



AMBUSH MARKETING: A CONCEPTUAL FRAMEWORK

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Abstract

Ambush marketing is a planned effort (campaign) by an organization to associate them with an event in order to gain at least some of the recognition and benefits that are associated with being an official sponsor. One of the most distinguishing features of ambush marketing is how unexpected it tends to be. For example, money is needed to host and broadcast sporting events, and companies enter into official sponsorships to help provide funding. While smaller companies cannot afford to contribute this level of funding, they still use creative tactics to get the crowd's attention. The more attention they garner, the better. This paper provides an introduction to the conceptual exploration of ambush marketing, investigating the nature and evolution of ambush marketing, and its benefits. These days ambushes tend to be rather creative and daring, teetering on the brink of legality, although there are plenty of ways to stay within the law.

Keywords: *Ambush Marketing, Sponsorship, Social Media and Benefits of Ambush Marketing.*

INTRODUCTION

The practice of ambush marketing came to prominence in 1984, in Los Angeles during the Olympic Games. Whereas in the past, many sponsors could obtain rights to associate their brand with the Olympics, the 1984 Games developed sponsorship packages that entitled official sponsors to exclusivity within specific categories. The aggrieved parties who bid unsuccessfully for sponsorship rights, as well as those who could not muster the financial resources required to compete at this level, turned to ambushing as a means of maintaining some association with the event. The study of ambush marketing is fundamentally grounded in the theoretical discussion of sponsorship. While sponsorship's attractiveness increased, marketers' ability to enter into sponsorship contracts decreased as the cost of securing these and the level of competition for them rose. Ambush marketing thus arose when companies that were formerly able to associate themselves with certain high-profile events (such as the Olympics) became excluded from official sponsorship deals, either by way of increased costs or category exclusivities. This paper conceptually studies the sponsorship of an event and its difference from advertisement, Development and benefits of Ambush marketing, Strategies to prevent ambush marketing, Role of social media in ambush marketing and etc.

EVENT SPONSORSHIP

A widely accepted definition of sponsorship does not exist and instead the concept is very loosely used by different organisations to describe a wide range and level of support (Sandler & Shani 1989). The phenomenal growth of special events sponsorship as a promotional tool is evident in the increase in the number of companies and their expenditure on sponsoring events such as sports, television shows and etc. While sponsorship can deliver increased awareness, brand building and propensity to purchase, it is different to advertising. Unlike advertising, sponsorship cannot communicate specific product attributes. Nor can it stand alone. The sponsorship is a big business and an important revenue source for the owners of major events, and it simultaneously provides considerable commercial advantages to sponsors who choose to associate with those events.

Sponsorship evolved from a small-scale activity to a major industry worldwide both in terms of money spent and adoption levels by companies. The increasing importance of sponsorship in the promotions mix is demonstrated by the growing number of companies sponsoring events, the increasing amount spent on sponsorship in total and the growing number of corporations hiring experts to supervise special events (Gardner & Shuman, 1986). According to Javalgi, Traylor, Gross and Lampman (1994) sponsorship is the underwriting of a special event with the object of sustaining organisational objectives by enhancing corporate image, increasing awareness of brands, or openly invigorating sales of products and services.



The sponsorship of international events or broadcast programmes enables sponsors to achieve awareness effects with the audience generated by the event and they further benefit in image enhancement by being associated with an event (Meenaghan, 1994). Sponsorship has the greatest potential to allow a company to form a relationship with their customers via a personal medium. Sponsorship is generally recognised as the purchase of the, usually intangible, exploitable potential (rights and benefits), associated with an entrant, event or organisation which results in tangible benefits for the sponsoring company (image/profit enhancement). Sponsorship provides opportunities for companies to reach consumers through their “hearts and minds”, presenting sponsors with an opportunity to promote their companies and brands (Nicholls, Roslow & Dublisch 1999).

An advertisement and a sponsorship are often discussed as the same thing. However, a sponsorship is typically regarded as a stronger and deeper relationship than a simple advertising exchange of value. An advertisement is a singular message placement while sponsorship is an ongoing arrangement. A sponsorship is a relationship between a program or event host, and advertisers that support the program or event in exchange for an agreed-upon amount of exposure. While sponsorship can deliver increased awareness, brand building and propensity to purchase, it is different to advertising. Unlike advertising, sponsorship cannot communicate specific product attributes. Nor can it stand alone.

AMBUSH MARKETING: MEANING AND DEFINITION

The word ambush comes from French verb “embuscher” which means “to place in a wood”. The term ambush marketing, also known as parasite marketing, refers to any communication or activity that implies, or from which one could reasonably infer, that an organization is associated with an event, when in fact it is not. For example, during the 2012 Olympic Games, many athletes wore head phones branded “Beats By Dr Dre”, whether these athletes were paid to wear these head phones, that is not known, the point is that the viewers saw the product during the event. This could lead to later sales. Advertising on billboards that are near the sporting event, for example, outside a stadium or along a marathon route; handing out freebies such as t-shirts, flags or caps near the event so that those inside a stadium are wearing or waving the logos of an ambush marketer; sponsoring individual players at sporting events so that they are wearing the ambush marketer’s logo and sponsoring a news conference where team players are invited to speak are some examples of ambush marketing.

It is defined as the unauthorized association by businesses of their names, brands, products or services with a sports event or competition through one or more of a wide range of marketing activities (Payne, 1998). Ambush marketing can be defined as a marketing strategy where in the advertisers associate themselves with and therefore capitalize on a particular event without paying any sponsorship fee. From a theoretical perspective, what happens is that a company is able to garner the goodwill and popularity of an event without paying anything for the event. Even the authorization from the concerned parties is not taken.

In its most benign form, it refers to the activities of a company that "does not seek to directly and intentionally 'ambush' a competitor, but instead merely seeks to capitalise on the goodwill, reputation and popularity of a particular sport or sporting event by creating an association without the authorisation or consent of the necessary parties" (McKelvey, 1992). The literature on ambush marketing typically defines the practice as a company’s attempt to capitalize on the goodwill, reputation, and popularity of a particular event by creating an association without the authorization or consent of the necessary parties. Non-sponsoring companies derive unpaid advantages from associating with national and international events and it is a serious threat to the future of commercial sponsorship.

Ambush Marketing can generally be described as a practice whereby a person, often a competitor, intrudes upon public attention surrounding an event thereby deflecting attention towards itself and away from a sponsor. The effect of ambush marketing can be assessed from the psychological reaction of the audience/consumer (Meenaghan, 1994) and hence it is postulated that consumer psychological reaction can also be used to help



identify key elements of ambush marketing. Preussa, Gemeindera, and Séguinb, B. (2008), suggest that the most common purposes of ambush marketing are

- to benefit from the image of being a sponsor without paying for it,
- to counterbalance the Olympic commitment of market competitors,
- to correct 'misleading' campaigns of sponsors,
- to benefit from Olympic Games if sponsorship rights are too expensive or the category is blocked and
- to benefit by saving the money that would have been spent for the sponsoring rights in order to spend it on advertisements.

Ambush Marketing generally takes two forms, namely ambush marketing by way of association and ambush marketing by way of intrusion. In the first form, the ambush marketer misleads the public into thinking that he is an authorised sponsor or contributor associated with the event. In second case, the ambush marketer does not seek to suggest a connection with the event but rather to give its own brand or other insignia exposure through the medium of the publicity attracted by the event without the authorisation of the event organiser. In both forms, the marketer has the objective of using the event as a platform to promote its brand or product without incurring the financial and other obligations of a sponsor.

BENEFITS OF AMBUSH MARKETING

Ambushing marketing seems like an attractive, relatively a cheaper alternative to sponsorship but to-date there is no evidence to suggest that ambush marketing improves the brand image by leveraging a brand or by any other persuasion process. However the Benefits of ambush marketing to the company employing these should be quite obvious, as it is almost certain that most of us consumers have been influenced by such campaigns. The benefits of ambush marketing to the company are obvious, more business. The benefits of ambush marketing to consumer are that it increases competition. When competition increases, prices go down (Peterson, 2009). Some major benefits of ambush marketing are as follows:

- Increased brand awareness of any advertising message, depending on the exposure repetition and length.
- Improved brand affect through two potential persuasion processes. If the brand is perceived as a sponsor, it may benefit from favourable affective response according to evaluative conditioning theory. If the brand is not associated with the event, the brand may benefit from mere-exposure theory like in classical advertising. In this case, people may develop preference to ambushers merely because they are familiar with them.
- Transference of positive values related to the event to the ambusher. This goal may be achieved only if the ambusher is identified as a sponsor. Additionally, some brands seek to be perceived as more rebel, smart and cool thanks to ambush marketing compared to the official sponsors.
- Increased purchase intent as a result of the aims detailed above.
- Weakened link between the sponsors and the event by creating confusion about sponsors identity.

However this benefit is very small when compared to ambush marketing cost.

ETHICAL PERSPECTIVES IN AMBUSH MARKETING

Ambush marketing thus raises both legal and ethical issues. Ambush marketing is not a discrete activity; it involves a broad range of activities, bounded by legal and illegal and ethical and unethical parameters. Perceptions of ambush marketing change over time; many former perceived transgressions are now seen as legitimate sponsorship opportunities. An alleged ambusher is a legitimate purchaser of rights and does nothing illegal, provided it does not use trademarks and symbols illegally. Major event owners seek to control or minimize potential conflict for their sponsors by striking agreements with broadcasting partners and other sports organizations, thereby offering exclusivity and first-option contracts.

When an ambusher that has not bought specific rights gives the impression that it is involved in an event, the ethics question arises. In such instances, the ambusher deliberately associates with and exploits an event's spirit



without breaching the letter of the law. It may claim that, without ambushing, it is otherwise denied the right to participate in an important promotional opportunity due to the inability to meet the cost of official sponsorship and further that their duty to stockholders demands that ambushing activity be undertaken.

STRATEGIES TO PREVENT AMBUSH MARKETING

According to Payne (1998), although it can be argued that ambush marketing offends many ethical perspectives, no issue strikes closer to the heart of the legitimacy and credibility of marketing practice than the issue of truth in business communications and advertising. For that reason, ethical standards and practices specifically aimed at prohibiting false and misleading advertising have been codified and endorsed worldwide by the advertising and marketing industries themselves.

Sandler and Shani (1993) indicate that ambush marketing is only worthwhile if the ambush marketer advertises more and in a more creative way than the official sponsor. The companies that take the sponsorship do so with the intention or hope of gaining direct access to the audience of the event. But when the ambusher starts using the event as its own advertising medium, and divert the audience's attention, the relationship between the actual sponsor and the audience will be altered. This results in confusion in the minds of the consumers as to who the official sponsor is.

To ensure legal protection against ambush marketing, organizers must ensure the use and monitoring of official marks and protected intellectual property, exercise control over the participating athletes, teams, member associations, or other stakeholders, preventing their involvement in ambush marketing campaigns during the event; and understand and maximize the legal and legislative protection available to sponsors in the relevant jurisdictions for the event. Meenaghan (1994) outlined five key strategies available to rights-holders and sponsors, of which four emphasized a greater involvement on the part of sponsors in the protection against ambush marketing:

- For sponsors to pressure organizers and rights holders to better protect sponsor rights and to police the event for offending campaigns more effectively,
- The importance of linking event and broadcast sponsorships in order to limit televised ambush opportunities,
- To encourage a greater move towards anticipation and preparation on the part of sponsors, thereby blocking-out potential ambush avenues and
- The improved exploitation of marketing opportunities by sponsors, more effectively capitalizing on the available consumer interest and attention afforded to event marketers.

McKelvey & Grady (2008), outlined five strategies key to the protection of sponsors, emphasizing the role played by rights holders in protecting and establishing ownership over the event marketing environment: greater public relations involvement and consumer education, extensive on-site policing and regulation, de-limited clean zones and restricted marketing opportunities in proximity to host sites, greater enforcement of ticket regulations and the use of legislation to protect sponsors' rights and prevent the unauthorized use of protected marks.

SOCIAL MEDIA AND AMBUSH MARKETING

Social media, which include online channels for sharing and participating in a variety of activities, represent an increasingly important way for brands to communicate with attractive audience segments (Murdough, 2009). Ambush marketing has been given a boost by social media and Internet-enabled devices. The earned media that can be achieved through innovative social media campaigning is a powerful incentive for brands choosing digitally disruptive advertising. Social media makes it much easier to create and maintain a long-term relationship with fans or other audiences—an affinity that could be stretched beyond the length of an official sponsorship. Social media has clearly leveled the playing field, as so many people search for events and news online using social tools like Twitter. Even non-sponsors can use their Facebook pages to creatively get around the sponsorship



bans. Some brands, such as Pepsi, were able to ride the Olympic wave by simply timing their social music campaigns along with the games. It would be dangerous to conclude that major event organisers have given up the fight when it comes to ambush marketing in social media.

CONCLUSION

As the importance of major sporting, cultural, and artistic events has increased, so too has the role of sponsorship as a way to gain consumers' attention. Linked to the development of sponsorship has been the growth of ambush marketing. Event owners and official sponsors have campaigned vigorously against a practice they refer to as "ambush marketing". By this, they have referred to a variety of activities undertaken by rivals of the official sponsor that could confuse the public as to the real sponsor. The creative use of ambush marketing tactics will probably always be a source of irritation to event owners and their official sponsors. To maximise the protection sponsors might receive from ambushing activities of all types, the normal commercial protections provided by trademark, copyright and passing off laws need to be supplemented by tighter contractual provisions between all of the parties involved in the sponsorship of an event.

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