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Degree Programme in International Business

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CREATING STRATEGIC SPONSORSHIP COOPERATION RELATIONSHIPS FOR SPORT
ACTIVITIES IN CYCLING CLUB IN VYBORG.

Bachelor's Thesis 2014

ABSTRACT

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Creating Strategic Sponsorship Cooperation

Relationships for Sport Activities in Cycling Club in
Vyborg

Bachelor's Thesis

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Sports sponsorship is a good way for sport organizations to get the profit. The thesis aims are to find the ways of better understanding the communication between the sponsor and sponsee as well as to build strong relationships between them.

The thesis has been written in order to achieve the main goal of the research and answer all the questions of the thesis. The objective of the commissioner was to find financial resources for funding their sport operations.

The qualitative research was used to collect the results of the study. Seven companies were interviewed in person as possible sponsors for the cycling club.

As the result, two main methods for building successful sponsorship relationships were found. Firstly, it is the involvement in the process of each other's marketing and planning efforts. The second method is close communication between sponsor and sponsee.

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1 INTRODUCTION

1.1 Starting point

Sport plays a significant role in the life of every person. People all over the world spend their time and money for doing different kinds of sports. However, sport is also the way of doing business for lots of people. By winning the games or competitions sportsmen and coaches get some kind of profit which sometimes cannot cover all the costs. For instance, sportsmen need place for training, equipment, coaches, and abilities to go to the tournaments. A lot of money is needed for all these matters. That is why the problem of sponsoring arises in various sports. Unfortunately, it is quiet hard to find the sponsor who is interested in success of sport organization and who is also ready to fund it. That is why the main aim of this thesis research is to find out the factors which could be interesting for sponsors to finance sport clubs and sport activities. Moreover, it is necessary to be familiar with the right ways of building the strong relationships between the sponsor and the club.

Unfortunately, the topic about sponsorship is quiet new, so it is challenging to find enough information about this question. That is why thesis would include studies about sponsorship in more detail in order to collect additional information about building cooperation relationships with sponsors. That information could be useful both for the students and the businesses. A lot of companies, especially startups, are interested in sponsoring, however, they do not know where to start from. The research would find out what could be attractive for sponsors to cooperate with companies. Talking about the case of the thesis, it is intended to help the cycling club to understand the idea of sponsorship. Moreover, thesis work is designed for this club to find and offer the benefits for possible sponsors. The idea is that through this study the cycling club would improve their relationships with possible sponsors that exist already and with the future ones.

1.2 Case organisation

The Cycling Club Favorit is a sport club where children could learn and compete in cycling driving. The main purposes of the club are development of the cycling in the Leningradsky region, searching for the talented children and their preparation for getting to the Russian national team and education of the patriotism of the children. The leaders of the cycling club are Redakov Alexey, the Chairman of the Cycling Federation in the region; Ermalaev Georgy, The Executive Director of Cycling Federation; Kibalich Andrew, the Senior Coach; Ryabkin Alexander and Belevancev Bladislav, the Coaches of the Highest Category; Lukin Pavel, the Coach. The development of the club is going through several directions:

- Quantity – the cycling sections are organized in the four biggest schools in Vyborg
- Results – every year the sportsmen of the cycling club get to the Russian National Team
- Educational process – working in the summer camps, public street cleaning, duties in the club teens' social activities.

There are almost ne hundred sportsmen in the club and the budget does not exceed 3 million per year. (Ermalaev 2014.)

The Executive Director of Cycling Federation in Vyborg has expressed his interest about the topic of the study. He agreed to cooperate with a researcher in order to get the result he is looking for. He wants to know more about sponsorship in the sport field and how to attract the new sponsors to his organization.

1.3 Research Objectives

As Ermalaev (2014), the Executive Director of Cycling Federation in Vyborg, has informed the researcher, the main objective of the thesis for the case company is to find financial resources for funding their sport operations. Hence to help to achieve this objective the thesis is written to improve the cycling club's sponsorship situation through

studying about strengthening the sponsorship effectiveness. Moreover, the sub-objective of the study is finding the key indicators of sport organizations which are interesting and valuable for sponsors. The aim of the thesis is to obtain the wide perspective of cooperation with sponsorship organizations.

1.4 Research question

The research is guided and centered by the research question. To present the unique argument of the study, it should be clear and focused. (Writing Studio n.d.)

By asking the right research question, the research problem could be solved. The form of the research questions is important, as the solutions and answers are based on them. The typical question's forms are: what, how, why, how much. The main question before all others is a 'what' question, as it describes the phenomenon of the problem. The other questions cannot exist without a 'what' question, as they are sub-question and they lead back to it. (Kananen 2011, 19.)

The researcher has picked out the main question which should be answered in the study and its sub questions. The main question is how to create strong sponsorship cooperation relationships between sports and businesses where all parties are satisfied? Moreover, this question creates two additional sub questions, which are:

- How to develop the value of sports for sponsorship purposes?
- What factors could attract new sponsors to the cycling club?

1.5 Research Methods

The study would provide the detailed information about sponsorship. In addition, the real examples about successful cooperation between sports

and businesses would be introduced and included in the writing and they would show the good possibility of such kind of relationships. On the other hand, the information about the Key Performance Indicators' (KPI) would not be included, because the research work would concentrate only on sponsorship directly. As this thesis is for the company, it would be as practical as possible in order to provide the useful information for the company and do not confuse it with inappropriate theoretical facts. It was decided to choose qualitative research as the method of solving the problem in the thesis. The main reason for this is that thesis is aimed to acquire a deep understanding of the phenomenon of the sponsorship, create new theories and hypotheses and acquire a precise description of the phenomenon.

2 SPONSORSHIP IN THEORY

2.1 Sponsorship

The definition of sponsorship is:

Sponsorship is a business relationship between a provider of funds, resources or services and an individual, event or organization which offers in return some rights and association that may be used for commercial advantage (Jobber 2013, 561).

According to Fill (2009, 601), there are several reasons of growth and development of sponsorship: increasing in media coverage of events, attenuation of industry regulations and government, increasing in drop of supply and demand of the sponsorship event, orientation towards relationship between sponsorship participants, positive change in attitude by senior management toward sponsorship, drive and realization of integrated marketing communications, increasing in other media costs and needing for developing softer brand associations and achieving niche targets.

In addition, Fill (2009, 603) suggests that sponsorship is used for reaching external stakeholders and internal audience. As an example, Electronic Data Systems, (EDS), reaches two main audiences, customers and potential future employees through sponsorship (Fill 2009, 603).

According to Fill (2009, 605), the corporate sponsorship is mainly focused on staff relations and goodwill, image, developing community involvement and public awareness. The aim of the brand-based sponsorship is to develop media coverage, sales leads, share of the market, and awareness of the target market and guest hospitality (Fill 2009, 605).

Sponsorship operates when the consumers make the associations with a brand and the supported event. Moreover, people judge in such a way that sponsorship and the event should fit together. It is explained by the ratio when the greater the degree of compatibility is the more sponsorship would be accepted. (Fill 2009, 605).

In the communication mix of many organizations sponsorship plays a secondary role as it is not an important source of corporate information. It is explained by the fact that the sponsorship has a limited impact on the communication, as it could only reinforce previous product images but not change them. However, when there has been a direct experience brand, the significant relationship between the sponsorship and corporate image occurs. That is why the question arises about how to use the sponsorship to influence the image of the product category and its brands in order to get a worthwhile effect. (Fill 2009, 605.)

To answer the question asked above, Fill (2009, 605) declared that sponsorship is used for shaping and assisting corporate image, developing name association and awareness, driving product sales, building brands, helping with recruitment, defending against hostile competitors and providing opportunities for corporate entertainment. If the transactional activities are predominant inside the target audience, it

would be better to use broad-based sponsorship. On the other hand, relationship development sponsorship activities would be better to use when the target group is small and relational exchanges are preferred. (Fill 2009, 605.)

Fill (2009, 606) gives his own definition of sponsorship. In his words, it is “a form of collaborative communication, in the sense that two (or more) parties work together in order that one is enabled to reach the other’s audience.” Issues concerning the relationship between the two parties would have an influence on the success of arrangements of the sponsorship. The further development of the key sponsorship drivers and relationship marketing is required as a very powerful form of marketing communications, sponsorship matures. (Fill 2009, 606.)

Fill (2009, 607) points out that sponsorship could be also seen as a function of a value of the organization for the other parties. The key actors in sponsorship networks are the sponsor and the sponsee, however, event organizers, agencies, media networks and consultancies are also players and they are connected with the sponsor and the sponsee (Fill 2009, 607).

As sponsorship is defined by Blythe (2006, 531), it is “an investment, in cash or kind, in an activity in return for access to the exploitable commercial potential associated with this activity”. To generate the positive feelings about firms it is popular to use sponsorship of the sporting events or arts. However, the value of the sponsorship is still a question for many people. It is used as the way to improve the corporate image and as a promotion of the firm or product. Moreover, sponsorship creates a strong competitive advantage. (Blythe 2006, 531.)

The strategies for sponsorship should be designed to promote brand positioning, improved market share and market penetration (Amis 2005, 9). As it is notoriously difficult to measure return on investment, sponsorship represents a raw marketing tool in comparison to modern

data-driven direct, one-on-one, and relationship marketing techniques. Even such a seemingly simple challenge as comparing awareness of the brand between sport fans and non-fans creates huge problems. It is infinitely more complicated to link sport sponsorship dollars to product sales. (Amis 2005, 127.)

Gratton & Taylor (2000, 163) presents one definition of sports sponsorship as ‘the support of sport, sports event, sports organization or competition by any outside body or person for the mutual benefit of both parties.’ Moreover, the three main characteristics of sponsorship were picked out: the contribution is made by the sponsor to the sport in cash or in kind payment, the sponsored activity is not related to the main commercial activities of the company, the sponsor looks for a return in terms of public interest without negative reflection on sponsor (Gratton & Taylor 2000, 163-164).

Sponsorship is an activity which is very varied. It is regarded as a comparably new phenomenon. Although, there is no unsureness that sports sponsorship has rapidly developed in the last decades, both in the width of activity that sponsorship surrounds and in absolute terms. (Gratton & Taylor 2000, 164.)

As the conclusion of different sponsorship definitions and characteristics listed above, their comparison would be described in the table below. Table 1 presents four authors to compare their vision of what is sponsorship.

Table 1. The comparison of sponsorship’s definitions

Definition of sponsorship	Author
The form of collaboration for reaching each other’s goals; The function of value of the organization	Fill, C. (2009) <i>Marketing Communication</i> (5th edition). Harlow: Pearson Education Limited.

<p>The investment in return for commercial potential;</p> <p>The way of promotion to improve the corporate image and competitive advantage</p>	<p>Blythe, J. (2006) <i>Principles & Practice of Marketing</i>. London: High Holborn House.</p>
<p>The instrument for promotion brand positioning, improvement of the market share and market penetration</p>	<p>Amis, J. Cornwell, M. & Bettina, T. (2005) <i>Global Sports Sponsorship</i>. Maryland: Berg Publishers.</p>
<p>The support of sport activities by outside body for the mutual benefits of both parties</p>	<p>Gratton, C. & Taylor, P. (2000) <i>Economics of Sport and Recreation</i>. London and New York: Spon Press.</p>

2.1.1 Objectives of the Sponsorship

As Jobber claims (2013, 561), there are four principal objectives of sponsorship which are to create entertainment opportunities, gain publicity, create promotional opportunities and improve community relations. When mentioning sponsorship, it is important to notice that it has primary and secondary objectives. Primary objectives are improving the image of the brand or organization, to develop the loyalty of the customer and building awareness. Secondary reasons are attracting new customers, supporting dealers and all other intermediaries and to motivate staff and build morale. (Fill 2009, 603.)

2.1.2 Sponsorship Decisions

The effectiveness of the relationship between the sponsor and sponsee is determined by the degree of fit which could be viewed in two

dimensions. When the product is used in the sponsored event, the function-based similarity occurs. The second dimension is the image-based similarities, which represents the sponsor's image on the event. (Fill 2009, 600).

There are three main factors used for keeping the successful sponsorship relationships which are reciprocal commitment, building capabilities and collaborative capabilities. They are commitment, building capabilities and collaborative capabilities. Reciprocal commitment means that the sponsee reciprocates the investments that the sponsor made in the relationship. The higher the reciprocity, the greater the commitment would be. Building capabilities represents the will of both parties to create the value through setting marketing objectives. Collaborative capabilities relate to the extent where the sponsee actively acts in order to develop the relationship with the sponsor and its brand in the future. (Fill 2009, 607-608.)

Because of the high media coverage, sports activities have been very attractive to sponsors. It is the leading type of sponsorship for several reasons. First of all, sport attracts large audiences not only through the event but also through the media. Secondly, it provides a simple measure of the target segmentation, as sport could identify huge amount of people who represent particular characteristics. Thirdly, because of the duration of each event, the sponsor has high visibility opportunities in different sporting events, for example, Olympics or FIFA World Cup. It was found that the event sponsorship is the most popular activity for organizations. (Fill 2009, 609.)

Fill (2009, 614) claims that it is much easier to manipulate with advertising messages rather than those connected with sponsorship. The audience characteristics are very different between advertising and sponsorship. There are three groups of people that can be identified for sponsorship. The first group consists of active participants who are directly connected with the event or sponsor. Secondly, there are those who attend the sponsored events, the personal spectators. Thirdly, the

largest group consists of the people who are involved through the media channels, media followers. (Fill 2009, 615.)

To make sponsorship work, it is necessary to use other marketing activities, such as advertising. Sometimes company should spend additionally on advertising to make the exercise effective. Through advertising customers get the information about why the company has chosen this single event to sponsor. In that way the link between the values of the company and the sponsored event is clear. (Blythe 2006, 532.)

To create successful sponsorship, several criteria should be applied. Sponsorship should be cost-effective. The organization being sponsored should be consonant with all the marketing communication plans and brand image and it should reach the expected target audience. Moreover, if the event has been sponsored before, care should be taken. (Blythe 2006, 533.)

Globalization has affected economics, society, politics and business as well. Sport sponsorship has been used as a mechanism to overcome some cultural and linguistic barriers. It helped to get access to the local media and provide corporate hospitality opportunities. (Amis 2005, 3.)

Through the usage of corporate opportunities and the hospitality of company's parties demonstration of sponsorship at global sport events such as the FIFA World Cup, Olympics, Ryder Cup and the Wimbledon Tennis Championships has become increasingly visible. While using the sport sponsorship the relationships are improving and becoming better with corporate partners, employees, regulators and politicians. In this way the research of strategic usage of sponsorship demands much more analysis, especially in terms of methods where this hospitality has an influence on the decision-making of parties being hosted. (Amis 2005, 3.)

The impact of such shifts as transformations in global, sport and corporate environments on the usage of sport sponsorship becomes obvious. An empty space was left by the society through the increased transience and ephemerality and marketers want to fill it rapidly. In this case the tradition was produced and marketed as an image. Traditions are changed and commercialized, that leads to a suggestion where society lives after the end of tradition. At the same time it leads to understanding of the clear objective of the global sport sponsors. As an example, in New Zealand the Adidas sponsorship of the “All Black” rugby team was an apparent effort to craft the historical legacy within the society of New Zealand with the use of the past famous rugby national teams. Global dynamics that form executive decision-making should be taken into account in order to understand the sport sponsorship needs. (Amis 2005, 5-7.)

Sport sponsorship could be used as an efficient marketing tool, if the appropriate consideration is given to dissimilar distribution, lack of mobility, inimitability and the constant forecasted limits to competition. In this way sponsorship is treated as a potentially valuable resource. (Amis 2005, 9.)

In many companies' promotional mix sport sponsorship have managed to play a dominant role over the last two decades. On the contrary, a lot of sport event managers, sport organizations, individual athletes and leagues see huge corporate spending as the most vital and almost the only way to profitability. The fact that many text books and monographs in the field of sport marketing devote entire chapters to sport sponsorship evidences the unique role it plays for sport marketers. On the other hand, from the perspective of the recipient, sponsorship is a strategic tool with the deep involvement for the bottom line of the organization, from the sponsor's perspective, it is one of the tactical components among others in the marketing communications strategy of the company. Moreover, organizations demand more complete sponsorship packages from their partners as they have become increasingly experienced consumers of sport sponsorship. As an

example, event sponsorships, based on determination of the sponsor of the target market, could combine traditional communication units such as promotions, mass advertising, cross selling opportunities, point-of-purchase merchandising, public relations and non-traditional Internet-based techniques, such as online games and event-specific communities. Therefore, the marketers of sport sponsorships will see their share in the corporate communication budget in the future, unless they continuously add value to their product. (Amis 2005, 127.)

The company could create sponsorship as a type of relational resource in order to create a comparative advantage. Sponsorship is rather immobile which makes it potentially valuable resource. That means that sponsorship cannot be sold or transferred to competing organizations. Moreover, it is difficult to copy or imitate sponsorship. (Amis 2005, 150.)

To create a competitive advantage of customer intimacy, sport sponsorship could be used. Companies that operate this advantage usually are acknowledged as superior in understanding and meeting the needs of customer. For instance, IBM and Nordstrom companies are recognized as firms who learn the customer's needs and provide solutions for those needs. In addition, through sponsorship, companies could get an additional customer intimacy advantage. The company connects with the target audience on an emotional level while partnering with the sport property. If the customers would associate the sponsor with a sporting event or organization, it would be difficult for competitors to occupy the same position with the same audience. (Amis 2005, 151.)

Accounting for over two-thirds of all sponsorship activities, sport sponsorship is the dominant form of sponsorship (Gratton & Taylor 2000, 163). Economic vitality of different sport events is usually dependent on the event organizers' abilities to get essential revenue by means of sponsorship. A substantial share of the revenue of the professional sport team is raised from sponsorship as well. Sponsorship

is popular in every sport, not only at the limited elite part of the sport pecking order. A lot of nonprofessional teams obtain sponsorship. The true value of sponsorship is difficult to measure accurately due to this pervasiveness. Many commercial companies compound the problem by the unwillingness to disclose the amount they spend on sports sponsorship. (Gratton & Taylor 2000, 163.)

As the most important intangible resources for a company are brand or company image and its reputation, it is relevant to use sponsorship in order to increase public awareness and improve the reputation of the company. Hence sponsorship should be considered as a resource which could help companies to fix a position of competitive advantage. (Amis, Slack and Berrett 1999, 251.)

2.2 Sponsor

Before sponsorship activities, the sponsor should evaluate the future process. Questions about communications objectives, target market, risks, promotional opportunities, past record and costs should be asked. It would help to get a clear idea about the reasons of why the program or event would be sponsored. (Jobber 2013, 563.)

The sponsoring organization could get several opportunities from sponsorship. First of all, it is a sending awareness-based brand messages for the particular audience through each event. Secondly, it is a suggestion to the target audience about the association between the sponsor and the sponsored event and such association could be interesting or valuable by this involvement. The third opportunity is that members of the target group are allowed to understand the sponsor through the third party and in such a way diffuse any negative associations with standard direct persuasion and mass media. The fourth opportunity provides to the sponsors the ability to harmonize different tools of the communication mix and apply resources in a more efficient way. (Fill 2009, 600.)

At the first stage, the sponsor plays the role of a donor, as he exchanges money in order to reach the audience. On the second stage the sponsor acts as an investor, because the sponsor is deeply involved and he looks for return on the investment made. The third stage starts when the sponsor is acting like an impresario. The sponsor wants to control activities in a way that they add values of the brand or organization. (Fill 2009, 603.)

There are several reasons for organizations to sponsor: press and TV coverage, promoting awareness of the brand and corporate image, radio coverage, increasing sales, enhancing community relations, entertainment for the clients, benefiting employees, matching competition and fashion (Blythe 2006, 532). Taking the customer's beliefs about the sponsored event and linking them to the company doing sponsorship is the basis of sponsorship (Blythe 2006, 531).

In the context of sport sponsorship, consideration of the wide impact that sport sponsors have is very important (Amis 2005, 10).

Sponsorship can be used as a resource for creating a distinctive competence of the company. To make the sport sponsorship work, sponsor should view it as an investment that requires development rather than expense. A lot of sponsorship ends with a failure because sponsors do not understand the received benefits from sponsorship. As sponsorship has a long-term orientation, the sponsors could lose their patience as they look for the immediate results. Moreover, sponsors also underestimate the investment of time and money to make sponsorship work. (Amis 2005, 149-150.)

One starting point to understand why firms sponsor sport is to look at the economics of advertising. Primary analysis of the advertising decision supposes the company to have a general purpose of profit maximization. (Gratton & Taylor 2000, 170.)

The main problem of advertising is the uncertainty associated with it. Some economists claim that advertising should be treated as an investment as returns are yielding over a period of time. They also argue that the company builds its name and goodwill over time through such a main means as advertising. If the revenue stream is affected by a long period of time, the risk and uncertainty associated with the advertising decision would be greater. Moreover, such a view means that the return to advertising requires innumerable factors like 'name and goodwill'. (Gratton & Taylor 2000, 170.)

Sponsorship could be seen as a piece of the company's behavior to maximize the profit. The main aim in this case is to increase sales. Companies are leading by the risk and uncertainty of revenue response to advertising expenditure to vary into sponsorship as an alternative marketing strategy. (Gratton & Taylor 2000, 171.)

In terms of expected returns, such type of marketing/advertising behavior as sports sponsorship is highly risky. It is indicated by all the evidence on sports sponsorship by firms. Some involvement is expected, because of the riskiness of this type of marketing strategy, but not too much. With the observed behavior of the companies it is consistent to keep sponsorship activity below 5 per cent of total marketing expenditure. (Gratton & Taylor 2000, 171.)

Gratton & Taylor (2000, 171) have mentioned four motives of business for sponsoring sport: increase in awareness of product or firm, image enhancement, product trial or sales opportunities and hospitality opportunities.

Changing the perceived image of a company to one more favourable to the company's products in a specific market is another motive for sponsorship. For instance, by sponsorship of a traditional English sport, cricket, Gillette lost its American image gained ground against its British rival, Wilkinson, in the British market. (Gratton & Taylor 2000, 172.)

For companies with a low level of awareness or for those who are introducing a new product and wish to raise its awareness it is particularly important to increase awareness of both the company and the product (Gratton & Taylor 2000, 172). Gratton and Taylor (2000, 173) indicated one more reason for business to sponsor sports which is especially applicable to small firms: improvement of local community image. The main objectives which are associated with small sponsorship are public relations and contact with the local community. The firms could expect little return on advertising from this, however, such sponsorship could be functional politically as well, for example, if the company needs planning permissions for a new development. (Gratton & Taylor 2000, 173.)

The benefits of sponsored activities are obvious. Sport gets payment from the sponsoring company, which is a key source of revenue. The income of the sport's governing body or individual sports club should be raised from government subsidy, membership fees, sponsorship, or by selling its product like selling the tickets to sporting events. In some degree, different forms of income substitute each other. Sport could become cheaper to the participant or the spectator, if sponsorship income is increased. (Gratton & Taylor 2000, 175.)

However, income is not the only gain to the sponsored sport: publicity is also received by the sport. The sponsor would usually like to take action to improve publicity for the sponsored event, which automatically broadens the sport market and also the product of the sponsoring company. (Gratton & Taylor 2000, 175.)

Although, there are main benefits for sponsored sport like publicity, income and promotion, there could also be costs. The sponsor expects a commercial rate of return on its investment, as sponsorship is essential to commercial activity. That is why sponsors could ask some kind of control over the activity which is sponsored. (Gratton & Taylor 2000, 175.)

There is a risk of conflict in purposes between the sponsor and the sponsored. Moreover, the worry arises whether sponsorship somehow decreases the integrity of sport. Sponsorship could bring some changes into the sporting event, which could be positive or negative. Sporting programmes are not always in harmony with the events created to provide sponsorship vehicles. All this could cause the damage of the long-term interests of sport. (Gratton & Taylor 2000, 175.)

Apparently, the most important problem of sponsorship is that sponsors are usually interested only in the top, most reputable, events and in the elite sportsmen in order to get maximum publicity. Several problems are raised because of that. First of all, in the past the conflict took place between the companies' willingness to sponsor elite performers and the rules of federations of sports on the amateur status of competitors. Nowadays it is less confused when some sports allowed trust funds to be set up and other sports allowed using sponsorship money only for certain expenses. Secondly, in order to satisfy the demands of the sponsors, the top competitors are often subject to an excessively crowded schedule. Thirdly, because of the sponsorship deals, conflicts arise between the competitors and the governing body of a sport. While sponsoring individual competitors there is often a situation where the governing party does not get any profit from the sponsorship deal. (Gratton & Taylor 2000, 176.)

The lack of continuity that characterizes much sponsorship activity is another problem for sports. Sponsors often leave a sport with little notice. Such kind of unpredictability in income could cause real problems for a governing body of sport. It could be necessary to change events continually in order to achieve the commercial objectives of the sponsor (Gratton & Taylor 2000, 177.)

The last but not least problem with sponsorship is that it is associated with tobacco, alcohol and gambling, three industries providing the bulk of sponsorship money. Here is the conflict between a sport that has a

positive appearance generated by participation and other activities like smoking, drinking and gambling, which are associated with their consumption. However, it is announced that the tobacco sponsorship of sport has been ended already. (Gratton & Taylor 2000, 177.)

With times the charitable appeal of sponsorship has changed into one which arises such questions as in which assets of the sport property the sponsoring organization is interested and what can the sport or event do for the company in order to reach its organizational and marketing goals and build its brand. Therefore, a lot of present relationships are qualified as authentic commercial partnerships, in which each party offers the equally valued resources for each other. (Zinger & O'Reilly 2010, 285.)

Sponsorship involves a marketing exchange where the sponsor provides either monetary support or other resources in return for the right to be associated with the sports entity. To develop the successful sponsorship relationship it is required to cooperate with the sport sponsee on an ongoing basis in order to make sure that the sponsorship operates effectively. The sponsor should be ready to have extra costs in order to fully capitalize on the sponsorship opportunity. It was found that the actual ratio of leveraging spending on sponsorship rights fees is 2.4:1, and for some successful sport sponsorships it could be as high as 10:1. (Zinger & O'Railly 2010, 286.)

Usually the financial need is a primary impetus for the sport sponsee, while the sponsor needs to fulfill any of a number of the different goals. These goals typically are enhancing employee relations and motivation, raising the profile of the company in the community, connecting with the target market, blocking the competition, building awareness and generating incremental sales. (Zinger & O'Railly 2010, 286.)

For corporate firms there is a multitude of opportunities. Some small and medium-sized enterprises' (SME's) wish to be aligned with sports in order to build their image at the local level, others are interested in

setting their sights on the second level amateur events. It is important that any examination of the SME's sponsorship involvement should avoid treating all firms as equals. (Zinger & O'Railly 2010, 287-288.)

When the company wishes to be involved into sponsorship, it is necessary to understand all the challenges which could be met on their way. Hence there should be an initial assessment of the sponsee to find out, for example, the potential involvement of the sponsor's employees, the impact and presence of the sponsor, the quality of the resources and the possibilities for media coverage. Ideally, sponsor should also establish clear goals for its sponsorship initiatives and present the results to a regular review. (Zinger & O'Railly 2010, 296.)

2.3 Sponsee

Fill (2009, 600) claims that the recipient should attend to the sponsor's needs by providing access to the commercial associations that are to be operated, when all the funds are channeled through sponsorship. It is made mainly for ensuring that the exchange would be rational and longer-term, but also because the commercial associations have a legal arrangement (Fill 2009, 600).

Sponsorship relates to the public relations. The sponsee plays the role of an opinion former where messages are sent to the audience with the help of significant participants who support and endorse the sponsor. This cognates to the public relations activities. (Fill 2009, 614.)

The development factor in sponsorship is to go across the single exchange of money as the only benefit for the company. The sponsored organization should get tangible benefits or extra publicity what would be much better for both parties. (Blythe 2006, 532.)

2.4 E-sponsorship

It is a tremendous challenge for sport marketers to sell their assets in an increasingly competitive global marketplace. The business of sport sponsorship becomes more complex with two relatively new forces: the Internet and the globalization of markets. To be successful in this new world global e-business, sport marketers should consider the threats the Internet gives to sport e-sponsoring and what opportunities can be found by this new option. (Amis 2005, 128.)

Accordingly, marketers need to be able to judge whether the brand personality of the sponsor aligns well with the Internet and if the Internet fits with the target group, before integrating the Internet into a sport sponsorship package for a global market. Moreover, an online strategy with the offline strategy should be understood by the marketers as well as the reason of using the Internet for sponsorship purposes. It all creates the brand awareness, exploration or commitment. Behind such traditional questions about the medium, marketers of global sport sponsorship must pay attention to its only characteristics, particularly its opportunity to unite global customers and to build the conditions for close customer relationships. (Amis 2005, 128.)

To use the Internet for sport sponsorship, it is relevant to notice the main implications which are needed for up-to-date and detailed customer information and need for creating involvement of the brand. Now it should be investigated when to use sport e-sponsoring to address these two marketing imperatives. (Amis 2005, 134.)

The customers are involved with the brand by the unique position of the e-sport sponsorships which make them co-creators of the sponsorship. The medium attracts a youthful market segment, in addition to the interactive element of the Internet, which allows a conversational relationship between brand, customers and marketers and the immersive experience described above. (Amis 2005, 135.)

The example of the Nike Runlondon website shows that with the expansion of the “London 10k”’s sponsorship into virtual range, Nike does more than just send a passive message to its customers. The basic form of immersion of the website allows by inviting runners to cooperate with its facilities and to use it in several ways, including connecting with other runners, watching oneself crossing the finish line, entailing friends who are not runners yet and shopping. As an effect, the platform for runners was created by Nike to share the experience of the run, all the while keeping the runner actively involved with the brand. Through doing this, Nike disappears as a corporate brand message and becomes a relationship partner in the project of creating an experience. The brand equity was characterized by Nike which is the beneficiary of the exchange of information and the ongoing symbolic and economic exchange. (Amis 2005, 135.)

As a conclusion, a powerful proposition in the global marketplace is represented by the electronic sport sponsorship. In the age of globalization, the capacity to add value to a client’s integrated marketing communication increases by combining worldwide reach and low production costs for targeted sponsorship versions with the ability to capture a geographically dispersed but homogeneous customer segment. The post-Fordist accomplice to flexible production and global marketing is the Internet. By virtue of modular communication formats, the Internet turns anxiety into opportunity. If the sport marketers manage to understand the power of decentralized electronic communication networks like the Internet, they would likely succeed in mobilizing the local customer as a part of the global market. Sport sponsorships would appear even more prominently as prime movers of corporate globalization, if that happens. (Amis 2005, 141.)

2.5 Ambush Marketing

The definition of the ambush marketing given by Gratton & Taylor (2000, 168) states that it is ‘a phrase that describes actions of the

companies who seek to associate themselves with a sponsored event without paying the requisite fee.’ The ambush consists of making an impression (sometimes true, sometimes not) to customers that the ambush brand or company is an actual sponsor or is in some way connected with the event (Gratton & Taylor 2000, 169).

There are five main different types of ambush marketing:

1. Contests or sweepstakes: a contest is organized by the company around the outcome of a game, or there is a competition with prizes which are tickets to the game.
2. Broadcast sponsorship: a broadcast of the game or event is sponsored by the company, it will cost much less than sponsoring the event itself.
3. Television commercials: during the breaks in the broadcast of an event a company places commercials which in content can relate the name of the company by implication to the event.
4. Sponsorship of a team or athlete: a particular company sponsors an individual athlete or the whole teams taking part in the event however the company does not contribute anything to the event organizers.
5. Promotional advertising/marketing collateral: this is about giveaways and flyers distributed during the event, specific marketing events staged in close vicinity to the major sporting event, or posters on billboards close to event venues. (Gratton & Taylor 2000, 169.)

Although, as the ambush marketing is growing, it poses a real danger for involved companies in staging major sport events. Around the staging of the event the huge amounts of money are spent by the ambush marketers, however, to the event organizers none of this money is a revenue. Even so, athlete team sponsorship and broadcast sponsorship are considered as sports sponsorship, the other three ambush marketing types would be considered as more common advertising consumption, and hence the more companies engage in these types of activities, the less the overall value of the sports sponsorship is. (Gratton & Taylor 2000, 170.)

Over any estimates of the value of the sports sponsorship the ambush marketing creates a further uncertainty. As stated above, a lot of ambush marketing activity is not connected to the sports sponsorship so that the higher the commonness of ambush marketing in sport, the greater the underestimation of the real value of the sports sponsorship would be estimated that is coming from the fees of the contract. (Gratton & Taylor 2000, 170.)

3 METHODOLOGY

This chapter describes and validates the chosen research method for the present study. Hence firstly a brief discussion follows on the choice of the qualitative method. Secondly, the chapter outlines selection of the sample companies. Finally the collection of the data, namely interviews and textual material are examined. The chapter ends with a description of the data analysis process and a discussion on the validity and reliability of the research.

3.1 Choice and Justification and Applying of Data Acquisition Methods

3.1.1 Qualitative Research

As was mentioned earlier, qualitative research was chosen to conduct the empirical part of the thesis. According to the Patton and Cochran (2002, 2), the main objectives of the qualitative research are related to understanding the aspects of social life and its methodology connected with words rather than numbers. Moreover, the qualitative methods are aimed to answer the questions about ‘what’, ‘how’ and ‘why’ rather than ‘how much’ or how many’ (Patton and Cochran 2002, 3).

As Key (1997) claims, the qualitative research is a ‘generic term for investigative methodologies described as ethnographic, naturalistic,

anthropological, field, or participant observer research'. It marks the importance of paying attention at variables in the natural setting where they are found. It is important to safe the interaction between variables. Through the open ended questions the detailed data is gathered. Hence it provides direct quotations. The integral part of the investigation is an interviewer. This is the main difference from quantitative research which tries to collect the data through the objective methods to provide information about comparisons, relations, attempts and predictions to move away the investigator from the investigation. (Key 2007.)

3.1.2 Case Study

In this thesis the case study of the cycling club is used. Colorado State University (2014) claims that case study is connected to the collection and presentation of detailed information about a particular group or participant, usually including the subjects' accounts. As a form of qualitative descriptive research, the case study uses an intensive look at an individual or small participant group, creating the conclusion only about this participant or group and in the specific context only. Researchers do not cover and study the discovery of a universal, overall truth, however, the main aim is to explore and describe. (Colorado State University 2014.) In this thesis the case study is presented by the bicycle sport club, which is interested in finding sponsors for their activities and build with them strong relationship.

There are several types of case studies, which are custom selected for usage according to the goals and objectives of the investigator. Firstly, there are illustrative case studies which are primarily descriptive studies. They serve usually to make unclear clear and to provide readers a common sense about the topic. Secondly, exploratory case studies help to identify questions and select types of measurement prior to the main investigation. Initial finding could seem persuasive enough to be left as conclusions in this type of study. Thirdly, cumulative case studies combine information from different sources at different times.

And finally the forth type of studies is a critical instance study where one or more sites are examined to examine the situation of unique interest with small to no interest in general. This type of case studies is relevant to answer cause and effect questions. (Colorado State University 2014.) In order to answer the main questions of the thesis, critical instance study was chosen as one of the case studies.

3.1.3 Sample selection

In this section the sample of the study would be introduced. First of all, the sample section is discussed and after that the sample companies are briefly covered.

To answer the main research question of the thesis, Russian companies in Vyborg, the city of interest, who are interested in sports sponsorship were identified and contacted. According to Colorado State University (2014), it is important that the participant pool of the case study is relatively small. Hence for this thesis seven companies were chosen. It was decided to choose the participants which represent a diverse cross section of society (Colorado State University 2014).

For the empirical research an extensive search in the Internet was conducted in order to find out suitable companies from Vyborg. As an example, websites of the fitness clubs, sport pubs, governmental organizations were visited to find the groups who are interested in sports sponsorship. Moreover, the researcher had personal meetings and discussions with different persons to point out the possible sponsoring partners of the cycling club.

3.1.4 Sample organizations and their relations to sport

Champion bar-restaurant is one of the most popular public places in Vyborg. Here people could see real-life broadcasts of different sport events. The company is interested in participating and supporting local

sport activities, such as volleyball and tennis tournaments, running and sports relays. In addition, when the Russian racer, Vitaly Petrov, was riding on the Formula 1 race, the director of the bar has organized the trip of fans together with Vitaly to support his performance.

Victoria fitness center is an elite fitness club with a modern sport hall and various sport programs and coaches. Every year the company organizes free sport lessons during different local city activities. Fitness centre is situated in the international business center Victoria which deals with international companies from different countries.

Inter sport shop is a small subsidiary of a huge sportswear chain called Inter sport. It is situated in a big shopping mall near the border of the city. The company sells mainly sportswear and sports equipment. This shop is quite popular in Vyborg as a good place to find sportswear of the proper quality.

Children's health Camp Organization is an autonomous body of the municipal formation and it was established in 2005. It operates in Vyborg and its region and it has five camps for children across the Leningradsky region. Such an organization provides children with plenty of sport and leisure activities during their stay in camps. The high-qualified teachers take care of children and use the modern techniques of the education and communication. (Children's Health Camp Organization 2014.)

Cellulose of Vyborg Company is a pulp and paper factory, which operates from 1927. It is an old factory that was built by the Finnish company 'Hackman & K'. Factory produces two-layer paper for wallpapers, paper for corrugation, cardboard, yeast and different chemical materials.

VIP beauty salon is a luxury salon with such beauty services as hairdressing, manicure and pedicure, cosmetology, massage, piercing. It is a quiet new place as it was opened in 2012, however, it is already

popular across the people. The company also participates or advertises itself in different sport events of the city during the year.

Sberbank is a Russian commercial banking organization which operates across the country. It is a major lender in the national economy and has the largest market share in deposits. The company is the third part of all Russian banking system. Sberbank today is 16 regional head offices and more than 17000 branches in the country, in 83 subjects of the Russian Federation located in 11 time zones. (Sberbank 2014.)

3.1.5 Interview

The researcher has interviewed one person from each case company. The representatives of the companies were mostly executives of senior level so they were able to discuss the possibility of the company to sponsor the bicycle sport club. The researcher contacted the interviewees firstly through the phone calls for describing the question and setting the time of the meeting and then through the personal meetings. The list of the interviewees could be found in Table 2.

Table 2. List of interviewees

Company	Interviewee	Position
Champion Restaurant	Alexander Nistorovich	Managing Director
Victoria Fitness Center	Ekaterina Bogdanova	Administrator
Inter Sport Shop	Vladimir Voloshin	Marketing Manager
Chidren's Health Camp Organisation	Elena Votrina	Managing Director
Cellulose of Vyborg	Vladimir Salnikov	Managing Director

Company		
VIP Beauty Salon	Galina Rubcova	Managing Director
Sberbank	Anna Gurina	Administrator

3.2 Choice, Justification and Applying of Data Collection Methods

There are three methods of data collection in the qualitative research. These methods are observation, focused interview and different kinds of documents. (Kananen 2011, 48.) For the particular case study the focused interview was chosen.

In qualitative research a focused interview is the most common data collection method. There are two types of the interview: individual and group interview. Each type of the interview has its own advantages and disadvantages. For instance, while interviewing a group, the researcher saves time. However, it is more challenging to interview a group of people instead of an individual person. In addition, interviews of the group produce combined information. On the other hand, through an individual interview the researcher gets accurate and reliable information although recording, analyzing and explanation of a few individual interviews is challenging and time spending. (Kananen 2011, 52.) For this thesis the individual interviews were used.

There are lots of benefits of using interviews. They help to get the detailed information about personal opinions, feelings and perceptions. Moreover, interviews allow the researcher to ask more detailed questions, hence they usually reach the high response rate. Another important advantage is that the own words of the respondents are recorded. In addition, unclear questions of the researcher or precise wording of the respondent could be clarified. The last but not least advantage is that interviewees are not affected by others in the group. (An Evaluation Toolkit For E-library Developments 2006.)

Based on the points presented above and on the research question of the thesis, individual focused interviews were chosen as the most suitable data collection method for the present study. During the assessments or survey individual interviews could be used. An individual interview is described as a short conversation while a short visit or as a more arranged and longer meeting. Anyway the researcher should concentrate on the important information and structure the interview around the actual interest. (Act Alliance 2007.)

Each research question consists of elements, relations and processes between them and it is somehow connected with its environment. Hence the interview's questions should guarantee that all the parts of the study problem are included. (Kananen 2011, 54.)

It is irrelevant in the focused interview to go in detail right at the beginning. It is possible to miss relevant issues by focusing on a detail. The process generally passes from general to exceptional. It is crater technique, where after one topic has passed through the crater, a new theme proceeds. (Kananen 2011, 54.)

The interview guide consists of the main themes of the particular study and it was created according to the preliminary literature review before implementing the interviews. As mentioned above, the interview guide explores that alike types of data are picked from all the interviewees. The interview guide could be checked in the appendices of the thesis (Appendix 1 contains the original interview guide in Russian; Appendix 2 contains the English version of the guide).

The researcher has managed the seven interviews between September 23rd and October 15th. All interviews were face-to-face and their length varied from nearly 35 minutes to 50 minutes. Most of the time the interviewees suggested the location of meetings, i.e. the offices of the companies or cafes in the city. 5 of these offices are located in the city

centre, 1 meeting took place in a café and the other one office is situated 20 kilometers from the city, in Sovetsky settlement.

The interviews were recorded, as Kananen (2011, 56) claims that it is the best way to document a focused interview. The researcher could pay attention to the interview rather than to writing the answers. Through the voice or video recording it is allowed to go back to the genuine situation and repeat it as often as necessary. By only taking the notes, the researcher would probably miss elements of the interviewee's information. Furthermore, it is impossible to get the tones of the voices, pauses, expressions, i.e. things that could disclose more than just words could pass by using notes. (Kananen 2011, 56.)

The language of the interviews was Russian due to the fact that it was the mother tongue of all the interviewees. Hence it was natural for the researcher to use Russian as the language of the interviews. However, it created some challenges in the stage after the interviews. It was necessary to translate the responses as the language of the interviews differs from the reporting language.

3.3 Choice, Justification and Applying of Data Analysis Methods

In the qualitative research, the thesis data collected through the focused interview seeks to reach a comprehension of the concerned research problem. The collected material contains the solution to the research problem, if the themes have been designed so that they cover and illustrate the whole research question from every possible perspective. Sometimes a large amount of material is needed to find the solution. (Kananen 2011, 59.)

Kananen (2011, 59) advises to pay attention on structures, processes and types in the material. Occasionally it is difficult to understand the material base because it is so large. In this case the researcher should be able to see what the material offers to him. Reading many times

through the material and thinking what the text means could help. An important message could be contained in each sentence, clause and paragraph and it is needed to be digged out. In addition, the researcher must get off from the unnecessary information which does not have any additional value to the thesis research. Compression techniques do it. The elements are named in a way that the meaning of the part is squeezed into a word that reports what the part contains. Compression helps the researcher orientate inside the units that the material consists of. (Kananen 2011, 59.)

3.4 Reliability and Validity of the Research

In the scientific research the verification of reliability, validity and quality is extremely important. This is much more challenging in qualitative research than in quantitative one because validity and reliability measures were originally developed in such natural studies as physics and chemistry. Hence it is difficult to apply them to social sciences, where an individual or a group of individuals is the object of the research. In the environment where the human being does not perform in a rational and systematic way the randomness is not an exception, it is a rule. The issues of the reliability and validity must be considered at the thesis planning stage. As the reliability is a part of various stages of the research process, the researcher cannot improve the reliability after collecting and analyzing the data. (Kananen 2011, 66.)

It is possible to increase the reliability and validity of a thesis through several ways, but they should be taken into account from the very beginning of the thesis work. It mainly depends on the assessment of the methods and the whole research work. (Kananen 2011, 67.)

To give credibility of the thesis, documentation is one of the most important ways to do it. The reason for each solution and choices made should be documented in various stages of the research. Keeping a

diary about all the actions referred to the thesis is also very useful. It is important to document the reasons and grounds for the decisions when choosing the data collection, analysis and interpretation methods. To make sure the methods could apply to the research question intended to examine, the researcher should familiarize himself with them in advance. (Kananen 2011, 67.)

The explanation of the results of the research is a skill by itself. It is claimed that there are as many explanations as there are explanators. However, it does not show that the same research question causes a huge number of interpretations. Different people could explain one and the same material from different angles or problem settings. The ways of presenting the material could be different, however, by double check by another researcher the interpretation of the research results could be ensured. The credibility of the results increases by the consistency of interpretation, when two researchers make identical interpretations. (Kananen 2011, 67.)

4 DISCUSSION & ANALYSIS

This chapter presents the findings and analysis from the research in the order of the main questions of the thesis. The implications for future research are also presented. The chapter is organized in a way where the sub-headings are the questions of the thesis and the answers presented according to the interviewees' answers.

4.1 How to create strong sponsorship cooperation relationships between sports and businesses where all parties are satisfied?

The research indicates that there are several methods for building a successful sponsorship cooperation relationship between the parties.

For both the sponsor and the cycling club involvement in the process of each other's marketing and planning efforts plays a significant role in

cooperation. As the sponsor has a more power in marketing skills than sports entities so he could support the cycling club in different marketing activities. On the other hand, the sports companies understand better the sport-related know-how, it could be useful for sponsor's communication with sport fans, for instance. The Interviewee 3 said that it is important to understand each other's advantages and use them to achieve the mutual objectives.

The communication is another important aspect of sponsorship relationships. The research has found that for the sponsors of the particular case study it is significant to keep in touch with a cycling club on a regular basis via phone and face-to-face meetings. At that point, it is the major thing for sponsors to get the important information about the cycling club's activities and its further developments. As the Interviewee 5 has mentioned, he wants to know what is going on in the cycling club all the time, as he would like to become a part of the company. In addition, some of the companies have mentioned that they would like to get the exclusive information from the sporting organization in order to have the information advantage. The Interviewee 1 said that the earlier she gets the fresh information about club's activities, the bigger the chance to turn it into profit.

4.2 How to develop the value of sports for sponsorship purposes?

After the analysis of the particular research, it is concluded that the value of the cycling club for sponsorship purposes is quite high. All the Interviewees have heard about this sport club as a club often providing high sporting results. Such a fact gives a positive image of a cycling club for a potential sponsors. The Interviewee 4 even claimed that cycling is almost the only sport in Vyborg with whom they would like to build sponsorship relationships. However, the research shows that cycling club did not present the benefits suitable for sponsors in order to cooperate with them. Thereby the sporting organization could organize such kinds of activities which would help with cooperation

and communication with sponsors. For instance, the Interviewee 2 has mentioned a wish that cycling club could contact him in person and discuss possible benefits of sponsorship for both parties.

As for the sporting activities in general, the research results indicate that the sponsors are always ready to communicate, they only need the clear picture of sponsoring sport organization, its purposes, the possible advantages and risks for the sponsors. In this particular case study the Interviewee 7 said that he is ready to sponsor any kind of sports in Vyborg, however, there is no information about who needs it. Hence the sporting organizations interested in acquiring new sponsors need to promote themselves in the different local events or other channels.

4.3 What factors could attract new sponsors to the cycling club?

The thesis results have provided several factors which could help the cycling club to attract new sponsors. According to the particular research, the first factor is the improved image of the sport club. It is useful to present the information about the length of the club's life, who are the director and coaches, how many children are involved, who among children got successful results, in which rank of tournament they were participating, the effort on the trainings etc. The Interviewee 4 claimed that such kind of information gives to him a clear understanding, if it is worth sponsoring. All this information helps companies to understand the possible value of the sports club in sponsoring activities. Secondly, the image of the coaches should be also presented. For instance, the cycling club has one coach who was really successful at his times in cycling, he was participating in different international high range racings. Such kind of information should be shown as one of the advantages of the club as well. The interviewee asked the researcher about the achievements of the coaches in the past, as this information is also very significant while analyzing the value of the particular sport club. Furthermore, the sport results of the children should also be introduced publically. The interviewee 5

was mainly interested of the tournaments' results, as he thinks that it is the main point of value for the cycling club. There are plenty of tournaments during the year, so the successful results from them could serve the additional value. Last but not least factor of attractiveness is mentioning the future perspectives of the cycling club. Sponsors should know that there is a development and growth in their investment.

5 CONCLUSIONS

This chapter presents the summary of the main finding of the research work together with implications for the Commissioner and suggestions for further research and development based on the results of the thesis.

5.1 Summary of Main Findings

As a result, the particular thesis answers to the main question of the research and to the sub-questions as well. There are two main methods for building a successful sponsorship cooperation. First of all, it is the involvement in the process of each other's marketing and planning efforts. The second method is close communication between the sponsor and sponsee. In addition, the value of sports could be developed through the different kinds of acquiring activities, which could include, for instance, presentation of the sport's organization during public events. Finally, the question about attracting new sponsors is answered in a way that the sport club should improve its company image, the image of the members and present the sport results of the sportsmen, as it is the most valuable factor for sponsors to invest.

5.2 Implications for the Commissioner

According to the research, the implications and pieces of advice were created in order to achieve the main objective of the thesis, to find financial resources for the operations of the cycling club through the

sponsorship. All in all, there are several steps which should be done by a Commissioner. Firstly, the cycling club should increase its company's value through presenting themselves in a more detail for the possible sponsors. Thereby the sporting organization could organize such kinds of activities as presentation about the club on different public activities of the city which would help with cooperation and communication with sponsors. Furthermore, the cycling club should cooperate with their present or potential sponsors freely, providing them all the necessary information in order to create strong sponsorship relationship.

5.3 Suggestions for Further Research and Development Based on the Evaluation of the Study

Sports sponsorship has become a very important topic in the modern society to the sports entities. Therefore this thesis study answered the main research questions about building sponsorship relationships.

While studying the research questions a few interesting challenges have raised and hence could be the topics for further research:

- How to choose the sponsor who suits best to the sports company's objectives?
- The influence of the sponsor's activities to the actions of sport entity.
- How to save the strong sponsorship relationships if the results and value of the sport entity decrease?

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APPENDICES

Appendix 1

INTERVIEW (the Russian version)

Опрос

- Каково ваше мнение о спонсорстве в общем?
- Вы поддерживаете идею спонсорства? Хотелось бы вам принять участие в спонсировании?
- Как вы думаете, что может получить ваша компания через спонсорство? Какими могут быть польза и вред?
- По вашему мнению, как увеличить интерес компаний к спонсорству?
- Что вы слышали о Выборгском велоклубе Фаворит?
- Какую пользу ваша компания может получить, спонсируя велоклуб Фаворит?
- Вы считаете спонсирование велоклуба будет ценной инвестицией? Почему/почему нет?
- Каким образом вы бы начали строить спонсорские отношения с велоклубом Фаворит?

INTERVIEW (the English version)

Questionnaire:

1. What is your opinion about the sponsorship in general?
2. Do you support the idea of sponsorship? Would you like to participate in sponsorship activities?
3. What your company could get from the sponsorship?
 - Benefits?
 - Risks?
4. How to increase the interest of the sponsorship activities across the businesses?
5. What did you hear about the cycling club in Vyborg?
6. What does the cycling club provide that's potentially of interest to your company?
7. Do you feel that it could be a valuable investment? Why/why not?
8. In which way would you build your relationship with a cycling club as a sponsor?