement has been visible in local newspapers in photos relating to reports of TUTO's matches. Also, according to him, they want to be along supporting local sport, something which is highly valued by society.

Ekisähkö doesn't use any measurements to estimate the results they are getting from the partnership. It is difficult to distinguish customers who come because of the sponsorship from other customer. However, Moilanen does bring up the fact, that the TUTO card scheme has not been successful from their point of view; he could only remember one customer showing the card, in the moment of purchase.

Ekisähkö has communicated their sponsorship of TUTO Hockey in the company's home page during the season and in their advertisements they have mentioned that they are part of the "TUTO-diili" scheme. Yet they have not used their opportunity to receive additional tickets to distribute to customers. Moilanen admits that this is something where they have room for improvement. If they decide to continue the cooperation in the future, this area is something they want to improve.

Moilanen does not see major risks in the sponsorship. The only thing he can come up with is the bonus that the sponsors must pay in case the team wins the championship. This bonus is a certain percentage of the value of the sponsorship contract, thus increasing the expense of the contract. However, this season the team finished third and this risk did not capitalize. Accordingly, Moilanen is not concerned with the recent negative publicity of the sport having a bad influence on sponsors; the actions of the sponsored team are more relevant.

Furthermore, he says that occasional fights are a part of the physical nature of the game and in some instances prevent even more violent behavior in the rink. He adds that the effect of the cabinet decision on the image of the league will be seen in the following season.

Ekisähkö does not have other sponsorship targets and therefore cannot compare TUTO to others. They do have some random beneficiary targets, but TUTO is the only one meeting the definition of sponsorship.

Moilanen is pleased with the way TUTO has fulfilled its responsibilities as a sponsee. Everything has been taken care of well and as promised. He is interested in continuing the partnership with TUTO also in the next season, but they have not yet made the decision.

7.2 Karkelon Sukka

Katri Söderlund of Karkelon Sukka told the reasons for sponsoring TUTO are the locality of the team and because of their target market. Karkelon Sukka is based in Lieto and the target market they are after, is the local ice hockey players, both professional and those who play the game as a hobby. The product for which the company is hoping to get exposure is an ice hockey game sock. During the last season, the sock was used by the players of TUTO Hockey.

The company acted as a personal sponsor for three players from the team. Karkelon Sukka was mentioned separately as a sponsor of these players during

the introduction just before the game and every time one of them scored a goal or got an assist. Furthermore, an article was published in TUTO's homepage, where the players highly praised the durability and the comfort the socks.

Karkelon Sukka measures the effects of the sponsorship by empirically observing possible changes in their revenue and also changes in their customer base. In other words, new customers who order ice hockey socks are assumed to come as a result of the sponsorship. So far there haven't been any significant changes in either category. The company does not exploit the sponsorship in any matter in their other marketing activities; their main goal at the moment is to get the company's name out in the public.

Söderlund does not see any risks whatsoever in the partnership with TUTO Hockey; according to her, the sponsorship is completely risk-free. Also, she does not see the recent incidents effecting in their sponsorship decisions in any way.

Karkelon Sukka has previously also sponsored TPS. When comparing the sponsorship of these two clubs, Söderlund says, that TUTO Hockey is able to provide much better exposure than TPS.

Söderlund gives credit to TUTO Hockey for taking care of all their responsibilities without any causes for blame. She is not able to say anything that has been exceptionally good or where there might be some room for improvement. According to her, the company will most likely continue the partnership also in the following season.

7.3 Starkki

Starkki's Ari Koskinen emphasizes the importance of sponsorship as a business operation. Among the companies taking part in this research, Koskinen was the most concerned of the value TUTO Hockey is able to produce for the sponsor in return.

Starkki's use of TUTO Hockey as a sponsorship target differentiates in such way, that the company uses it to entertain its own business clients. The product

TUTO Hockey is able to provide for this kind of use of sponsorship, is in Koskinen's point of view the best that is available in the city. Starkki has reserved the restaurant in the end of the arena entirely for its own use. The game then acts as a way to entertain clients.

Koskinen considers the aforementioned incidents regrettable and contradicting with the values of sport. However, these have nothing to do with TUTO Hockey and do not diminish the value of the event. Koskinen sees ice hockey as a sport of guttersnipes and occasional fighting is only a part of the game. As a matter of fact, when Starkki organizes events for clients using the theme "Guys' Night", when one can forget the official matters and leave one's suit and tie home, an ice hockey match with some physical confrontation is a good choice. Furthermore, Koskinen supposes that the decision to promote Sport will yet turn into TUTO's favor. However, there is a limit to which extent these issues are tolerated. If things get worse, sponsorship decisions will be reconsidered.

According to Koskinen the biggest advantage of organizing events in the end restaurant, when compared for instance to a sky box in Turkuhalli, is the ability to get closer to the ice and game. According to Koskinen the experience of an ice hockey game is much richer and unique when the clients can actually smell the sweat of the players and hear them cussing to one another. This is something one cannot experience in a sky box high above the ice. Based on the response rate, these events have been a success.

When compared to football and the Veritas Stadion, Koskinen gives critique to the match schedule of the major league, Veikkausliiga. It is next to impossible to get business people to come to a football match on a Sunday afternoon in June. It is difficult enough to get business people to donate time outside the office hours during the working days in the winter.

Koskinen gives praise to TUTO's active marketing team. He highlights the importance of the character of the people in every partnership and says that there are no obstacles for continuing the cooperation in the next season.

7.4 Turun Seudun Osuuspankki

Turun Seudun Osuuspankki (TSOP) supports sport and culture widely in its area of operation. The bank wants to be where its customers are. TUTO Hockey is a significant operator in the area, so therefore it is a natural target for sponsorship.

The main objective of the sponsorship is to get exposure and visibility, but those elements, which can be channeled to customers and to own public relation activities, are highly appreciated, such as season tickets, match tickets and the opportunity to act as a host of a match.

TSOP is looking for mutual benefit of the sponsorship partnership and to create added value to the audience of TUTO Hockey. The added value can be in the form of better organized events or additional services in relation to the events or the target itself.

One way TSOP measures the effectiveness of the sponsorship is the number of spectators in matches of TUTO Hockey. So far the objectives have been reached well.

Not major risks perceived. The target needs to operate responsibly and according to sustainable values. The continuation of the partnership is subject to preservation of common values and the responsible behavior of the sponsorship partner. The incidents have had an influence. Situation is evaluated case-by-case but the behavior of the partner has the most influence.

TSOP sponsors dozens of other local. TUTO Hockey is another significant ice hockey club in the area.

TUTO has managed its responsibilities according to the contract and has succeeded in producing popular events through athletic success, cannot say what to improve. TSOP is most likely to continue in the next season.

7.5 Kone-Rent

Kone-Rent has a long history of sponsoring local sport. They have been actively involved since the 1980's. The CEO of the company Tero Hämäläinen sees their role in sponsorship more as a beneficiary than purely as a business endeavor. According to him, the will to support local sport is greater than the desire to reap financial benefits from the partnership.

The company's initial motive for becoming a sponsor for TUTO Hockey in the 1990's was to acquire certain customers by networking. Since then the motive has changed. Hämäläinen emphasizes the fact that the business is Turku based and in addition to the company, also most of its employees pay their taxes in to the city of Turku. He adds that it's the company's responsibility to give back to the local society. By supporting local sport, they are making sure that sport entertainment of high level is also available to citizens also in the future.

Hämäläinen admits that football and ice hockey are close to his heart, and therefore the company supports these sports. In addition to TUTO hockey, Kone-Rent's sponsorship portfolio includes TPS ice hockey and football teams, FC Inter football teams and also junior teams of all of them. TUTO Hockey is the most significant of all the sponsored teams in terms of financial measures.

Hämäläinen highlights the importance of exposure and networking, but cannot say whether there would be any significant influences to the business, if the company ended their sponsorship partnership with TUTO Hockey. The motives of sponsorship are not directly business related. Rather, it's Hämäläinen personal interest in sport and the willingness to be along providing sport entertainment to the citizens of Turku.

There are not significant risks involved with sponsoring TUTO Hockey. Hämäläinen remembers when back in the 1990's, because of its history, TUTO was still perceived as an organization with a politically left wing ideology, there were some cases, where the ideology was also seen as Kone-Rent's ideology. However, this is already a thing of the past; no one thinks like this anymore.

Furthermore, the negative incidents have no effect in Kone-Rent's sponsorship decisions.

Hämäläinen is extremely pleased in the partnership with TUTO Hockey. He is more than satisfied in the ratio between the price they are paying and the quality they are receiving. Because of his long partnership history with TUTO Hockey, he has seen the development and professionalization of the organization and its personnel. He gives praise to the new owners for making the right moves developing the organization and to the marketing team for doing their job exceptionally well. Kone-Rent will continue to sponsor TUTO Hockey also in the following season.

7.6 Data analysis

It becomes evident in the data that the major reason for selecting TUTO Hockey as a target for sponsorship is the organization's locality. Local businesses want to partner with local sport organizations. Other factors that influence the selection of TUTO Hockey are, for instance, personal interests of managers and the opportunity to entertain business clients in a way, which is unique in Turku.

The principal objective firms want to meet through sponsoring TUTO Hockey is public exposure for themselves and for their products. Furthermore, the sponsors also wish to network with one another and strengthen the business relationship with their own clients with match tickets and providing mutual meaningful experiences. This is to say, that sponsors are expecting a return for their investment. However, there are also sponsors, which do not have a business orientated approach to sponsorship. As Kone-Rent's example points out, some companies see supporting local sport as way to give something back to the society.

There are no significant risks associated with sponsoring TUTO Hockey. The incidents of excess violence and cabinet decisions are seen as unfortunate and unsportsmanlike, but as such do not have any direct effect on TUTO Hockey. The incidents are seen as beyond the control of TUTO Hockey. The actions of

team itself are seen as more important. However, if this kind of development of the game continues, there might be consequences on TUTO Hockey as well.

All the sponsors taking part of this research are satisfied with the manner TUTO Hockey has taken care of its responsibilities as a sponsee. In fact, the marketing team received many praises for doing a great job. Every company interviewed is at least ready to consider continuing as a sponsor of TUTO Hockey also in the next season.

The research indicates that the reasons for selecting TUTO Hockey as a sponsorship target reflect well of those presented in the literature. As Pickton and Broderick (2005) point out, one of these reasons is the opportunity to network and to find new business partners.

Based on the research data, it appears that Skildum-Reid and Grey's (2005) arguments regarding the sponsors' strategies do not completely hold in TUTO Hockey's case. They argued that modern day sponsors are interested in linking the sponsee's image to their own brand, connecting with the audience in a meaningful way, and gain tangible elements from the sponsorship. None of the sponsors mentioned, that they wish to have TUTO Hockey's image linked to their own brand. TSOP had the latter two objectives in their sponsorship objectives but the other four sponsors did not mention having such objectives. This may be, because within this group TSOP is the largest operator in the B2C field and its potential customer base in the audience is by far the largest. Of the five sponsors interviewed, only Karkelon Sukka operates in the B2C field in addition to TSOP. The other three companies are more or less involved in the B2B market. It would be unfair to compare the resources of these two companies. Also, Karkelon Sukka's target market was the local ice hockey players.

Skildum-Reid and Grey (2005) suggest that companies engage in sponsorship in order to strengthen their relationship with the focus group through an event or a brand. Furthermore, Valanko (2009) mentions, that stakeholder objective have become one of the most important goals of sponsorship today. Starkki's

case proves this to be a valid argument. The company uses a variety of events to deepen the relationship with its business clients and TUTO Hockey is used as one vehicle to meet this objective. Starkki's Ari Koskinen says that an ice hockey match is an excellent means to provide a fun evening for the clients. According to Koskinen, these evenings have been successful, meaning that in Starkki's case the win-win-win situation has been accomplished; In addition to the sponsor and the sponsee, also the target group is happy.

Within the sponsors interviewed, there were elements in some of the groups divided by Lipponen (1999) based on their sponsorship strategy. It was surprising to find out, that there still are companies like Kone-Rent, which do not approach sponsorship as a purely business endeavor. Lipponen (1999) defines companies like this as patrons. They are happy for just being involved and do not expect much in return. Karkelon Sukka would fall into the second group which is the exposure maximizer. They have a selected target group of local ice hockey players which they want to reach through sponsoring TUTO Hockey. TSOP on the other hand is a brand for the masses,

Interestingly, none of the sponsors was able to point out any risks involved in sponsoring TUTO Hockey. This gives evidence to the claim, that sponsoring team sport is less risky. Despite the negativity that has recently surrounded ice hockey the sponsors did not see it as a threat for themselves. It was noted, that such incidents are unfortunate and not welcome, but they were seen as individual events. Sponsors were more concerned in TUTO Hockey as the sport in general. Also, none of the companies brought up the issue of sponsorship clutter. However, some managers complained the difficulty of measuring the results of sponsorship.

Perhaps a factor that explains the sponsors' perception of risk-free sponsorship is the level of the sport. Mestis is the second highest league in ice hockey in Finland and a majority of the players are not professional. The media exposure of Mestis is a fraction of that of the professional league Liiga. Therefore, the financial costs of sponsorship are not at the professional level either. Another alternative explaining this view might be the lack of understanding from the

sponsors' point of view. It could be possible, that the risks involved are not clearly understood.

All the sponsors interviewed answered that they were very satisfied with the service they had received from TUTO Hockey. Every company was pleased how everything had been taken care of as promised and nobody was able to point out any areas, where there might be room for improvement. However, there were companies who could not precisely say what they were getting for their money. For instance, the CEO of Kone-Rent Tero Hämäläinen said that he is not sure what would happen if the company ended their sponsorship partnership with TUTO Hockey. Even though all the tangible elements of the partnership had been fulfilled in an excellent manner, there might be a window for development and providing more value to the sponsors by helping them see what it is that they are getting in return. According to Skildum-Reid and Grey (2005) good service includes providing the sponsors with information, feedback and research results related to the sponsorship in order to help them make better judgments of the performance of the sponsorship.

Only TSOP had elements in its sponsorship strategy that could be perceived as leverage. The bank valued receiving match tickets in return for the sponsorship, which it then could deal out to its customers, creating added value to them. Also, acting as a host of a match is leveraging the sponsorship. This way, the bank uses a match as a vehicle to get exposure and also add value to the audience of the match in question. TSOP realizes that just having its logo on the ice is not enough. As Skildum-Reid and Grey (2005) argue, it is the leverage that reaps the results of the sponsorship. The other sponsors are having their sponsorship underperform because of lack of leverage. Also, no company mentioned promoting the sponsorship in social media.

In general, TUTO Hockey has serviced its sponsors well and all of the companies interviewed in this research were willing to continue the partnership. However, this research gives reasons to doubt, that sponsors do not exactly know what to expect from a sponsee. It seems that most companies do not fully understand the nature and the full potential of sponsorship. This is an area,

where TUTO Hockey might still have a change to improve its service to its current sponsors. Furthermore, by understanding the objectives of their sponsors and educating them the possibilities of sponsorship and thus gaining the reputation of delivering the greatest value for its sponsors, TUTO Hockey can become the most lucrative target for sponsors in the area.

8 CONCLUSIONS

The objective of this work has been to explore the nature of sport sponsorship as a whole and to identify the motives to sponsor TUTO Hockey. Also, the perceived risks involved with the sponsorship partnership were researched.

Because of the small number of sponsors taking part in the research, the results cannot be interpreted to comprehend the opinion of every sponsor in partnership with TUTO Hockey. Nevertheless, there is nothing that would suggest that the results of this work would not apply to most sponsors.

The theoretical part of this work emphasized the strategic and business orientated nature of modern sport sponsorship. However, as the empirical part demonstrates, in the case of TUTO Hockey the exploitation of sponsorship is not as professional as it could be. Furthermore, some sponsors see their role as a patron, ensuring the continuation of local sport entertainment which TUTO Hockey provides. There is little integration of sponsorship into other marketing activities and the most important objective is getting exposure.

Interestingly, none of the sponsors could point out any significant risks involved in sponsoring TUTO Hockey. This might be due to a lack of adequate understanding of sponsorship, or it might just be that TUTO Hockey manages to eliminate the risks. The risks described in the literature seem not be concerned in this level. Furthermore, it could be that the amount of money spent in sponsorship in Mestis is so much lower in comparison to for instance Liiga, that the investment is not considered that risky.

It seems that there would be some room for improvement on the sponsors' part in exploiting the sponsorship more efficiently. Too many of them are content with simply getting their logo into sight. As was discussed in the theoretical part, this is hardly enough to reap the full benefits of the sponsorship. Even though a company might see itself more as a patron or beneficiary, there is no reason to not get the most out of money spent. The reason for settling for less than would be possible might be the lack of resources or insufficient knowledge.

Sponsorship might not get the full attention it requires and the skills to capitalize it might not be there.

All the sponsors interviewed were satisfied with the partnership and were most likely to continue the cooperation in the following season as well. This shows that TUTO Hockey has done a good job servicing its sponsors. However, as was mentioned above, the sponsors may not be aware of what they are entitled to expect. In order to provide added value to its sponsors, it might be advisable for TUTO Hockey to emphasize more on educating them on how to use sponsorship more efficiently. This provides a window of opportunity to provide even better service and a chance for competitive advantage.

Sponsorship money continues to be tight as several companies face economic challenges. Therefore, being able to assure potential sponsors that sponsorship can be an investment providing returns is essential. Also, teaching them how to do that would separate TUTO Hockey from other local sponsorship seekers. It is likely, that in near future all companies will expect bigger returns for their investment in sponsorship. The companies might not have the resources necessary to fully exploit the sponsorship; therefore it becomes the responsibility of the sponsee to ensure adequate returns for the sponsor's financial contributions.

A further research on perceived risks in sponsorship on a professional level of ice hockey or other sport would be interesting to conduct. One would expect to see the risks described in the theoretical part of this work to be more relevant. Furthermore, as the price of sponsorship becomes more expensive, one would also expect a more professional touch on fully exploiting its possibilities.

SOURCE MATERIAL

Alaja, Erkki (2000): Arpapelä? – Urheilumarkkinoinnin käsikirja. Gummerus kirjapaino

Alaja, Erkki (2001): Summapelä - Sponsoriyhteistyön käsikirja. Gummerus kirjapaino.

Itkonen, Hannu; Ilmanen, Kalervo; Matilainen, Pertti (2007): Urheilun Sponsorointi Suomessa. Jyväskylän yliopisto.

Kotler, Philip & Lee, Nancy (2005): Corporate Social Responsibility – Doing the Most Good for Your Company and Your Cause. John Wiley & Sons, Inc.

Lipponen, Kimmo (1999): Sponsoroinnin kontrapunkti. Mainostajien Liitto.

Pickton, David & Broderick, Amanda (2005): Integrated Marketing Communications, second edition, Pretence Hall

Saunders, Mark; Lewis, Philip; Thornhill, Adrian (2007): Research Methods for Business Studies. Pretence Hall.

Skildum-Reid, Kim & Grey, Anne-Marie (2008): The Sponsorship Seeker's Toolkit. McGraw-Hill Australia Pty Ltd

Valanko, Eero (2009): Sponsorointi - Yhteistyökumppanuus strategisena voimana. Talentum

Web sources:

Beard, Matthew (20.11.2009): Cheating Thierry Henry hands his sponsors a moral dilemma. Article on London Evening Standard (referred to 18.10.2013) available on the web at

<http://www.standard.co.uk/news/cheating-thierry-henry-hands-his-sponsors-a-moral-dilemma-6722662.html>

Belzer, Jason (22.4.2013): The (R)evolution of Sport Sponsorship. Article (online, referred to 29.7.2013) available on the web at

<http://www.forbes.com/sites/jasonbelzer/2013/04/22/the-revolution-of-sport-sponsorship/>

Evershed, Nick (9.7.2013): Sport sponsorship has gone too far. Blog writing (online, referred to 15.9.2013) available on the web at

<http://www.theguardian.com/commentisfree/2013/jul/09/wallabies-red-bull-sport-sponsorship>

Heineken home page (online, referred to 20.4.2014), available online at

<http://www.heineken.com/global/ucl/landing.aspx>

Helsingin Sanomat (11.9.2012): Helsingin Sanomat lopettaa yhteistyön Jokereiden kanssa kohuottelun takia. News article (online, referred to 12.9.2013) available on the web at

<http://www.hs.fi/urheilu/a1305598484843>

Helsingin Sanomat (25.2.2013): Aller lopettaa jääkiekon sponsoroinnin väkivallan takia. News article (online, referred to 12.9.2013) available on the web at

<http://www.hs.fi/urheilu/Aller+lopettaa+j%C3%A4k%C3%A4kiekon+sponsoroinnin+v%C3%A4kivallan+takia++/a1361761972944>

Iltaalehti (11.9.2012): HS hylkäsi jo Jokerit - muut sponsorit pohtivat. News article (online, referred to 12.9.2013) available on the web at

http://www.iltalehti.fi/smliiga/2012091116065307_sm.shtml

Knittel, Christopher R. & Stango, Victor (2013): Celebrity Endorsements, Firm Value, and Reputation Risk: Evidence from the Tiger Woods Scandal (online, referred to 13.9.2013) available on the web at

web.mit.edu/knittel/www/papers/tiger_latest.pdf

Mainostajien Liitto (28.5.2013): Sponsorointibarometri 2013. Published on May 28th, 2013 (online, referred to 11.09.2013.) available on the web at

http://www.mainostajat.fi/mliitto/sivut/Sponsorointibarometri_2013.html

Smith, Aaron C.T. & Westerbeek, Hans (2007): Sports as a vehicle for Deploying Corporate Social Responsibility. (online, referred to 13.9.2013) available on the web at

<http://www.scribd.com/doc/49749502/Sport-as-a-Vehicle-for-Deploying-Corporate-Social-Responsibility>

Taloustutkimus (28.2.2014): Sponsorointi & urheilun arvomaailma –tutkimus (consulted 15.3.2014)

<http://www.taloustutkimus.fi/?x1538426=3266606>

Virkkunen, Klaus (28.11.2013): Video presentation at FOORUMI (online, referred to 12.3.2014) available on the web at

<http://www.youtube.com/watch?v=aGhdY0lwL3o>

Wyshynski, Greg (29.7.2103): Please don't let this be the future of on-ice advertising in NHL. Blog writing (online, referred to 15.9.2013) available on the web at

<http://sports.yahoo.com/blogs/nhl-puck-daddy/please-don-t-let-future-ice-advertising-nhl-170402428.html>

List of questions to sponsors of TUTO Hockey

- 1) Why did you choose TUTO Hockey as a sponsorship target?
- 2) What do you receive in return for the sponsorship partnership?
- 3) What objectives do you have for cooperation with TUTO Hockey?
- 4) How do you measure the results of the sponsorship?
- 5) In your opinion, how have you reached the objectives?
- 6) Do you exploit the sponsorship in your sales or marketing activities?
- 7) What kinds of risks are involved in the sponsorship?
- 8) How are these risks managed?
- 9) Have the recent negative incidents regarding ice hockey (e.g. decisions in cabinet and violence in the rink) had any influence?
- 10) Besides TUTO hockey, do you have other sponsorship targets?
- 11) How does TUTO differentiate from other targets you sponsor?
- 12) How has TUTO taken care of its responsibilities as a sponsee?
- 13) Is there something that has been exceptionally good?
- 14) Is there something that needs improvement?
- 15) Will you continue as a sponsor in the following season as well?