The Emirates Copenhagen Polo Open

A hypothetical approach to sports sponsorship

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Resume
Sponsorater inden for sportsverdenen er blevet en udbredt form for kommunikation, da forbrugere konstant bliver sværere og sværere at nå med traditionelle kommunikationsværktøjer - her er der ofte meget kommunikationsstøj, og det kan være svært at fange forbrugernes fokus.

Flyselskabet Emirates har en daglig rute mellem København og Dubai. Det er blevet observeret at de to premium kabiner, Business og First Class, ofte ikke er fyldte, hvilket resulterer i, at flyselskabet mister penge på disse tomme sæder. Hermed ses der problem, at Emirates skal øge salget af premium flybilletter fra og til København.

Indeværende projekt er en kandidatafhandling på Cand.Ling.Merc-studiet. Problemfeltet omhandler flyselskabet Emirates og den danske virksomhed samt event af samme navn, Copenhagen Polo Open (CPO) - og om, hvordan et sportssponsorat mellem disse kan anvendes som et kommunikationsværktøj - som en del af den overordnede markedsføring for flyselskabet i Danmark. Det overordnede formål med sponsoratet er at øge kendskabet til flyselskabet, især inden for den mere velstående del af danskere, som er målgruppen for Business og First Class på Emirates fly samt den primære målgruppe for CPO.

Ved brug af kvantitative og kvalitative metoder, så som survey, interview og generel dataindsamling, er der indsamlet primære og sekundære data for at kunne definere og analysere følgende: Målgruppen for Emirates, målgruppen for CPO, danskernes holdning til sportssponsorater, hvilke elementer er en del af sponsoratet af CPO arrangementet, Emirates’ procedure og holdning til sportssponsorater, og hvilke andre sponsoraktiviteter Emirates er involveret i.

Ved brug af teorier om kommunikation, markedsføring og forbrugeradfærd præsenteres det, hvorledes og hvorfor det er troværdigt, at en sponsoraftale mellem Emirates og CPO vil understøtte målet om at nå målgruppen og øge kendskabet til Emirates’ Premium kabiner med målsætningen om at øge salget af premium flybilletter.
### Part 1 - Introduction

1. Preface .......................................................................................................................... 5
2. Presentation ................................................................................................................... 5
3. Hypothesis ..................................................................................................................... 6
   1.3.1. Research Question ............................................................................................. 7
   1.3.2. Purpose ............................................................................................................... 7
   1.3.3. Limitations ......................................................................................................... 7
4. Structure ....................................................................................................................... 8
   1.5.1. Polo – the sport and the history ........................................................................... 8
   1.5.2. Copenhagen Polo Open ..................................................................................... 10
   1.5.3. Emirates - the company, the brand, and sponsorships ...................................... 11

### Part 2 - Methodology and Theory

1. Methodology ................................................................................................................. 13
   2.1.1. Theory of science .............................................................................................. 13
   2.1.2. Research method .............................................................................................. 14
   2.1.3. Research process .............................................................................................. 15
   2.1.4. Primary and secondary data ............................................................................. 16
   2.1.5. Qualitative and Quantitative Research .............................................................. 18
2. Theory delimitation ........................................................................................................ 19
   2.2.1. Research theory ............................................................................................... 20
   2.2.2. Understanding the consumer ......................................................................... 20
   2.2.3. Consumer behavior ......................................................................................... 21
   2.2.4. Behavioral learning ......................................................................................... 21
   2.2.5. Hierarchy of effects ......................................................................................... 22
3. Branding ......................................................................................................................... 25
   2.3.1. Branding defined .............................................................................................. 26
   2.3.2. Corporate brands ............................................................................................ 27
4. Sponsorship theory ........................................................................................................ 29
   2.4.1. Marketing Communication Mix ....................................................................... 29
   2.4.2. Sponsorship VS Advertising .......................................................................... 30
   2.4.3. Objectives of sponsorship .............................................................................. 31
   2.4.4. Image transfer through sponsorship ................................................................. 32
   2.4.5. Sponsorship as a persuasive tool ..................................................................... 34
   2.4.6. The concept of goodwill .................................................................................. 35
   2.4.7. Sponsorship strategy ........................................................................................ 37
   2.4.8. Return on Investment ...................................................................................... 38

### Part 3 Research analysis

1. The sponsor market in Denmark, Danes’ acceptability to sports sponsorship .......... 40
2. Emirates’ marketing activities in Denmark - Marketing mix ..................................... 41
3. CPO sponsorship potential ......................................................................................... 42
   3.3.1. Sponsorship possibilities at CPO ....................................................................... 42
   3.3.2. The target market and audience of CPO ......................................................... 44
   3.3.3. Emirates’ target consumer .............................................................................. 46
   3.3.4. Emirates’ previous and current sponsorship activities .................................... 47
4. Anticipated effects of the sponsorship ....................................................................... 48
   3.4.1. Choosing appropriate objectives ..................................................................... 49
5. Theoretical application ............................................................................................... 49
3.5.1. How will the consumer react?................................................................. 50
3.5.2. Sponsorship and the hierarchy of effects.............................................. 51
3.5.3. Strengthening the Emirates brand....................................................... 52
3.5.4. Goodwill generation towards Emirates............................................... 53
3.5.6. Image transfer between Emirates and CPO.......................................... 54

3.6. The sponsorship in practice ................................................................... 55
    3.6.1. Sponsorship type .............................................................................. 55
    3.6.2. The AIDA model ............................................................................ 57
    3.6.3 Sponsorship within the communications marketing mix .................... 57
    3.6.4. Return on Investment in practice .................................................... 57

Part 4 conclusion .......................................................................................... 59

Bibliography .................................................................................................. 62
    Books ........................................................................................................ 62
    Articles ..................................................................................................... 63
    Webpages ................................................................................................. 64

Appendix ......................................................................................................... 66
Part 1- Introduction

1.1. Preface

To conclude my studies and graduate from the Cand.Ling.Merc program a thesis must be completed. The subject of this thesis was chosen solely by me and the research question was created in cooperation with my supervisor and approved by the program coordinator.

The subject of this thesis lies close to my heart, being a polo enthusiast and working as a stewardess for Emirates Airlines. From the day I learned about the Copenhagen Polo Open (CPO) event I knew that I wanted to be involved, and I have long wanted to research and discover more about the Emirates marketing activities. So when I was invited to represent Emirates at a golf tournament the company sponsored it was clear to me that this was the area I wanted to investigate further.

When flying back and forth between Copenhagen and Dubai at least once a month I noticed that the premium cabins (First and Business class) were often less than half-full if even that, sometimes only a few passengers would be in those cabins, which can hold up to 42 in Business class and 12 in First class. So this gave me the incentive to investigate further and see if a sponsorship in the CPO could be a useful communication tool for the airline to use to raise brand awareness resulting in a raise in sales of premium cabin tickets.

1.2. Presentation

Today consumers get bombarded with commercials and other advertisements. The number of media platforms increase and the more advertisements people see, the less they actually notice them and they get better at shutting them off.

TV-commercials give you a break from your favorite TV-show to go and grab a snack, a toilet break, or time to zap around and find out if there is something else on TV, and new technology makes it possible to entirely skip the commercials by fast-forwarding over them. Billboards and
advertisements are often ignored by the hustle and bustle on the streets and the irritation whilst sitting in traffic. Also, hostility against advertising messages is growing in general. Due to this reality, companies worldwide are forced to find new ways to communicate their message and catch the attention of their desired target group. One popular way of catching the consumer’s attention is through sports sponsorships; a specific logo present everywhere has a great power and is remembered by the viewers. This thesis puts emphasis on the unique possibilities sponsorship in sports have to offer, and further analyzes the opportunity available for Emirates Airlines (Emirates) to sponsor the Copenhagen Polo Open (CPO) event in 2015.

Companies, as well as private persons, have sponsored events for decades, maybe even centuries. Initially because they simply had the resources to financially support athletes, artists etc. but over time sponsorships has developed into a strategic tool that companies can use to promote themselves in a “non-threatening” way to the consumer. In any major sports event you will see logos of different companies on billboards, sideboards, on the ticket, the invitation, on club and event websites - basically everywhere for the main sponsor and many places for other categories of sponsors. Existing and possible future consumers of the brand are being reminded of the brand constantly, whilst being at a venue they like, watching a game they enjoy, so naturally the brand logo unconsciously becomes associated with something positive.

1.3 Hypothesis

Using a sport sponsorship to get the attention of the target consumer and promoting a brand or product this way can be very beneficial for companies, reaching a segment of consumers which in today world is very unreachable. It is especially hard to reach the upper-class/ high-end target group, which is one of the main target segments for Emirates and a sought-after group of consumer for the company to sell airplane tickets to, this can be facilitated with the use of a sponsorship in CPO as a communication tool in part of the Emirates marketing mix.
1.3.1. **Research Question**

How can a sponsorship agreement with Copenhagen Polo Open help Emirates Airlines increase their brand awareness on the Danish market and eventually leading to an increase in sales of the premium cabin products?

1.3.2. **Purpose**

There are many ways of sponsoring sports, many different opportunities and different levels of investment and involvement, all depending on the different sport, venue, team etc. In this thesis I will take a closer look at the sponsorship opportunities offered by CPO and what this entails and see if they match with the Emirates brand and what a sponsorship at the CPO event could offer Emirates in a marketing perspective, with special emphasis on consumer behavior.

1.3.3. **Limitations**

In this thesis I have chosen to focus on a possible sport sponsorship agreement between CPO and Emirates, therefore all other types of sponsorships ie. arts, philanthropy etc. will not be covered.

The focus will be mainly on the strategic use and application of sport sponsorship as a marketing tool within the marketing mix, which as a whole will be covered superficially to gain understanding, but there will not be any focus on the other elements of the marketing mix. The position of sponsorship within the marketing mix is acknowledged, meaning that a sponsorship cannot stand alone, but must form part of a whole marketing mix integrated with the other elements of the marketing communications in order to be successful.

This thesis will not go in to the financial details of a possible sponsorship, it will however cover the most essential parts of an economic transaction between Emirates and CPO evaluating the ROI on a general basis, because this thesis is based on a marketing and communications point of view, also detailed economic information has not been made available from Emirates.
1.4. Structure

This thesis is in 4 parts:

-Introduction- The purpose of this chapter is to give an introduction to the thesis, explaining the problem field, the research question, and an introduction to Polo and the CPO event as well as Emirates.

-Methodology- This chapter serves as a recipe book as to which research methods and theories I have chosen to use and why.

-Research- This chapter holds the information collected and analyzed about CPO and Emirates.

-Conclusion- The final answer to the research questions along with reflections.

1.5. Background

As previously mentioned, this thesis is based on two companies, Emirates Airlines and Copenhagen Polo Open, with the goal being to determine if a sponsorship agreement between the two companies would benefit Emirates and aid in the sales of Business and First class tickets on the Danish/Scandinavian market. Firstly we will take a look at the background of both Emirates and CPO, defining the CPO event that was held last year along with predictions for next year’s event, and outlining the Emirates brand initiatives and sponsorship activities.

1.5.1. Polo – the sport and the history

Polo is for many known as “The Sport of Kings and the King of Sports”. For others it’s known from that scene in the movie “Pretty Woman”, and for some as merely the famous clothing brand from Ralph Lauren. So to be able to fully understand the concept behind the event focused on for this thesis a brief introduction to polo and it’s history is indispensable.

Polo is said to be one of the oldest team sports in the world, signs of the sport have been found in ancient Persian records where they called the sport “Chaughan”. However the origins of the name for the sport has been traced to Tibet, where it was called “Pulu” meaning ball. The first polo club
was founded in Manipur (Burma) in 1862.¹ Today polo is officially played in more than 80 countries and the polo tournaments calendar is very busy, with year-round high-goal tournaments to low-goal “for-show” events around the world.²

To fully understand polo and all the rules can take some time and there are differences between outdoor grass polo, arena, beach and snow polo, but the general and basic elements of the game, are as following:

• The very first rule that all other rules are based on is safety, for the player and the horse, not allowing dangerous moves, crossing the opponent’s line of play results in a foul stopping the game and starting it again from that point.

• There are 3 or 4 players on each team, mounted on horses with a mallet (a bamboo stick with a wooden head) in their right hand and steering the horse with their left hand.

• They play for periods of 7 minutes called “chukkers”, a full game can be between 4 and 8 chukkers and players must switch horses at every chukker, so one horse does not play for more than 7 minutes,

• A polo field is 160 yards wide and 300 yards long, making it the largest field in organized sport.

• The team has to score by hitting the ball through the opponent’s goal, and after each score the teams switch field sides to make the game fair.³

At events like the CPO where the purpose of the game is to have a fun day out and not necessarily challenge the players’ horsemanship and skills, the rules are changed slightly to make it easier for the crowd to follow. Teams will have 3 players each, a maximum of 4 chukkers are played, the field is much smaller and they do not switch goals every time a team scores, but only at half-time.⁴

¹ [http://www.fippolo.com/history/](http://www.fippolo.com/history/)
³ [http://www.sportpolo.com/sport/polo_field.htm?d96a349c52fc4f68eea46a47ccb3d360](http://www.sportpolo.com/sport/polo_field.htm?d96a349c52fc4f68eea46a47ccb3d360)
⁴ [http://copenhagenpoloopen.dk/aboutpolo/](http://copenhagenpoloopen.dk/aboutpolo/)
1.5.2. Copenhagen Polo Open

The Copenhagen Polo Open (CPO) is a polo tournament and event held in the center of Copenhagen. The first event was held in 2013 in the heart of the city in the great park “Fælledparken” meaning the great community park. This was the first time an equestrian event was held in the city center and the first time a polo event was held in Denmark, and to say the least it was a great success. The event drew up to 6,000 visitors in the two days it was held and the buzz about CPO continued for months, being mentioned in more than 30 magazines and newspapers in Denmark and in Scandinavian and international polo magazines, as well as obtaining the attention of the most popular Danish TV channels.5

The event visitors included everyone from residents of nearby neighborhoods of Copenhagen, interested in this new event, to the polo elite from all corners of Scandinavia, England, Germany and other European countries. The visitor profiles ranged from members of the Danish Royal family and the Mayor of Copenhagen to TV-celebrities6 and even a few local students and normal middle-class families residing in the boroughs of Copenhagen joined in on the fun as they were curious to see what this sport was about, because an event like CPO is for everyone to enjoy, a nice day out with an amazing sport as entertainment.

As previously mentioned it is often said that polo is “The Sport of Kings and the King of Sports” which most will agree upon once witnessing a polo match. The large horses racing against each other, bumping into one another chasing a small wooden ball, all for the pride of winning, whilst still playing fair, the rules of polo show that this sport is in fact a gentlemen’s sport, even foul language on the field can lead to a penalty shot for the opponent.

As mentioned the event occurred over two days with two polo matches each day and extra activity before, after and in between matches. Four teams competed for the title of champions of The Copenhagen Polo Open, with a victory by Maserati team Copenhagen, sponsored by the luxury car manufacturer, Maserati. Other sponsors of teams at the event included: Shamballa Jewels, Rossini Caviar and Care service, each sponsoring their respective teams from different cities, Oslo,

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5 http://copenhagenpoloopen.dk/press/
6 http://copenhagenpoloopen.dk/
Stockholm and London. La Martina, the largest polo clothing and equipment brand from Argentina, was the official clothing and equipment suppliers, Formuepleje Private Banking sponsored a large hospitality area inside the VIP area, the famous champagne Veuve Clicquot being the main sponsor of the VIP area and Parmigiani watches as the official timekeeping sponsor, along with 19 other sponsors and partners working together to make this event unforgettable. For the next CPO Louise Sandberg says “many of the sponsors from last year are already confirmed and excited to take part in this year’s event. But there is plenty of opportunity for new sponsors who would like to be a part of our event.” (Interview appendix)

1.5.3. Emirates- the company, the brand, and sponsorships

Emirates Airlines, based in Dubai airport in the United Arab Emirates, forms part of the Emirates Group. The Government of Dubai founded the airline in 1985 and continue to own the airline, although it is treated as an independent company. The first routes were flown on 2 airplanes leased from Pakistan Air. From the beginning Emirates has valued quality rather than quantity, although it far from lacks the latter. This value along with the high sense of competition, Emirates has managed to become “a globally influential travel and tourism conglomerate known the world over for a commitment to the highest standards of quality in every aspect of our business.” As stated Emirates is known all over the world, as the 1,500 Emirates flights that depart Dubai airport every week go to more than 140 destinations. But to become so well known they have also made a significant investment in marketing and communication to get the message out there, that Emirates is the best.

Emirates spent more than 5 billion AED or 1.4 billion USD on Sales and Marketing in 2012/2013 showing that Sales and Marketing is an important factor for the company. The Emirates airplanes fly to all 6 continents, to over 140 destinations, and in any of those destinations you will come across a billboard or a commercial at the airport or in other busy and frequently visited places, like

7 http://copenhagenpoloopen.dk/theevent/
8 http://www.emirates.com/dk/English/about/the_emirates_story.aspx
metro and train stations. In some of the more popular destinations you will find more advertisement, billboards, product launches, Emirates official stores etc.

“Throughout our history, sponsorship has played a pivotal role in building the Emirates brand and driving our business on a global scale. ... For us, meaningful sponsorships are the biggest living embodiment of our communications strategy.” (Emirates sponsorship proposal request form)

Since 1987 Emirates has been committed to sponsorships in sports. The company started with the first sponsorship activity being a powerboat race held in Dubai. Since then the portfolio of sports and teams the company sponsors has grown remarkably. Today the sports Emirates sponsors include football, rugby, tennis, motorsports, horse racing, golf, cricket, sailing and Australian rules football. Emirates has also expanded their portfolio within each of these sport groups, starting with only 1 team or event, to now being a well-recognized name in the respective sporting communities across the world. Emirates has contributed to several important worldwide tournaments and cups, some of the biggest names being the FIFA World Cup in football, the worldwide F1 races, the Melbourne Cup Carnival in horse racing, the America’s Cup in sailing and many more.

One of the highest profiled sport and venues to be sponsored by Emirates is the Formula1 races around the world, to which His Highness Sheikh Ahmed bin Saaed Al Maktoum, Chairman and CEO of Emirates Airline and Group, said: “This is an exciting global opportunity to align two leading brands. The ambition, cutting-edge technological standards and worldwide reach of Formula One go hand in hand with Emirates’ vision and ambition.” It is clear that sponsorship indeed is a big part of the Emirates’ communication mix and valued very highly by the chairman. This factor along with the company mission of amongst other things being innovative, pioneering and cosmopolitan there should be a great opportunity to widen the already extensive list of sport sponsorships to include polo as well.

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10 https://emirates-proposals-copy.sponsor.com/?cid=174511
11 http://www.emirates.com/ae/english/about/emirates-sponsorships/sponsorships.aspx
12 http://www.emirates.com/ae/english/about/emirates-sponsorships/motorsports/formula-one/formula-one.aspx
Part 2 – Methodology and Theory

2.1 Methodology

“We don’t know if we know anything, unless we know how the specific knowledge was made known.” Translation from Ankersborg (2011 p. 69) This quote is in all its tongue-twisting complexity actually very simple and essential to the understanding of the necessity of methodology when researching a social science phenomenon. We need to know how the information was found, collected, depicted or constructed. Only then can we say that it is valid and reliable information. The aim of this chapter is to show how the research for this thesis was created and the end conclusion found by describing how the method design was selected and built.

As the CPO was only held once before there was not much existing background information, therefore creating a need to gather empirical data has been present from the start. Recognizing a need for different approaches to the empirical data, both inductive and deductive methods have been used. When conducting the empirical studies an inductive approach has been used with qualitative and quantitative methods of collecting primary data, which will later be explained in further detail. In regards to the deductive methods, which is also crucial in this paper, as theories, principals and models on branding, marketing, consumer behavior etc. fall under the mentioned category.

2.1.1 Theory of science

“Theory of science” is a philosophical discipline aiming at method studies, truth criteria of the found information and preconditions. According to Gummesson (1991, p.14) there are two main schools of philosophy deemed influential in the field of business administration – the natural science school and its antithesis; the humanistic school. These philosophies are also better known as positivism and hermeneutics.
2.1.2 Research method

With the aim of discovering the benefits of a sponsorship agreement between CPO and Emirates many questions arise, these questions are not simple nor can they be answered in a simple manner, therefore suitable research methods must be used in the pursuit of the answer. Scientific methods entail systematic observation, classification and interpretation of data, according to the theory of method. The difference between research and non-research activity lies in the way the answers are reached. For the process to be called a research, certain procedures and requirements must be followed. Although research is carried out in most cases of our daily lives, may it be when deciding what to eat for dinner or which route to drive to work we are constantly gathering information, categorizing and eliminating some of it to finally have an answer to our question.

“Research is one of the ways to find answers to your questions.” (Kumar, 2005, p. 6) When you say that you are undertaking a research study to find out answers to a question, you are implying that the process:

1. is being undertaken within a framework of a set of *philosophies*;
2. uses procedures, methods and techniques that have been tested for their *validity* and *reliability*;
3. is designed to be *unbiased* and *objective*. (Kumar 2005, p. 18)

In this thesis, *philosophies* refer to the following approaches:

- Quantitative, in the form of statistics on consumer behavior and acceptance towards sponsorships from the Danish consumer, along with sponsorship effects from CPO 2013.
- Qualitative in-depth interviews with decision makers regarding sponsorships at Emirates along with experts on the Danish sponsorship market and audience of last year’s event.

Using reliable sources, such as Promovator and Mintel for general information and statistics, ensures 1) *Validity*. 2) *Reliability* is here ensured by searching for information several places and reaching the same answer. Thuren (2004 p. 21) claims that due to the fact that reliability is based on whether the data is conducted methodologically correct, another researcher should be able to reach the same conclusions if they use the same questioning method, in this case qualitative research. I have chosen to interview different people with each their area of expertise. Simon Bastiansen from Promovator is the expert on the Danish sponsorship market, as Promovator is seen as the leading company within the sponsorship industry in Denmark. I interviewed and have had constant dialogue
with the founders of CPO to gather knowledge on their event, as they are the most direct source to information on the event this can be deemed a reliable source. Lastly to depict the thoughts and strategies behind the decision-making of sponsorship agreements within Emirates, I have interviewed their Head of Sponsorships Roger Duthie along with experiencing the execution of a sponsorship agreement on a first-hand basis at a golf event in Shanghai in October/November 2013 and one in Sweden in June 2014, making this information truly reliable. 3) *Unbiased* and *objective* means that the researcher’s personal interests have not influenced the result.

As now established for a process to be called research it must adhere to the three criteria listed above. However different disciplines determine the degree to which these criteria are to be fulfilled, therefore the meaning of research differs between academic disciplines. Basically research is an enquiry that has been structured and utilizes acceptable scientific methodology to solve problems and create new knowledge that can be generally applied. (Kumar 2005, p. 6)

### 2.1.3 Research process

Reaching a solution to a problem is a process, which needs a guideline, to reach the answer to the question on how Emirates can benefit from a sponsorship agreement with CPO I have chosen to use the guideline defined by Hair, Bush and Ortinau (2009) where the research process consists of four distinct phases: 1) determine the research problem, 2) select the appropriate research design 3) execute the research design, and 4) communicate the research results.

![Figure 1 - The fours phases of the information research process (Hair, Bush and Ortinau, 2009, p. 42)](image-url)
To provide accurate data for decision-making all the phases of the process must be completed, and each phase contains several steps. The primary goal of a research process is to provide decision makers with enough knowledge to conclude on a solution to the problem at hand and find further opportunities. “Knowledge is created only after the data have been collected, analyzed and interpreted so decision makers can make decisions.” (Hair, Bush and Ortinau, 2009, p.42)

Firstly I gathered raw data in the form of interviews with relevant decision-makers from Emirates and CPO as well as opinions from attendees of CPO 2013, and then I converted it into tangible information, which I then interpreted and analyzed turning it in to knowledge. Interpretation is more than a narrative description of the results; it involves integrating several different aspects of the findings into conclusions that can be used to answer the research questions. (Hair, Bush and Ortinau, 2009, p.43)

2.1.4 Primary and secondary data

Raw data can be divided into two categories, Primary data and Secondary data. The difference between these two is how they were collected and who collected them.

Secondary data is produced by others, for another purpose than for the project at hand. The data can be from *internal sources* from the company’s own database of information on for example. customers, analysis of accounts and budgets, organizational diagrams etc. External data from outside the company or organization can come from a wide range of possible sources. (Rasmussen, Østergaard and Beckmann, 2006 p. 39)

There are many advantages and disadvantages to both types of data. For secondary data the advantages are that it is less time consuming, cheaper and often more accessible, but the researchers cannot be entirely sure of the validity and reliability of the collected data, also there can be a risk of the timeframe not being accurate, or the gathered information has changed since it was published. This is where primary data excels, as the researcher can be sure of the validity, reliability and it is safe to say that the gathered data is up-to-date when it is primary data, but as opposed to secondary data, primary data takes time to gather, also it can be quite costly to gather the information and then analyze it and turn it into information that can be used to answer the research questions.
(Rasmussen, Østergaard and Beckmann, 2006 p. 40) This is why in most cases both types of data are used when conducting a research, as the two types can compliment each other and together give enough data to be analyzed.

Hair, Bush and Ortinau (2009, p. 37) describe it very nicely: “Primary data is information collected for a current research problem or opportunity. In contrast, secondary data is information previously collected for some other problem or issue. That is, it is already “out there” e.g. in cyberspace.”

As internal and external databases become more available and accessible, decision makers are realizing secondary data can be the basis for making sound decisions. (Hair, Bush and Ortinau, 2003, p. 80) So secondary data is becoming the first choice for marketers to use in their researches, as secondary data is becoming more available, more reliable and is definitely far more inexpensive and less time-consuming than creating primary data. Although there are many advantages in using secondary data there are, as mentioned before, some drawbacks to be aware of.

Before using any secondary data several considerations must be addressed by the researcher including: 1. prior data manipulation, 2. data relevancy, and 3. data accuracy (Hair, Bush and Ortinau, 2003 p. 118). Secondary data has been previously collected, manipulated and reported by another researcher for their own purposes, which most likely are different than for the project at hand. Therefore it is important to carefully investigate and evaluate if the data matches the current research.

CPO has made secondary data available for this project, which can be used, as the purpose of gathering the data is almost the same as the purpose of this thesis ie. information about the event, attendees etc. for current and future sponsors. Also some secondary data gathered from Promovator can be used as it has been collected in a general manner to depict common trends in consumer behavior in Denmark in recent years, allowing for general assumptions on the matter to be made and where there is lack of information, primary data can be collected, as profound insight can be gained only by primary data collection. When collecting primary data two methods may be used, quantitative, where the results are generally in numbers, or qualitative research, which regard more in-depth and less tangible data such as feelings, emotions, motivation and behavior. There are also
two general ways of collecting primary data, the researcher can either observe their target group and record behavior or market phenomena or the researcher can collect data by questioning the targeted group, to collect feelings, attitudes, thoughts and conscious behavior. (Hair, Bush and Ortinau, 2003 p. 152) As CPO has already done research in the relevant area recently, secondary data will be used at large, but will be complimented by primary data, which will be collected through both quantitative and qualitative methods.

2.1.5 Qualitative and Quantitative Research

In most cases it is most beneficial to use both research methods, as they can compliment each other’s strengths and weaknesses.

Qualitative research method is a broad term covering many different kinds of data collection methods, but general for them all is that the data to be collected is non-numerical. In other words the aim of the research is not to count quantities or on counting the collected data, rather the depth and significance derived from the data, exploring the respondents’ less tangible precursors of behavior such as attitudes, feelings and motives. These methods aim to understand the subject not to measure it. (Rasmussen, Østergaard and Beckmann, 2006 p.117) When trying to understand a feeling or motive the researcher needs to put a lot of time into creating data and analyzing it, making the qualitative methods is very time-consuming and often costly. The researcher must be present to conduct an interview or observe a focus group, and many hours go in to analyzing the responses after the interview is over. When using qualitative methods few respondents are required, and flexible and tailor-made techniques are used. The purpose here is not to generalize about an entire population group but instead go into depth with and issue in the respondent’s perception and understanding. (Rasmussen, Østergaard and Beckmann, 2006 p. 118) To discover the emotions, thoughts and behavior of possible future consumers, I have chosen to conduct in-depth interviews with people who attended CPO 2013, who also plan to attend the event in 2015. Other interviews are also used to research the different aspects of the problem at hand. The head of sponsorships of Emirates Roger Duthie gives me in an interview his thoughts on sponsorships activities, why, when
and how Emirates decides on which sponsorship activities to engage in as well as what is important to him and the company in this regard.  

Quantitative methods on the other hand help measure a phenomenon. The quantitative research method focuses on questions like “How many?” and “How often?” measuring amounts and the answers being specific numbers. Quantitative methods entail the possibility of increased geographic flexibility whilst being less time consuming for the researcher and therefore often less costly than qualitative methods. This increased geographic flexibility of the research findings gives the researcher the ability to make inferences about the target population. (Hair, Bush and Ortinau, 2009, p. 232)

Quantitative methods also have their disadvantages, surveys typically do not include probing questions and rarely use unstructured or open-ended questions, leading to data which might lack the detail of richness that the researchers may need to define a research problem. Further developing appropriate questions and answers that can give the accuracy needed to measure the respondents’ behaviors and attitudes can be quite challenging. (Hair, bush and Ortinau, 2009 p 233)

Once the in-depth interviews were conducted with an attendee of CPO 2013 assumptions were made on more than just a feeling, thereafter an internet-based survey could confirm or deny if the assumptions were correct and could be generalized and projected on to the rest of the attendees of the CPO 2013, giving way to a final conclusion on the general consumer behavior thought, attitudes and emotions towards CPO and the sponsors involved.

2.2. Theory delimitation

It is important to introduce the theoretical framework this thesis is based upon, as understanding the theory has eminent importance for the understanding of the analysis. This thesis is primarily based on theories from marketing and communication studies along with contemporary sponsorship theories.

13 Interview summary in appendix
2.2.1 Research theory

As described in the methodology chapter, secondary data alone will not answer the research questions therefore to reach meaningful insight a collection of primary data is necessary. Exploratory and descriptive research will be used to collect primary data.

Two primary research designs have been chosen 1) in-depth interviews, 2) online survey. In-depth interviews are formal qualitative processes in which a well-trained interviewer asks an interviewee a set of semi-structured questions in a face-to-face setting (Hair, Bush, and Ortinau, 2009 p. 158) The main objective of an in-depth interview is to discover the interviewee’s point of view on the subject, to discover new information from the source, often giving a very personal description of the interviewee’s feelings and emotions towards the specific subject. The strength of unstructured interviews is the almost complete freedom they provide in terms of content and structure. (Kumar, 2005, p. 123)

Online/internet based surveys are a self-administered questionnaire placed on a website for prospective respondents to read and complete (Hair, Bush and Ortinau, 2009, p. 235). This type of survey has a great ability to reach hard-to-reach samples, as no geographical restraints exist. For the purpose of this thesis and to research the consumer behavior of a specific target group, the survey will be sent to visitors of CPO 2013, found in the event’s social media group on Facebook.

2.2.2. Understanding the consumer

The purpose of this section is to discuss some theories about consumer behavior in order to gain an understanding about the consumer and later be able to discuss and apply the theories. Information about consumer learning processes will be included in order to explain the consumer decision-making process. The Integrated Marketing Communication AIDA model will be explained as to show how to appeal to consumers in an effective way. This is all done with the main perspective of sponsorship being the primary communication tool.
2.2.3. Consumer behavior

Consumer behavior is a very broad area of research, which besides marketing also encompasses psychology and sociology amongst other things. Solomon et. Al. (2006) have the following definition for consumer behavior: “It is the study of the process involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires.” (Solomon, Bamossy, Askegaard & Hogg, 2006, p. 6) To fully understand the affect a sponsorship can have on a consumer it is important to have a basic understanding of the how and why consumers make decisions and how communication material/activities affect(s) that decision-making. This information is the basis to understanding how to use this knowledge to make an appropriate sponsorship message to fit Emirates at the CPO event.

2.2.4. Behavioral learning

The behavioral learning theories are based on a group of theories, which can explain how consumers act as a result of an external message or stimuli. Within these theories it is said that learning takes place as a result of responses to external events. The emphasis is not on the internal thought process, but rather on the observable aspects of behavior as shown in the following diagram:

![Figure 2 Consumer black-box (Solomon et. al. 2006 p. 62)](image)

“The observable aspects consist of things that go into the box (the stimuli, or events perceived from the outside world) and things that come out of the box (the responses, or reactions to these stimuli)” (Solomon et. Al. 2006 p. 62) Two very relevant approaches to learning that apply to the diagram above are classical and instrumental conditioning from the behavioral learning theory.
2.2.4.1. Classical conditioning

Within the above mentioned behavioral learning theories, classical conditioning occurs when a stimulus that naturally provokes a response (an unconditioned stimulus) is paired with another stimulus that does not initially provoke a response. Over time the second (the conditioned) stimulus comes to provoke the same response. Solomon et.al. (2006) claim that while the most basic form of classic conditioning is linked with the autonomic or nervous system, it is possible for classic conditioning to have similar effects on more complex action as well (Solomon et.al. 2006, p. 63). A simple example of classical conditioning is jingles associated with a brand of cereal, the first time a consumer hears the jingle it doesn’t mean anything, but after viewing the cereal commercial and the jingle together, the jingle will eventually become a conditioned stimulus and immediately make the consumer think of cereal and that he is hungry.

2.2.4.2. Instrumental conditioning

Instrumental conditioning on the other hand is an acquired or learnt behavior, where the consumer learns to perform a certain behavior through experiences of positive or negative outcomes. Solomon et.al. (2006, p. 64) categorize this type of conditioning occurs in 3 ways: 1) positive reinforcement – where a reward is delivered following a response. 2) negative reinforcement – where a negative outcome is avoided by performing a response. 3) punishment – where a response is followed by unpleasant events.

2.2.5. Hierarchy of effects

It is important to understand individual consumer attitudes as well as others who share similar characteristics when using a sponsorship as a communication tool of an overall marketing mix. Including the hierarchy of effects gives a better understanding of consumer attitudes, enabling a possibility of appealing to a different customer segment.

2.2.5.1. The AIDA model

Aida stands for Awareness, Interest, Desire and Action and it was originally designed to show how a consumer moves from one stage to another on the way to consumption also showing how
marketing communications effect consumer behavior. Pickton and Broderick (2005, p. 86) claim that this model formed the basis for many of the similar hierarchy of effects models that followed because of the straightforward sequence of states that form the model.

The first element, Attention, describes the stage at which the consumer comes to know of a product through the marketing communication element. It can be either positive or negative, as at this stage the focus is merely on the fact that the product has now caught the attention of the consumer, for Emirates it would of course only be favorable if the consumer pays positive attention to the brand through the sponsorship. The next stage is only applicable once the first has been achieved. The interest stage begins once the sponsorship material has drawn the consumer in and has his undivided attention. The factor of desire then shows the consumer’s confidence that they have found a superior product and their theoretical intention to purchase the product. The theoretical expression finally changes into actual buying of the product so the consumer takes action, and fulfills the last stage of the AIDA model.

Recently the AIDA model has been used as a tool to assess marketer’s integrated marketing communication plans. Fullerton (2010, p. 482) says that it is necessary for marketers to consider how their message fits into the AIDA model to be able to gain an effective promotional strategy. Making the AIDA model more useful in the planning of a communication strategy, than it’s original purpose as a tool showing how consumers behave. The hierarchy of effect model below shows that
consumers do not always go from one stage to the next as is proposed in the AIDA model and therefore makes it more useful as a planning tool rather than a tool to identify consumers’ thoughts and action processes.

2.2.5.2. The ABC Model of Attitudes

For further understanding of the hierarchy of effects it is useful to look at the ABC model of attitudes, which has emphasis on the interrelationships between feeling, knowing and doing. The attitudes have three components:

Affect- how a consumer feels about an object.
Behavior – the consumer’s intentions to do something with regard to an object.
Cognition – the belief a consumer has about an object.

Although “Consumer’s attitudes towards a product cannot be determined simply by identifying their beliefs about it” (Solomon et.al. 2006, p. 140) The concept of hierarchy of effects can help explain the relative impact of the three components, as each aspect of a consumer’s attitude is also related to their motivation towards the object.

The three hierarchies of effects show how each fixed hierarchy sequence identifies the steps that occur towards reaching an attitude:

Figure 4: The three hierarchies of effects (Solomon, Bamossy, Askegaard & Hogg, 2006 p 141)
The standard learning hierarchy is when a consumer firstly collects knowledge (beliefs) about a product, then the consumer evaluates those beliefs and form a feeling about the product (affect), which can be either positive or negative. Finally, based on the evaluation, the consumer will then perform the relevant behavior of buying the product, or not if the feeling was negative. (Solomon et.al. 2006, p. 141)

The low-involvement hierarchy the consumer does not initially have a preference to one brand or another. They will buy a product on limited knowledge, then test the product and that will result in the consumer buying the product once more or never again which in the model means that there will be an affect only after the behavior, which is why this is a behavioral learning. These consumers are easy to influence as they do not care or think too much about their purchases. There is an involvement paradox here as Solomon et.al (2006) call it, where “…the less important the product is to consumers, the more important are many of the marketing stimuli … that must be devised to sell it” (Solomon et.al. 2006, p.142).

The experiential hierarchy it is the emotional response that forms an attitude. This perspective emphasizes that intangible attributes such as product packaging designs can influence the attitude of the consumer, which is also influenced by accompanying stimuli like advertising and even the brand name. This is an influence related to hedonic motivations, meaning that their attitude is affected by how the product makes them feel. (Solomon et.al. 2006, p.143)

2.3. Branding

The objective of this section is to depict some theories on brand awareness and brand loyalty and how these elements are able to generate value for a company. Focus will also be cast upon the organizational associations of a brand and how this can benefit the perception of the company and the products/services offered. These elements are all relevant in a sponsorship situation where the brand is the main focal point of the communications strategy as is in Emirates, and they are written in the context of a sponsorship situation.
2.3.1 Branding defined

One of the most significant marketing tools we have today is branding. A company’s brand is the visual amendment of the company and one of the first things the consumer notices, therefore it is vital for any company that their brand is associated with positive attributes. The respected branding expert David Aaker defines branding as: “A set of assets (and liabilities) linked to a brand’s name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm’s customers.” (Aaker, 2002, p. 7). Although there is not just one globally accepted definition of branding, this definition is good as it shows that brands are not always necessarily loaded with positive values or attributes. A company must always be aware of how their marketing communication affects their brand as a whole.

Aaker compiles the following four equity categories as being the major elements that generate value for the brand and the company (Aaker, 2002, p.8):

- Brand awareness
- Brand loyalty
- Perceived quality
- Brand associations

The two categories that would be most affected in a sponsorship situation between Emirates and CPO are brand loyalty, brand awareness and brand associations which will be looked further into.

**Brand awareness** is defined by Aaker (2002, p. 10) as “The strength of a brand’s presence in the consumer’s mind.” And is recognized in two different ways, brand recognition and brand recall. Recognition is when a consumer is asked if they know a certain brand and they then respond yes or no, brand recall is when consumers remember brands without any prompting, so when they are for example asked to name different airlines they can think of. The first one that is named is classified as “top of mind” and if they can only recall one airline this is a “dominant” brand.

But companies must remember that high brand recognition does not always result in added sales as brand recognition does not mean the brand is thought of in a purchase situation, but merely that the consumer recognizes and knows the brand when he sees it. On the other hand a high level of brand recall may have influence in added sales, as the brand will come to the consumers mind in a purchase situation. The above mentioned situation is what Aaker calls “the graveyard” (2006, p.15)
brands are in the graveyard when they have high recognition but low recall, therefore it is very important that the brand is present in the consumer’s mind resulting in the level of brand recall rising, which primarily comes from repeat exposure. Sponsorship being an excellent way of obtaining large brand exposure, which Aaker states in the following quote: “The firms that become skilled at operating outside the normal media channels – by using event promotions, sponsorships, publicity, sampling, and other attention-getting approaches – will be the most successful in building brand awareness” (Aaker, 2002, p. 16).

**Brand loyalty** is a significant part of a brand’s value. In a sponsorship situation it is essential to build brand loyalty through communication and activation of the sponsorship in order to achieve a high Return On Investment of the sponsorship. Brand loyalty is defined by the American Marketing Association as: The situation in which a consumer generally buys the same manufacturer-originated product or service repeatedly over time rather than buying from multiple suppliers within the category.” (Ioan Moisescu, 2006 p. 1128). It is very important to build brand loyalty amongst consumers as firstly it is much more expensive to sell a product or service to a new customer than to existing ones. Also the loyalty of the customer base reduces the vulnerability to competitive attacks and loyal customers often become advocates of the brand by promoting “their” brand in the decision making of other customers. Emirates’ frequent flyer program is called Skywards and has more than 10 million members\(^\text{14}\) it is a very high valued aspect within the company. Cabin crew and other representatives of the company are constantly prompted to ensure the Skywards members are happy, and to encourage new customers to join the program.

**Brand association** is driven by the identity of the brand, and it regards what consumers associate with the brand, including product attributes, a celebrity spokesperson or symbols. (Aaker, 2002, p. 25) In this case we want the consumers to associate Emirates with the luxury of polo.

### 2.3.2. Corporate brands

Corporate brands are different from product brands in a few aspects, the most apparent one being that the branding effort shifts from the product to the company. There is also a difference in terms of who the brand relates to, while product brands relate mainly to customers, corporate brands

contribute to the image of the company’s investors, suppliers and the general community through their relationship with the brand (Hatch & Schultz, 2003, p. 1145).

The corporate brand and the product are still connected in the sense that the corporate brand adds economic value and a visual trademark to the products/services offered (Hatch & Schultz, 2003, p. 1144).

The corporate brand is built on strategic vision, organizational culture and corporate image. (Hatch & Schultz, 2003, p.1147)

These three elements interconnect and define the corporate brand. The strategic vision is the central idea behind the company and is expressed through top managements actions and decisions. The organisational culture are the internal values and beliefs of the company’s internal stakeholders. The corporate image is the view developed by the internal stakeholders that is communicated outside the company to customers, the media, shareholders, partners and so on. As Hatch and Schultz (2003, p. 1148) put it: “Research demonstrated that successful companies have built their visions from redefinitions and reinventions of core values rather than revolutionary shifts from one value set to another.” This implies that a company cannot radically change their values without taking the present values into consideration. Therefore if a company is in a situation where they want to define their corporate brand, they must take their heritage into consideration and change the image of the company from there step by step.
The corporate brand is the main point of attention in a sponsorship situation making it very important that the company assesses the brand in order to fully capitalize from the exposure of it.

2.4. Sponsorship theory

Many have tried to define the field of sponsorship in different ways. Tony Meenaghan compares a number of definitions of sponsorships in one of his early articles from the European Journal of Marketing, holding several definitions from the Sport council of the UK, the Acumen Marketing Group and a number of others, up against each other he finally concludes with his own definition; “...sponsorship can be regarded as the provision of assistance either financial or in kind to an activity by a commercial organization for the purpose of achieving commercial objectives.” (Meenaghan, 1983, p. 9). When Meenaghan arrived at this conclusion and wrote the article, sponsorships as a promoted marketing tool was still at a young phase, which would make it unsurprising to see a change since then, but Chris Fill defines sponsorship in his book on Marketing Communications as “Sponsorship is a commercial activity, whereby one party permits another an opportunity to exploit an association with a target audience in return for funds, services or resources.” (Fill, 2005, p. 712). These two statements are far from identical, but are similar in meaning. Meenaghan’s definition has often been quoted or adapted slightly to fit the situation in other literature, but for the purpose of this thesis Meenaghan’s original definition will be used as a description of sponsorship.

2.4.1. Marketing Communication Mix

It is necessary to understand the fundamental difference between Advertising and Sponsorship, and to achieve this an understanding of the Marketing Communication Mix is essential.

One of the most commonly used marketing tools is the 4 P’s: Product, Place, Price and Promotion. A way of categorizing and defining a company’s marketing objectives (Kotler & Keller, 2006, p. 19). The marketing communication mix is basically the “promotion” category of the 4 P’s of marketing.
Some authors like Pickton and Broderik (2005) and Fill (2006) still see sponsorship as only a small part of the communication category, including Public Relations, Advertising, Sales Promotion etc. but gradually experts are considering sponsorship as a bigger part of the marketing communication mix and even defining it as a category of it’s own (Fullerton 2010, Ferrand et al. 2007), although it is important to remember that sponsorship activities should not stand alone, but form part of the overall communication mix to be most effective. (Fullerton, 2010. Ferrand, 2007)

2.4.2. Sponsorship VS Advertising

Sponsorship is quite often confused with the general term of advertising, which is quite understandable, as up until recently sponsorship and advertising were considered the same thing. American broadcasters using phrases such as: “We’ll be right back after a few words from our sponsors” (Fullerton, 2010, p. 96) could undoubtedly have fed this common misunderstanding. It is actually the broadcast that is being “sponsored” and companies are using the advertisement break to advertise themselves, making it an advertisement and not a sponsorship per Meenaghan’s definition above. Because of this confusion it is appropriate to highlight the differences between the two activities of sponsorship and advertising.

2.2.11.1 Advertising

A marketing mix is as the name states a mix, a mix of marketing communication tools, therefore advertising cannot stand alone and is often combined with some of the other elements of the marketing mix, so that together the best results can be achieved. Making it hard to reach an exact definition of what advertising includes. Kotler and Keller (2006, p. 568) define advertising, as “Advertising is any form of non-personal presentation and promotion of ideas, goods, or services by an identified patron.” To deliver the message to a very broad audience advertising is used, especially in mass media like TV, radio, Internet, magazines, billboards etc. these channels are used to communicate one or several messages often with persuasive connotation to many consumers in the same way, presenting them with the same information (Fullerton, 2010, p. 97).
2.2.11.2 Sponsorship

Sponsorship introduces the consumer to a company, product or service in a non-threatening manner without necessarily including any persuasive connotation or explicit message. Allowing the company to achieve a relationship with the consumer by being associated with the sponsored sport or event. (Pickton & Broderick, 2005, p. 573). “Sponsorship works because it fulfills the most important criterion of a communications medium – it allows a particular audience to be presented with a particular message.” (Sleight, 1989, 42) Sponsorship presents a possibility of representing a sport or event, giving prestige to the company through the association with said sport or event, reaching the consumer who is interested in the sponsored event or sport and willingly directed his attention to it, opposing to advertising that uses mass media to convey a specific message to all consumers. The association between the viewer and the company creates credibility, giving the consumer a belief that the company and product have some kind of value to him, as it is associated with his sport or event of interest (Fullerton, 2010, p. 99). Promovator has the following explanation to why sponsorship has a great advantage compared to other types of advertising, in relation to attention and persuasion: “All types of marketing and advertising hold their own unique strengths, but what gives sponsorship the vote from consumers is the sponsorships’ involvement in the consumers’ everyday life. Sponsorship is the only marketing parameter that enables consumers to live out their passion for sport instead of companies that solely communicates through traditional channels. However, these channels are necessary for sponsors to activate the sponsorships” (SponsorTrends2012) consumers seem to appreciate the company’s role in providing the entertainment and passion for sports they wish to engage in, and consumers also acknowledge the fact that sponsors play an important part, as without them there would be no event, or the team would struggle.

2.2.3. Objectives of sponsorship

As earlier described by Meenaghan, sponsorship is a financial connection between two parties, the sponsoring company in this case Emirates and the sponsoring object CPO. Both parties expect a beneficial outcome of a sponsorship agreement. For the sponsoring object/CPO the expectation is a monetary engagement from the sponsoring company/Emirates, to help fund the event. For the sponsoring company/Emirates there could be a number of expectations and objectives they would
want to have fulfilled, making it a crucial factor that they know exactly which outcome they expect from the monetary investment involved in the sponsorship agreement, as McCarthy describes it: “To get the most out of a sponsorship, decide at the outset what your goal is. If it is brand awareness you’re after, select an event that draws a large crowd, ask for ample signage, and make sure you set up some sort of display of your product.” (2008, p. 48) Large companies will often have a clear distinction between commercial communication and corporate communication, it is important to have this clear when defining the objectives of the sponsorship. Both types of communication focus on brand awareness; the difference between them is the objective of the brand awareness.

Corporate communication focuses on enhancing the company’s values, social image or management style, whereas commercial communication is about increasing brand awareness with the objective of selling more products, creating customer loyalty and increasing purchase frequency (Ferrand et al. 2007, p. 19). Companies are focusing more and more on Corporate Social Responsibility (CSR) in their communication activities to improve their image. Sponsorship is often used as CSR activity; companies sponsor local sports events to help the community even if it does not give a good ROI in sales and therefore does not fulfill the commercial objectives of a company’s communication strategy, but it does accomplish the objectives of brand awareness from a corporate communications point of view.

There can also be a primary or secondary reason to engage in a sponsorship, which is relevant to distinguish. Developing brand loyalty, building brand awareness and improving the image of a company are all primary reasons for a sponsorship. Secondary reasons would be to support sales division and increase staff motivation and morale building or to attract new users of the product/service (Fill, 2005, p. 715).

2.2.4. Image transfer through sponsorship

When a company and a sponsored object go into a partnership so to say, the image of the sponsored object will reflect on the sponsoring company and vice-versa. Therefore it is very important for both parties to consider the other’s image and evaluate if it matches their own image and if it will be
beneficial or could possibly be harmful to the existing image of the sponsoring company or sponsoring object. In any situation of a sponsorship there will occur an image transfer between the participating parties. (Ferrand et al. 2007, p. 27)

The purpose of a sponsorship from the sponsoring company’s point of view is to promote the brand or product in a positive way, therefore the association and image transfer that would occur in a sponsorship agreement should reinforce the image of the sponsoring company. The following model illustrates which factors have an impact on the image transfer between two parties in a sponsorship agreement (Gwinner, 1997, p. 148).

An addition has been made to the original model, as the image transfer goes both ways, as previously mentioned. In the model the Event image is the image of the sponsored object, which can be anything from a one-day event or a full season of games, or one sports team or athlete, in this case it is the CPO event that occurs over 2 days on a weekend in the summer. The Brand image in the model refers to the image of the sponsoring company. Both images are a result of a collection of images and associations from the consumers’ minds (Gwinner, 1997, p. 148).

The strength of the image transfer from the Event image to the Brand image is determined by the strength of the “moderating variables”. The relevant Event image factors that will affect the Brand
image are: type of event, size of event, the history of the event and the level of professionalism of
the event (Gwinner, 1997, p. 148-151).

- The degree of similarity between the sponsored object’s image and the sponsoring
  company’s image affects the degree of the image transfer. For example if Red Bull an
  energy drink sponsors an extreme sports event they would be more affected by the image of
  the event than if a corporate bank were to be the sponsors.

- The level of sponsorship refers to how exclusive the sponsorship agreement is. Is the
  sponsoring company the only one or are there others. Fewer sponsoring companies result in
  a stronger image transfer.

- The event frequency indicates how often the consumer will be exposed to the event and the
  brand. A repetitive viewing of the event and brand image to the audience will result in a
  stronger image transfer in the consumers’ mind.

- The product involvement moderator applies to the level of personal relevance with the
  product/service being offered by the sponsoring brand. When a company offers a product
  with low involvement the event image will have a greater effect on the brand image, on the
  contrary if the product offered by the sponsoring company has a high involvement the event
  image will not affect the brand image as much.

Therefore the moderating factors determine which degree the brand image is affected by the event
image, making these factors important to take into consideration for the sponsoring company.

2.2.5. Sponsorship as a persuasive tool

When using sponsorship as a marketing tool it is important to establish a “fit” between the
sponsoring company and the event. Ferrand et al. (2007) state that the acceptance of a sponsor
“depends on the compatibility of the association” (p.76) A sponsorship can generate emotions and
reactions that may have an influence on the consumer’s beliefs, which can also affect the
consumer’s behavior and attitude towards the product or brand in general. It is common sense that a
consumer will be more positive towards a message received whilst being in a place voluntarily and
enjoying them selves. Therefore sponsorships can be said to be a persuasive tool. The attendees of
the CPO will be in an environment that they chose to be in, they bought the tickets and voluntarily
went to the event, to see what it was, to experience the atmosphere or because they love the sport of polo. Whilst at the event they could see different booths with promotional products, surrounding the field they could see banners with several recognizable brands, in the VIP marquee they could further see exclusive brands being enjoyed in a fun and light atmosphere. All of these impressions together giving the consumer a sense of unity, that all these brands have something in common, even though the products can be far from alike and eventually giving the consumer a sense of having something in common with all the brands, being a part of the unity.

Meenaghan compares sponsorship to other types of advertising using 4 crucial factors when dealing with persuasion. (Meenaghan 2001b, p. 114)

- **Goodwill**- A sponsorship is beneficial whereas advertising is selfish
- **Focus**- indirect with sponsorship and direct/forceful with advertising
- **Intent to persuade**- sponsorship is disguised and advertising is overt
- **Defense mechanism**- low state of alertness with sponsorship and high state of alertness with advertising.

### 2.2.6. The concept of goodwill

The effects of sponsorship entail many things, and to further understand these effects it is important to have an understanding of goodwill and what this means. Meenaghan’s definition of goodwill is the following “...the perception of the sponsor’s behavior toward the activity and the intensity of fan involvement with that activity, provides the trigger for the consumer’s affective response and related behavior in terms of favorability, brand preference, and in some instances, purchase.” (2001b, p.114) This definition states that goodwill is a response consumers will have towards the sponsoring company affected by the support the company is giving an object they are emotionally involved in, resulting in the development of goodwill between the consumer and the company as illustrated below with a figure by Meenaghan, 2001b, p.106:
Goodwill is one of the deciding factors separating sponsorship from advertising, as advertising is a selfish way of communicating a message, only benefitting the company, sponsorship on the other hand benefits a third party in the process of communicating a message to the consumer (Meenaghan, 2001a, p. 194)

Meenaghan proposes (2001b, p. 102-103) that goodwill arises on 3 different levels:

1. The generic level: referring to the consumers capability to understand that the company’s support to the event provides values for others, even though it has no deeper meaning for the specific consumer himself. The company is perceived as being a company that does good for others. This created goodwill towards the company, although it will never be as deep as when the consumer has a personal involvement in the sponsored object.

2. The category level: different categories of sponsorships ie. Sport, art, charity etc. create different levels of goodwill. Meaning that generally a commercial sport sponsorship will create less goodwill than sponsorships of charity events and philanthropy.

3. The individual activity level: when the sponsored object is in the interest of the consumer, the effect of goodwill is the largest. The level of interest of the consumer has a direct effect on the level of goodwill created. Obviously the goodwill of a company will be stronger with a passionate fan of the club/team/event the company sponsors than a casual fan.

An example a football fan will create goodwill on all three categories, on the generic level because he thinks sponsorship is a good thing, on a category level because he is interested in football and on the individual activity level for the company that sponsors his favorite team.
2.2.7. Sponsorship strategy

One crucial factor for the success of a sport sponsorship is to choose the correct strategy. Fullerton and Merz (2008) describe the different strategies to be used depending on the product the company wants to sell. The four main strategies can be seen in figure 8 below (Fullerton and Merz, 2008, p. 97)

![Figure 8 Marketing strategies](image)

There are 3 dimensions to understand in this strategy, the first one to be explained further is the marketing approaches, which can be marketing of sports or marketing through sports, as the focus of this thesis is Emirates Airlines which is not directly related to sport and the case example is based on a sponsorship partnership “Marketing through sports” is deemed most fitting.

Fullerton and Merz (2008, p. 98-103) separate products in to 2 categories: sports products and nonsports products: Within the sports products category, Fullerton and Merz (2008, p.99) suggest 3 under-categories and their different marketing goals: 1) Spectator sports, 2) participation sports 3) Sporting goods, apparel, shoes and sports-related products.

Nonsports products is pretty much anything that is not directly related to sports, but which marketers have managed to use sports platforms or themes as part of their marketing strategy. This category includes products that are clearly nonsports products as automobiles, medical services, consumer electronics etc. but also has some grey areas in food and beverage, although when food and beverage is sold at a sports venue it can become a sports-related product, whilst other food and
beverage items like milk or yoghurt will be a nonsport product, but can still be marketed through sports. The product this thesis is based on is flight tickets with Emirates, therefore being a non-sports product.

The last key consideration when addressing marketing of products through sports is whether the level of integration is traditional or sponsorship based.

“Traditional integration represents the use of sport as part of a marketing program and typically involves the basic components of a marketing strategy: a target market and a corresponding marketing mix.” (Fullerton & Merz, 2008 p.94) Traditional marketing means that the marketer finds a specific target market and adapts its 4 P’s to appeal to those consumers. A traditional marketing strategy may use a sports overlay by for example placing an advert in a sports magazines that reaches the same target market.

“Sponsorship involves an array of activities whereby the marketer attempts to capitalize on an official relationship with an event, a team, a player, or some other sports organization...” (Fullerton and Merz 2008, p.95) These relationships include such things as: traditional sponsorships, venue naming rights, endorsements and licensing.

Taking all of these dimensions in to consideration proves that the “Domain Focused” strategy is in fact the most fitting for Emirates.

2.2.8. Return on Investment

When a company decides to sponsor an event or team it has a set of goals, forms and objectives that must be fulfilled, so the company gets a Return on Investment (ROI), meaning they get their money’s worth. The objectives must fit the overall strategy that has been outlined, has to have clear measurable elements, in order to calculate if the performance indicators of the sponsorship have been met. If the objective of the sponsorship is to raise the percentage of market share in a specific geographical area, it should be reflected by increased sales and can easily be monitored and measured in a tangible manner. When the desire to measure intangibles such as brand awareness it
is more difficult due to the nature of intangibility. Also in order to measure the success of a sponsorship, specific time frames or milestones must be set in order to keep track of the desired progress. But in general it is quite difficult to measure exactly how much is gained from the sponsorship and what is gained from other marketing activities in the area. Roger Duthie shares in the interview that “We (Emirates) only engage in sponsorship activities that will give us a minimum of 5 times ROI, so the media value must be more than 5 times the amount of our investment.”

Promovator calculates a different kind of ROI called the BOE-model, which stands for Bought-Owned-Earned regarding media from the sponsored event’s point of view. Where Bought is regarding the media that has been directly paid for, so any television or radio advertisements, billboards, flyers etc. Owned is the sponsored event, so CPO’s own media channels, the CPO website, Facebook, Twitter, Instagram, the actual event days, hospitality etc. and Earned categorizes how much the event has been mentioned in other media channels, in magazines, newspapers, the news, “go’morgen Danmark”, visitor’s social media posts about the event etc. (Interview Simon Bastiansen, appendix) This model facilitates the concept of ROI. As Louise Møller says in the interview (appendix) she heard a lot about CPO before, during and after, and as shown in the results from the online-based survey (appendix), many of the respondents heard about the event through social media adding to the ‘Earned’ category.
Part 3 Research analysis

The purpose of this chapter is to examine the different components of the researched area and analyze it, having a closer look at the sponsorship market in Denmark at the moment along with the consumer behavior towards sponsorships, depicting the different consumer targets both companies have along with elements of the CPO event and sponsorship details and the marketing and communication efforts Emirates has in Denmark and around the world regarding sponsorships. Lastly the theories formerly explained will be used in practice and predictions will be made based on the results of the theories.

3.1. The sponsor market in Denmark, Danes’ acceptability to sports sponsorship

According to Promovator’s yearly report on trends in the Danish sponsor market it is clear that the Danes are very accepting towards sponsorships in general, and sports sponsorships is second to top on the list, with 70.9% of respondents having a “Very positive” or “positive” attitude towards it. Whereas TV-commercials only received 26.6% “very positive” and “positive” responses. (appendix, sponsortrends 2013) This evidently shows that sport sponsorship is the best way of promoting a brand or product in Denmark at the moment, as this quote also states: “No other area of sponsorship has the ability to create so much passion and volume as sports. Sports has the unique capability to activate the interested parties, especially on a national plan, therefore sports will always be popular with consumers ... also because these consumers and suppliers have accepted the sponsors commercial presence.” (Translated from SponsorTrends 2013 in appendix)

Consumers are more accepting towards sport sponsorships, they have come to realize that sponsorships are a necessity to keep the teams, tournaments etc. alive and they appreciate this fact. One important factor to remember in this case is that the results of the survey above are for sports in general, popular sports like football and handball being the most dominant on the market.

Polo is still a very small niche sport in Denmark. When Jacob Klingert Jacobsen CEO of CPO is asked why he thinks polo has never been played in Denmark before he says: “That’s a great question and I have thought about it a lot, it simply doesn’t make sense, the Danes love team sports, and ball-sports, also Denmark is the country in Europe that has most horses per inhabitants. I
believe that maybe it's a question of initiative; no one has taken the initiative to start up polo. Until now.” (TV interview\textsuperscript{15}) So there is plenty of potential to popularize the sport. Although for now, whilst writing this thesis, it is still a young sport in Denmark with a small group of followers. But as Simon Bastiansen says (interview in appendix) the few followers of polo in Denmark form part of a very hard-to-get-to consumer segment, the high-end upper class consumer. Making CPO a perfect venue for an up-scale brand to sponsor, and would be optimal to showcase the Emirates premium cabins to this segment of consumers.

3.2. Emirates’ marketing activities in Denmark- Marketing mix

Emirates has many worldwide marketing campaigns, especially online, but physically in Denmark there isn’t really much any longer. When Emirates was preparing to open the daily route from Copenhagen to Dubai in August 2011 their advertising was everywhere, from newspapers to banners around town and they reportedly spent up to 5 million DKK on marketing activities in Denmark in 2011.\textsuperscript{16}

Emirates has used several advertisement companies in Copenhagen as distributors of the airline’s marketing initiatives in Denmark the past years. All marketing and communication plans are made in the marketing division of the Emirates Head Quarters in Dubai, then later they are in cooperation with local marketing and advertisement companies slightly adapted and translated to then be implemented in the market. When driving in to Copenhagen airport a large Emirates banner is very visible promoting the “Hello Tomorrow” slogan Emirates initiated in 2012.\textsuperscript{17} Their current advertisement company Uncle Grey has also executed the online marketing activities for Emirates.\textsuperscript{18}

\textsuperscript{15} http://youtu.be/gQTOTNMGyMk
\textsuperscript{16} http://borsen.dk/nyheder/avisen/artikel/11/7495/artikel.html
\textsuperscript{17} http://unclegrey.dk/emirates-airport-banner/
\textsuperscript{18} http://unclegrey.dk/emirates-hello-tomorrow/
3.3. CPO sponsorship potential

CPO 2013 was the first ever polo event held in Denmark, and the first horse-sporting event held in the center of Copenhagen. The event took place in Fælledparken and an excess of 6,000 spectators attended the event, including around 600 top VIP guests, from CEOs of top companies to the mayor of Copenhagen, and from Royals like Prince Joachim and Princess Marie to many pop-culture celebrities.\(^\text{19}\)

As it was not only a new event but also a new sport in Denmark many people were curious to see what polo was all about. The media was naturally also curious and got involved, with 8 TV appearances, including Go’morgen Danmark and TV2 Evening News where Jacob Klingert Jacobsen CEO of CPO was invited to explain more about polo and the event.\(^\text{20}\) CPO 2013 was also mentioned and had full-page spreads and articles in more than 35 international publications, ranging from Scandinavian gossip magazines following the Royal family and celebrities to international polo magazines like Polo+\(^\text{21}\) and Polo Times\(^\text{22}\).

A popular Danish TV-show, Thomas Skovs sports program, also had a full episode on polo, where 2 pop-culture celebrities learn how to play polo and had a challenge match against each other at the actual CPO 2013 event.\(^\text{23}\) The CPO 2013 is said to have had a media worth of approximately 6 mio dkk\(^\text{24}\).

3.3.1. Sponsorship possibilities at CPO

An event like CPO is a combination of many different things, as it is a sports event, there is of course the teams, which consists of three players on horses, but it is also a social event, where food and beverages are a necessity, and extra entertainment and shopping an opportunity. The layout of the event is, as shown in the appendix, with the right side of the polo pitch being the VIP area, with

\(^\text{19}\)  [http://copenhagenpoloopen.dk/media/](http://copenhagenpoloopen.dk/media/)
\(^\text{24}\)  [http://copenhagenpoloopen.dk/sponsorship/](http://copenhagenpoloopen.dk/sponsorship/)
2 types of VIP marquees, the corporate main VIP area and the Private VIP area, on the opposite side of the polo pitch is the grandstands and at the end of the polo pitch the main public bar, picnic area and general food and beverage stands and the shopping area. Within these settings there are many opportunities for sponsorships and promotions, but not all of them would be relevant for Emirates. CPO has formed some standardized sponsor packages, but they are willing to tailor any of these to fit the requirements and goals of the sponsoring company. Below is a list of the pre-made sponsor packages that would be suitable for Emirates (appendix):

- Title sponsor
- Team sponsor
- Event partners
- Most Valuable Player and Best Playing Pony prizes
- Tailor made private VIP corporate marquees

The details of the sponsorship packages will be discussed later in the thesis.

Emirates has shown\(^{25}\) that some of the most important activation factors when sponsoring a sports event is to get the consumer involved, in a game or a competition and for them to sign up to receive the Emirates newsletter and become a member of Skywards, Emirates’ frequent flyer program. Another important factor is to achieve TV-coverage, with the presence of banners on the golf field but also they would send Emirates representatives (Emirates stewardesses in uniform) to stand near the tee-off point or the hole and get in the background of the TV-shot of the professional players. At an event like the CPO it would be easy to have Emirates banners and stewardesses in the background of the TV-shots as the playing field is quite small compared to golf.

The dynamics of a polo event are also quite optimal for activation to get consumers involved. The matches are 4 chukkers of 7 minutes, with a 10-minute half time break in between, where traditionally everyone goes on to the field and helps put the divots of grass back into place. As the actual matches are so short in time it allows for many other activities during the day, to keep

\(^{25}\) From my own experience representing Emirates at the WGC-HSBC Golf tournament in Shanghai in November 2013 and the PGA tour in Malmö in May/June 2014.
http://www.europeantour.com/europeantour/season=2013/tournamentid=2013086/news/newsid=211257.html,
attendees entertained. At the 2013 event one of the sponsors was a Caviar brand, so they made the “Caviar dash” where people would race over the polo field to grab and win the bag of fine caviar. This fun game proved to be a great success and spread awareness about the Rossini caviar brand, to possible consumers who did not know the brand beforehand.

For Emirates it would be especially relevant to promote the products and services available for Business class passengers, as was also the case at the WGC-HSBC Golf Championships in Shanghai. The corporate VIP marquee would especially be of interest, as hospitality is important to Emirates. Roger Duthie says: “We value our hospitality lounges highly at sports events as the people we invite to them appreciate it a lot and often it gives us an extra opportunity to connect with them. We invite market VIPs, so people who have an influence on our market share, people in aeronautics, mayors, directors etc. of our partner companies, travel agent owners and other important people related to our sales, we don’t just invite our friends to have a good time. Guests at events are carefully selected based on a series of criteria and on how influential they are or could be for our business.” (Interview in appendix)

The VIP marquee also presents a valuable opportunity for the Emirates representatives to network with the other sponsors of the event. As will be discussed next the audience of CPO include many market leaders and company VIPs from several different markets and areas, who are all gathered in one place with the same focal interest, polo.

3.3.2. The target market and audience of CPO

In an interview in the Danish morning TV-show GO’ morgen Danmark, Jacob Klingert Jacobsen CEO of CPO said “Polo can be enjoyed and played by pretty much anyone.”26 This is in it’s essence true as it doesn’t require much, if anything at all, to watch and enjoy the sport, to play is a bit costly, but on a hobby level it is not more expensive than any other equestrian sport. Although the tendency is that polo is for the upper class as especially polo events often go hand-in-hand with expensive champagne and fine attire and a select crowd only. So naturally the main target segment of consumers are members of the upper class of society.

26 http://copenhagenpoloopen.dk/press/#/go-morgen-danmark-15th-may-2013/
CPO have outlined the following as their target audience\textsuperscript{27}:

**Primary**
- Socio Economic Group A. Head of Institutions, Chairmen, CEO, Director level, High Managerial level. Primary decision makers across a range of sectors ranging from banking, media, property, technology, the arts and politics.
- Gender: male 55% / female 45%
- Age: 25–70+
- 65% Danish / 35% International. Over 50% coming from greater Copenhagen region
- Over 75% postgraduate educated
- Income – 1 million DKK upwards

**Secondary**
- Socio Economic Group B, C, C1, C2
- Gender: male% / female 50%
- Age:0–60+
- 90% Danish / 10% International
- 50% + postgraduate educated
- 60% in full time employment / 40% full time working parent or in education

For the purpose of this thesis an online survey was sent via Facebook to visitors of the CPO 2013, the results are in the appendix, although only a very limited amount of responses were given, so the survey cannot be used to generalize the CPO visitor demography, but can give an idea of who the visitors were. We see that they were of a higher income group, with 20% earning more that 1 mio. dkk per year and another 20% in the category of 600.000-900.000 dkk per year. Another important revelation is that more than 40% go on holiday by airplane 3-5 times per year and 60% travel by airplane for business.

\textsuperscript{27} CPO Sponsor Document in appendix
3.3.3. Emirates’ target consumer

According to Roger Duthie (interview in appendix) Emirates targets many different customer segments, and different sponsorship activities aim at different segment groups. Emirates caters to all classes of travellers, from leisure to business and high-end to moderate cost, but always focusing on quality. The emirates First class is a very high-end product, boasting private suites, shower spas, 27 inch personal screens to watch the over 1600 channels available, dine-on-demand service, luxury champagne, wine and spirits and much more making sure that the experience of travelling in First class is excellent and beyond expectations, this of course comes at a much higher price than the other cabins usually about 15-20 times the cost of an Economy seat on the same aircraft. Therefore the First class customers are a very high-end segment of consumers, they are typically CEOs of big companies, film and sports stars, royalty, in general the very upper class of the global society.

Business class is also a treat for any traveller, with lie-flat beds, 20 inch screens with more than 1600 channels to choose from, luxurious champagne, wines and spirits along with other little treats to make the journey a bit more comfortable, the customers in this cabin are often business men, where the company pays for the ticket, but also holiday-goers from the upper class to upper-middle class, who will pay up to 6 times the cost of an economy ticket to fly in more comfort.

The Economy class is better than most airlines, with wider seats and screens, the newest movies etc. but the segment in this cabin is very wide and general from students going on an exchange program to the other end of the world, to families on holiday, to businessmen jetting back and forth from Europe to Asia. So Emirates caters to many different segments of customers.

Roger Duthie says that “In the beginning of sponsorships it was about the high-end products, promoting the First and Business class” (interview in appendix). So the initial concept of sponsorships for Emirates was to target the high-end consumer, the first sport sponsorship Emirates was involved in was a powerboat race in Dubai in 1987. Since then we see several high-end sports as horse racing, Formula 1 and sailing, also at golf events the Emirates promotion is targeting the high-end consumer, with focus on the premium cabins. In this case as the goal is to raise brand awareness of the premium cabins on Emirates resulting in higher sales of the Business class, the target consumer is the consumer who will spend more money to get a better experience with more

http://www.emirates.com/english/about/emirates-sponsorships/sponsorships.aspx
comfort. Therefore the target consumer is part of the upper class, the socioeconomic group A and to an extent B and C.

3.3.4. Emirates’ previous and current sponsorship activities

Marketing and branding is a very big part of the Emirates strategy and they invest a lot in it, approx. 5 billion AED\(^29\) which is approx. 1.4 billion USD in 2013 and has an estimated brand value of 5.5 billion USD and was also named the world’s “Most Valuable Airline Brand” for the third consecutive year in the Brand Finance Global 500 report for 2014.\(^30\)

Emirates is one of the most recognized brands in the world, due to their partnerships with widespread sports with many viewers such as top-level and famous football clubs, Formula 1, cricket, rugby, tennis, golf, horse racing and the America’s Cup sailing. In 2013 alone they expanded the brand and sponsorship portfolio by signing as Official Partner of the Roland Garros French Open tennis tournament in Paris for the next 5 years. On the golf course they have also extended their investment as the Official Airline of The European Tour across an additional 10 tournaments until 2017. An announcement of a sponsorship agreement with the Rugby World Cups 2015 in England and 2019 in Japan was also made, along with a shirt sponsorship deal with the New York Cosmos.\(^31\)

Emirates took great part in the FIFA World Cup and on March 28\(^{th}\) 2014 they released a new advertisement showing how people can make unexpected connections in the air. The advertisement includes Brazilian football legend Pele and current Portuguese football star Cristiano Ronaldo\(^32\), in just a few weeks from the release of the advertisement it had more than 280 million views\(^33\).

Just a few minutes after the final ceremony of the World Cup the Internet was already buzzing with this question: “Why were Emirates flight attendants standing around behind the trophy?”.\(^34\) and the

\(^{32}\) https://www.youtube.com/watch?v=OFbryriZ3is&channel=EMIRATES
\(^{34}\) http://skift.com/2014/07/13/why-were-emirates-flight-attendants-handing-out-the-world-cup-trophies/
answer: “Because the world’s largest airline paid a giant sum of money for it, that’s why.” The article continues to explain how Emirates constantly expands their sport sponsorship profile. And the amount of publicity they get for it is astonishing, over one billion\textsuperscript{35} viewers from all over the world watched on TV as the trophy ceremony was being held, but the amount it gets talked about after is even greater. The goal of this type of sponsorship is to do exactly that, spread the word, spread the brand awareness, now a few billion people have seen the Fly Emirates banners, the Emirates logo and the iconic red hat on the beautiful young stewardesses, and this is only the TV coverage, taking Simon Bastiansen’s B-O-E model (Interview in appendix) into consideration there is also all the other media connected, making the amount of people reached much bigger. Roger Duthie explained in the interview: “football in general is a very big post on our sponsorship budget, because it attracts a lot of people, of all classes at the games and on TV worldwide, there are a lot of eyes on the games, and seeing the “Fly Emirates” logo.” (Interview in appendix). This sponsorship agreement, that costs Emirates somewhere between 25-50 million USD per year (according to Forbes magazine\textsuperscript{36} as Emirates will not make the exact amount public) is definitely one of the biggest ones, but also the one that gives most ROI of the goal of expanding the brand awareness, so the results fit the set objectives.

3.4. Anticipated effects of the sponsorship

Until the sponsorship agreement is made and the event is held the results could only be predicted on the basis of the information we already have. According to “Millward Browns Brands study” a company must know precisely its competitive situation, its strategic goals, how strong its brand is and where the brand needs to be strengthened in order for a sponsorship to be successful (Walshe, 2008, p.44)

\textsuperscript{36} http://www.forbes.com/sites/chrissmith/2014/06/12/the-biggest-sponsors-of-brazils-2014-world-cup/
3.4.1. Choosing appropriate objectives

Emirates is one of the fastest growing airlines in the world, opening new destinations every month and receiving new aircrafts every 3 weeks and their goal is of course to sell airplane tickets to their many destinations. As seen with the different types of sponsorships the company as engaged in in the past it is obvious that there are many different goals for their sponsorship agreements, some being to expand brand awareness in all markets and therefore the company choses very popular sports with a very high viewership number but also at a very high price, as was described above with the FIFA world cup. Simultaneously the company is sponsoring other events around the world for a smaller crowd, with the goal of introducing a new product, such as the Airbus 380 to a destination that before has only had a Boeing 777 or Airbus 330 operating on the route.

Official numbers have not been made available from Emirates, but as an Emirates stewardess and a passenger minimum once a month on the Copenhagen-Dubai and Dubai-Copenhagen routes I noticed that the Business class cabin was generally less than half full, sometimes with only a few seats occupied, and the company rarely used aircrafts with a First Class, as these were hardly ever booked out or in to Copenhagen. This lack of sales in the premium cabin is a clear incentive to promote the Business class cabin to future customers, which would be the upper class and upper-middle class of the Danish income groups, and as we saw in the analysis of the CPO target consumer these are exactly the groups that would attend and have interest in the CPO 2015.

Specific objectives with a sponsorship in the CPO would be to raise the brand awareness of Emirates and the awareness of the premium cabins and their products to eventually raise sales of Business and First class tickets in the Danish/Scandinavian market.

3.5. Theoretical application

This section is to show how the formerly presented theories can be applied to Emirates to establish and create a successful sponsorship agreement with CPO. Focusing on the proposed sponsorship and linking it to consumer behavior, strengthening the corporate brand and goodwill along with the elements of image transfer and reinforcement.
3.5.1. How will the consumer react?

A sponsorship agreement between Emirates and CPO would require some understanding of how consumers would possibly react in order to create an appropriate message to achieve the best results.

As has already been explained in chapter 2.4 the behavioral learning theory can help explain how a consumer would react to an external message. It is then possible to look at classical and instrumental conditioning to analyze how consumers would react to a sponsorship between Emirates and CPO.

**Classical conditioning**

Classical conditioning is as we saw earlier when an element of conditioned stimulus (like a jingle) provokes a response connected to the unconditioned stimulus (hunger). In the case of Emirates and the CPO, the sport of polo is the unconditioned stimulus, with the desired response being that of enjoyment, excitement, leisure and being part of a high-class society of the elite. The conditioned stimulus is then the Emirates brand as a sponsorship partner. Once the consumer associated these two stimuli with each other they will also associate Emirates with enjoyment, excitement, leisure and a high-class product for the elite.

**Instrumental conditioning**

A sponsorship between Emirates and CPO would mean that anyone who learns about the event, whether they attend it or not, will be more aware of the Emirates brand and that like CPO it is a premium brand. A positive reinforcement of purchasing an Emirates Business class ticket would be the excellent service the customer will be met with every step of the way, from the chauffeur drive to the airport, to the onboard entertainment system and gourmet food, creating the feeling of belonging to an upper-class of society. A negative reinforcement would be that of avoiding travelling uncomfortably with another airline or in economy class.
3.5.2. Sponsorship and the hierarchy of effects

The more exposure and involvement Emirates gets at the CPO events, the more likely it is that consumers will be aware of it and have more knowledge about the airline and the premium cabin products.

**Standard learning hierarchy**

Consumers who use the *standard learning hierarchy* will experience the Emirates brand through the sponsorship of CPO, especially through the activation initiative and hospitality tent, as well as their advertisements on TV, newspapers, billboards etc. This would give the consumers ample opportunity to gain **knowledge** about the brand and the products offered. Leading the consumers to form **beliefs** about the brand and products provided i.e. a very high quality and award-winning flying experience, with excellent service, gourmet food, amazing entertainment options and an overall very comfortable experience, which is all of course presented in a positive light and most consumers will then have a positive attitude (**affect**) towards Emirates, leading to consumers performing the desired **behavior** and purchasing tickets in the premium cabins of Emirates for their next trip.

**Low-involvement hierarchy**

For the sponsorship to have the desired affect on a consumer who has **low involvement** or no particular preference towards the brand he purchases can be persuaded to think of the Emirates product more positively if he sees the Emirates brand along with the CPO brand. Generating **beliefs** in the consumer’s mind that the Emirates brand is linked to the CPO brand and will give him a good experience, leading to the **behavior** of purchasing and experiencing the Emirates premium cabins, and after having a good experience the **affect** or the consumer’s attitude towards the Emirates brand will be even more positive.

**Experiential learning hierarchy**

To target consumers who make their decision about a brand after the *experiential learning* model the hospitality area and involvement is crucial. These consumers could have a more positive attitude towards the Emirates brand if they get to “experience” the products offered by Emirates in a
hospitality or product involvement tent, where there is information and samples of what the premium cabin in Emirates airplanes has to offer. If the consumer has a positive experience (affect) he will purchase a ticket (behavior) and after having a positive experience travelling on the airline he would have a very positive image (belief) of the airline and choose to fly with Emirates again and become a Skywards member.

3.5.3. Strengthening the Emirates brand

The overall purpose of the sponsorship from Emirates side is to raise awareness of the brand in general but specifically the premium cabins to the appropriate target segment, leading to an increase in sales of tickets in the premium cabins on the Danish market. Being one of the main sponsors of the CPO would result in strengthening the brand awareness within the target segment of CPO, which incidentally is also the target segment for the premium cabins of Emirates aircrafts.

All of the attendees of the event would see the Emirates logo multiple times, and would have the opportunity of learning more about their products in the hospitality tent and other involvement activities. In addition to the above mentioned target segment of consumers at the event, many other consumer segment will be reached through the publicity of the event. As Simon Bastiansen mentioned in his interview there is a lot of B-O-E media surrounding such an event, meaning that the Emirates logo will be seen by many more than just the attendees of the event reaching a much larger group than the estimated 6-9.000 attendees of the event, especially if Emirates was to choose the main/title sponsor package which will be explained in more detail later in section 3.6.

In accordance with figure 6 Image transfer in event sponsorship both Emirates and CPO will be affected by the sponsorship and it should lead to a positive outcome for both parties. The image of CPO is of a high-class event, which is very international and luxurious, also when looking at other brands sponsoring the event, they are all high-end brands in their respective categories, some of which, Veuve Clicquot champagne and Hildon water, are even served onboard Emirates aircrafts. In advertisements of the Emirates premium cabins the main message is luxury, comfort and overall superiority asides from their general slogan “Hello Tomorrow” welcoming the adventures of tomorrow and showing that with Emirates there is no limit as to where you could be tomorrow.37 So it is safe to say that the brand image of both companies match and would only enhance each other.

37 http://www.emirates.com/ae/english/about/advertising/advertising.aspx
3.5.4. Goodwill generation towards Emirates

As previously described goodwill is often called the factor that separates advertisement from sponsorship due to advertising being seen as completely on the premises of the sender, pushing a message on to the consumer. A sponsorship doesn’t only benefit the sponsoring company but it is not only a huge benefit but often a necessity for the sponsored event.

Goodwill is generated on 3 levels according to consumer’s interest and involvement in the product. In relation to this thesis it is interesting to take a closer look at how Meenaghan ranked events on how much goodwill they generate according to the responses of a focus group. (Meenaghan & Shipley, 1999 p. 340)

The chart shows that Mass Sports is in the lower end of the scale, almost at advertising. From our distinction between commercial and corporate sponsorship objectives it is clear that corporate objectives which resemble philanthropy and CSR generate more goodwill towards the company than the commercial sponsorship activities discussed in this thesis.

According to theories goodwill helps generate a more positive image of the company, which in turn should affect sales positively. Because the communication from the company goes through the sponsored object before reaching the consumer, the level of goodwill is going to be affected in the process.

Polo is a high-class sport, and it is very costly, so anyone within the world of polo is very appreciative towards companies who sponsor polo. As the media surrounding the CPO event goes worldwide in several polo magazines, websites, facebook fan pages etc. all of the polo enthusiasts
around the world will see the Emirates brand associated with their favorite sport, this will immediately generate goodwill for Emirates. This would also increase the brand awareness worldwide within the polo community, which a segment of wealthy people who travel around the world playing and following polo tournaments, the perfect target group for the Emirates premium cabins.

3.5.6. Image transfer between Emirates and CPO

It has already been made very clear that there must be a good match between the brands of the sponsoring company Emirates and the sponsored object CPO. The brands need to have some common ground and fit together for the sponsorship to be successful as inevitable the two brand images will transfer on to each other. Roger Duthie Head of Sponsorships in Emirates admits during the interview that: “Some aspects of the Emirates brand do fit with polo, the high-class feel to it, it’s very international and seems quite exclusive”. (Interview appendix)

The strength of the image transfer depends on the “moderating variables” as described previously. Taking a closer look and depicting these variables we can see that:

- The degree of similarity between Emirates’ brand and CPO’s brand is high as several elements of their brand image are the same.
- The level of sponsorship can be quite high, if Emirates chooses to take the Title Sponsorship package, they will be the most prominent brand name of all.
- The event frequency is only a 2-day event held once a year, resulting in a lower level of transfer of the event image to the brand image as the repetitiveness of the event is limited.
- The level of personal relevance of the Emirates Premium Cabin product is quite high, and as a result the brand image of the event will not affect the brand image of Emirates much, but the Emirates brand will affect the CPO brand.

As we can see the moderating variables are only fulfilled to an extent, resulting in only a partial transfer of image from CPO to Emirates and vice-versa.
3.6. The sponsorship in practice

This section of the thesis is purposed to comment upon the practical elements that Emirates should put in to effect in order to achieve the best result from a sponsorship agreement with CPO.

3.6.1. Sponsorship type

When looking at a possible sponsorship agreement between Emirates and CPO it was concluded that Emirates has a non-sports related product, which would benefit the most from a sponsorship based and domain focused communication strategy. Emirates would use the relationship with CPO to promote their non-sports related product and should therefore primarily use a licensing sponsorship to maximize the benefits of the relationship and ultimately sell more flight tickets in the premium cabins.

Results from the online-based survey show that the two brands from the CPO 2013 that were most recalled were Veuve Clicquot, the official champagne and main event sponsor, and Maserati, the official car sponsor and team sponsor for team Copenhagen, which also won the tournament (Appendix). Proving that these two have the most visibility at the actual event, resulting in a higher level of viewing than the other sponsors and therefore a higher level of brand awareness.

As previously mentioned CPO offers many different types of sponsorship packages and they are also willing to adapt any of the existing packages or tailor make one for Emirates.

Licensing sponsorship/Title sponsor

The purpose of Emirates having a sponsorship agreement with CPO is to receive more exposure within that specific target market, therefore the more brand exposure the better. A licensing sponsorship would be the most optimal, giving Emirates the naming rights to the event, changing the name to “The Emirates Copenhagen Polo Open” and having the Emirates logo on everything and anything related to the CPO event as has been laid out from the official CPO sponsorship opportunities package where the following brand display opportunities would be included.

38 All sponsorship packages information is from CPO’s sponsorship files as shown in appendix
A physical presentation of the Emirates brand and logo/slogan at the event, in the VIP area and tent.

Double page in center of the official CPO magazine (print run 7,000 minimum) distributed during the event and distributed in select establishments 2 weeks prior to the event.

Strong marketing drive and official media partnerships established with National Media, TV and newspapers.

Emirates logo printed as title on invitations and advanced ticketing and incorporated into all advertising

One polo team named after Emirates as team Dubai and will play in “Fly Emirates” branded team shirts

Emirates logo banners x 4 pitchside and prominently displayed on step and repeat photoboard and podium and outside main gates

Opportunity for Emirates to create a signature members lounge.

Hospitality in the form of tickets to the corporate VIP marquee and lunch and general admission tickets.

The activation possibilities for Emirates would include:

Product sampling and exposure, as seen in other sponsorships activations Emirates could have a stand with a polo game to play and win prizes along with signing up for the newsletter etc.

Integration of brand into on-pitch activation: competitions, audience races and unique brand involvement.

Integration and activation of brand around pitch and/or in VIP area

Tailored pre-event activation possibilities: polo players and polo ponies taken to specific set up for a PR ‘Happening’ in conjunction with Copenhagen Polo Open

All of the above listed opportunities and possibilities are suggestions that can be modified and tailored to fit the client.39

39 Sponsorship package description from CPO in appendix
3.6.2. The AIDA model

The above mentioned type of sponsorship fits in to the AIDA model as following: **Attention** for Emirates is largely created in a licensing sponsor/title sponsor agreement by the Emirates brand being prominently displayed on anything CPO related, appearing on tickets, invitations, banners, shirts etc. along with any time the CPO is mentioned in the media it would not just be The Copenhagen Polo open but The Emirates Copenhagen Polo Open. The **interest** towards Emirates should immediately be increased as a result of the advanced exposure the brand will get, especially visitors of the actual event will have increased **interest** as they will receive increased information about the Emirates premium cabins. The **desire** is created through the combination of expected raised brand awareness and possible consumers will be convinced of the superior product Emirates has to offer and they will have the opportunity to “test” it at the Emirates activation tent/lounge where products and product information will be prominently displayed. Which will lead to the **action** of consumers buying their next flight ticket with Emirates and preferably in the premium cabins. Then the AIDA process is complete and the sponsorship agreement has been successful.

3.6.3 Sponsorship within the communications marketing mix

An important factor to be mentioned in terms of practical application of any sponsorship is the importance of incorporating the other elements of the marketing communication mix with the sponsorship in order to achieve the best result. In this case it should include the integration of the CPO brand into any advertisements in the media on the Danish market or internationally promoting the flights to Copenhagen with the CPO event in order to emphasize the fit and aid the positive image transfer between the two brands.

3.6.4. Return on Investment in practice

As discussed previously ROI is probably the most important factor when deciding on a sponsorship agreement as part of the marketing mix, Emirates is a very large and thriving company, they do engage in many sports sponsorships around the world and one crucial factor is that the money the spend on the sponsorship will bring back revenue, as previously mentioned this can be quite hard to measure, which revenue comes from sponsorship and which come from other marketing activities,
therefore it is measured in media value as Roger Duthie, Head of Sponsorships in Emirates points out in the interview (appendix): “We only engage in sponsorship activities that will give us a minimum of 5 times ROI, so the media value must be more than 5 times the amount of our investment.” CPO 2013 had an estimated media worth of 6 million DKK\(^{40}\) the sponsorship package proposed above cost 650,000 DKK, a simple calculation shows that 6,000,000 divided by 650,000 results in 9.23 meaning that the title sponsor package at the CPO would give a ROI in media value of 9.2 times the invested amount, making it a very good investment for Emirates.

\(^{40}\) [http://copenhagenpoloopen.dk/sponsorship/](http://copenhagenpoloopen.dk/sponsorship/)
Part 4 conclusion

Sport sponsorship has the great advantage over other types of communication tools that it is anchored in the consumer’s center of interest. Sports in general, and in this case polo, thrill, entertain and create an arousal amongst the spectators. A sports event such as the CPO also creates a unique sense of belonging to the upper-class. Consumers who have an interest for polo often take part in other luxurious activities, such as travelling. Consumers are much more accepting towards sponsorships than other communication and marketing tools such as advertising, as it is less aggressive and also benefits the team/event/athlete, creating goodwill for the company with the consumer. It is not a one-way communication where the company tries to force a belief on to the consumer, but rather a way of communicating brand values through and together with another brand, creating an association between the two, which the consumer can relate to.

Emirates already engages in many different kinds of sport sponsorships, from high-end sports such as Formula1, horse racing and sailing to more popular sports such as football and rugby. Recently the biggest sponsorship they have engaged in which has also given the company a huge amount of publicity was the FIFA World Cup in Brazil, fulfilling the goal of creating brand awareness within a very large segment of consumers in all classes. Compared to this event, CPO is very small and reaches only a very limited segment, but it is also at a much lower investment.

As has been described throughout this project, many considerations have to be made before engaging in a sponsorship agreement. The sponsoring company, Emirates, has to be clear on the goals they want to achieve. In this project the main goal proposed is to raise brand awareness for the Emirates premium cabins leading to an increase in sales. As concluded the target segment of the CPO event is represented by the higher economical class of society, the socio economic group A and to an extent B and C. This is the same segment Emirates would want to target when promoting the premium cabins of the airline, according to the Head of Sponsorships Roger Duthie. The premium cabins are the luxurious and expensive products Emirates has to offer, but also have a shortage in sales on the Copenhagen route.

The most important factor for Emirates in the proposed sponsorship agreement would be optimal brand exposure as to increase brand awareness. This would be dominant in a title sponsorship
agreement as proposed, where the Emirates brand would appear in anything related to CPO along with the entire name and title of the event being changed to The Emirates Copenhagen Open. Other elements of the sponsorship activation would aid Emirates in increasing brand awareness, such as hospitality lounges in the VIP area, a product showcase tent in the main area, incentives to join the Emirates Skywards frequent flyer program increasing brand loyalty for the airline and optimal TV-coverage and other media spots.

The consumer behavior theories applied in this project show that a sponsorship in the CPO would be successful in achieving the goal of increasing brand awareness leading to sales of the premium cabin seats. Consumer reaction predictions show that using classical conditioning would mean that the consumer will associate Emirates and their product with the luxury and exclusivity of the CPO event and polo in general. Whereas from an instrumental conditioning perspective the act of purchasing a ticket in the premium cabins of Emirates would lead to a positive reinforcement of belonging to the upper class of society. The hierarchy of learning behavior shows that a sponsorship engagement in CPO would work as a communication tool for the Emirates brand on all three levels. As the Emirates product would be showcased at the actual event, consumers will get an opportunity to experience the product on a first hand basis, before actually buying it. They will then be affected by the product image and form beliefs leading to the action or behavior of purchasing a ticket in the premium cabin next time they are planning a trip.

On a larger scale the sponsorship agreement would also have an impact on the brand image of Emirates worldwide within the polo community, which again is made up of the highest class of society. The CPO event was mentioned in many large publications on polo, horse riding and luxury lifestyle, creating publicity for the event and the brands involved. Consumers of these publications are polo enthusiasts, when they see that Emirates has helped create a wonderful event in the sport that lies close to their hearts goodwill is created for the company along with even more brand awareness and possibly brand loyalty.

Of course for all of these elements to be successful there must be a fit between the Emirates brand and the CPO brand. Through theories on brand image transfer it can be concluded that the CPO brand does in fact have several components that match the Emirates premium cabin brand, such as exclusivity, luxury, cosmopolitan and pioneering. To decipher the stages of consumer behavior in a
purchase situation the AIDA model has been used, showing that Attention towards Emirates is created with the sponsorship, the Interest in the Emirates products is increased by showcasing them at the event and associating them with the CPO brand and the sport of polo, the Desire to belong to this closed group of people who enjoy polo and travelling is created leading to the Action of purchasing flight tickets on Emirates to their next holiday destination.

Once all the details of the activation of a sponsorship agreement between CPO and Emirates have been depicted and analyzed to conclude that there is a fit between the brands and Emirates would benefit from the partnership there is a crucial factor that must be fulfilled. Roger Duthie explicitly stated that Emirates only engages in sponsorships that can give them more than 5 times ROI in media value. The investment in CPO compared to the media value of the 2013 event results in a 9,2 times ROI and therefore makes it an attractive sponsorship agreement to engage in.

So how can a sponsorship agreement with Copenhagen Polo Open help Emirates Airlines increase their brand awareness on the Danish market and eventually increase sales of the premium cabin products? By being the title sponsor of the CPO changing the name to The Emirates Copenhagen Polo Open, resulting in optimal exposure of the Emirates logo and brand elements to the prime segment of consumers in the Danish market, who have the capital and motivation to fly in the Emirates premium cabin, but might lack awareness of the brand and products available.
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Appendix