

## **Assessment of Sports Sponsorship Activities of Global System Mobile (MTN) Communication Company in Nigeria**

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**Abstract:** *This study was designed to determine the assessment of Sports Sponsorship activities of MTN Communication Company in Nigeria. Objectives, research questions and corresponding hypotheses were used for the study. The research design used for the study is a survey research method, while the target population comprised of seventy (70) respondents were purposively selected and used as sample for the study. The instrument used for the study is a questionnaire to obtain relevant information of the respondents. Data collected were analyzed using chi-square to test the hypotheses at 0.05 alpha level of significance using SPSS version 16. Result showed that a significant difference existed in the activities of MTN when compared to other communication companies such as Globacom and Airtel. It was recommended among others that global system of mobile (GSM) communication companies (MTN) should focus on sponsorship of other sports e.g. aquatic sports and cricket sports in Nigeria.*

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### **I. Introduction**

Sports sponsorship has become an effective marketing strategy for many corporations and an equally effective revenue producer for sports organizations during the last decade. Increased competition has created a need for businesses to find ways to differentiate their products and services from the growing number of advertisers in the market place, and to get more return for their promotional dollars (O'Neal, Finch, Hamilton & Hammonds, 1987). There are many other reasons that business organizations decide to sponsor sports for example; generate visibility for products and services; demonstrate good citizenship; demonstrate interest in the community; and generate favorable media interest and publicity (Wilkinson, cited in Ensor, 1987).

Some corporations believe that sponsorship are relatively inexpensive compared to other advertising mediums. Sports sponsorship allows business organizations to distinguish themselves from the overabundance of advertisers prevalent in other forms of advertising (O'Neal, Finch, Hamilton and Hammonds, 1987). Increased market competition and rising costs of traditional advertising mediums also have aided in the shift to sports sponsorship. "Advertisers are aiming to get more bang for their marketing bucks by sponsoring an event itself, rather than just buying 30 seconds of airtime during a sport show" (Abratt, Claton and Pitt, 1987).

Shank (1999) sees sponsorship as the elements in promotional mix using investment in a sports entity (athletes, league, team or event) to support overall organizational objectives, marketing goals and promotional strategies. Similarly, sports sponsorship can be seen as a process of exchanging money or product for the right to associate a name or a product with a sports entity. According to Jiffer and Roos (1999), sponsorship is a business method for marketing and communication, with purpose of contributing to a sponsor's image and creates brand awareness. In addition, sponsorship aims to create an advantage for all those involved, as well as increase the sponsor's sales. Furthermore, Clack (1995) argues that sponsorship can be seen as commercial cooperation between equal and active partners that have entered the partnership voluntarily. The selling part, for example; an individual, team, group, organization or event within sports or culture etc, provides goodwill to the buyer for some kind of compensation. The buyer is then granted the right to a limited use of the goodwill; this in order to reach the buyers external advertizing, public relations (PR), and sales or information related goals.

Previous study conducted in Canada as reported by Copeland (1991) on sports sponsorship revealed that the exchange between corporate sponsors and sports group gain a better understanding of the decision making process by the companies. Similarly, Grohs, Wagner and Vsetecka (2004) conducted a study on sports sponsorship and found that while sports managers favored issues of media coverage not more than ten years ago, now they rate sponsor awareness and image transfer from the sponsored event to the sponsor as the main reasons for engaging in sports sponsorship.

### **II. Methodology**

The study determined the assessment of sports sponsorship activities of MTN Communication Company in Nigeria. The research design used for this study is the survey research method. The target population for the study comprised of seventy (70) respondents which were purposively selected and served as

sample for the study. The respondents include personnel from the rank of assistant marketing manager or its equivalent and above from the corporate affairs of the company which was based on the relevance of the division on this study. The research instrument used for this study is a questionnaire designed to obtain relevant information about the opinion of the respondents. A five (5) point Likert scale type questionnaire of strongly agree (SA) with 5 points, Agree (A) with 4 points, Undecided (U) with 3 points, Strongly disagree (SDA) with 2 points and Disagree (DA) with 1 point respectively was used as a respond mode. Data collected were analyzed using frequency counts and its equivalent percentage scores, while chi- square was used to test the hypotheses at 0.05 alpha level of significance using SPSS version 16.

### III. Results

**Table 1a: A summary of chi- square test on the opinion of MTN Communication Company on sports sponsorship objectives in Nigeria (n=70)**

Item	company	A	AA	F	S	NA	df	x2cal	x2 t.val	Decision
Involvement in a.Print coverage	MTN	25(28.61)	29(24.57)	13(10.77)	2(5.38)	1(0.67)	8	10.87	15.507	NS
b.Televison coverage	MTN	28(31.97)	26(23.56)	12(7.74)	3(5.72)	1(1.01)	8	12.47	15.507	NS
c.Radio coverage	MTN	25(23.89)	16(19.52)	19(13.80)	8(7.40)	2(1.35)	8	9.00	15.507	NS

\*\* Not Significant (NS)

**Table 1b: A summary of chi-square test on the opinion of MTN Communication Company on Sports sponsorship objectives in Nigeria (n=70)**

item	company	SA	A	U	D	SD	df	x2cal	x2 t.val	Decision
a. Enhance gov't relation	MTN	27(30.96)	36(35.34)	7(3.70)			8	10.42	15.507	NS
b. Ability to increase sale	MTN	37(28.62)	32(28.61)	1(0.67)			8	19.04	15.507	S
c. Company's usefulness in ad campaign	MTN	31(36.68)	36(31.63)	3(1.01)			8	9.35	15.507	NS
d. Management interest in the coverage	MTN	27(26.92)	37(37.36)	3(1.35)	3(4.04)		8	15.29	15.507	NS

\*\* Not Significant (NS)

\*Significant (S)

Table 1a above shows a summary of chi-square analysis on sports sponsorship objectives on involvement in media coverage by MTN Communication Company. The chi- square calculated value obtained were 10.87, 12.47 and 9.00 when compared with the p.value (0.05) at the degree of freedom and x2 table value; 8, 15.507; p<0.05 showed that there was significant difference in the opinion of MTN company. The null hypothesis was therefore rejected. This implied that there was difference in the opinions of MTN communication company's objectives of sports sponsorship involvement in media coverage.

Similarly, table 1b also shows a summary of chi-square analysis on sports sponsorship objectives of MTN Company. The chi-square calculated value obtained were 10.24, 19.04, 9.35 and 15.29 when compared with the p.value (0.05) at the degree of freedom and x2 table value; 8, 15.507; p<0.05 also showed that there was significant difference in the opinion of MTN Company. The hypothesis was therefore rejected. This implied that there was a difference in the opinions of MTN Communication Company's sports sponsorship objectives in Nigeria.

**Table 2: A summary of chi-square test on the opinions of MTN communication company's sports sponsorship selection processes in Nigeria (n=70).**

Item	company	0-5	6-10	11-15	16-20	over 20	df	x2cal	x2 t.val	Decision
Selection process										
a. Sponsorship request/proposals	MTN	16(9.42)	13(14.13)	3(3.70)	19(13.46)	19(29.28)	8	29.47	15.507	S
b.interally/externally screened	MTN	Internally	Externally							
		47(48.80)	23(21.20)				2	8.73	5.991	S
c.number of people-involved in screening	MTN	one person/dept	2-3 per/dept	4-5 per/dept	more than 5 per/dept		6	21.46	15.507	S
		13(8.08)	29(27.26)	18(20.53)	10(14.13)					
d.proposal request of										

personnel	MTN	Gate keepers	influencers	Deciders	Buyers	Others	8	13.50	15.507	NS
		4(4.38)	7(4.71)	57(53.17)	-	2(1.35)				

\*Significant (S)

\*\*Not Significant (NS)

Table 2 above shows a summary of chi-square analysis on sports sponsorship selection process by MTN Communication Company. The chi-square calculated value obtained were 29.47, 8.73, 21.46 and 13.50 when compared with the p. value (0.05) at the degree of freedom and x2 table value 8, 2 and 6, 15.507 showed that there was significant difference by MTN communication company and also there is no significant difference in sports sponsorship screening; the null hypothesis is therefore retained, and there was significant difference of MTN company. The null hypothesis was therefore rejected. This implied that there was a difference in the opinion of MTN Company in the selection processes of sports sponsorship in Nigeria.

#### IV. Discussion

The result of the study on sports sponsorship objectives of the global system of mobile (MTN) Communication Company in Nigeria indicated that a significant difference existed in the opinion of MTN which involved media coverage of sports sponsorship through television coverage. Meenaghan (1993), Mullin et al (2000) states, that one of the most important sponsorship goals is to gain media coverage. The reason which is important in determining to become involved as a sponsored entity depends on the media benefits, which include all promotional effort surrounding the sports event, such as advertising and publishing. The media benefits are determined by the number of impressions are the viewers, readers and listeners exposed to the advertized message, which most often consists of a logo or sign that appears on a photograph in a newspaper or television.

Similarly, the result of the study on sports sponsorship objectives of MTN company also shows that there was significant difference in the company's ability to enhance government relation, increase sales, has usefulness in advertising campaign and management interest in the coverage. The result of the study is inline with the findings of Shank (1999) and Mullin et al (2000) claims that it is important to build relationship with the community when sponsoring a sport event. Through sponsorship, the company shows its consciousness for local concern in order to influence potential customers as well as local, social and governmental agencies. Suprovitz (2004) opined that the title sponsors are companies or brands whose names appear before or within the name of a sport event such as LG open championship in golf.

The result of the study on event selection process of MTN Communication Company indicated that a significant difference existed on the number of proposals/requests received annually by the company which shows with almost over 20 proposals/requests received. The study also revealed that MTN Communication Company screened sports sponsorship proposals/requests sent to them with the highest responses. This is inline with Wilson's (1997) findings which states that to select which sport or sports and items linked with them is of utmost importance for the companies wish to get involved in sports sponsorship. Martin (1994) justified that to find the sport which will most enhance the image of the company (or product) is a significant concern to potential sponsors. However, these potential sponsors must take care in their selection process as there is always an inherent risk and uncertainty as to the success of the sponsorship and what will happen in the future (Copeland et al, 1996).

#### V. Conclusion

The findings of this study have shown that there was significant difference in the opinion of MTN Communication Company's sports sponsorship objectives in Nigeria. While in the company's sports sponsorship selection process indicated that there was also a significant difference in criteria used to select sports to be sponsored as part of their selection process for than at least ten decades.

#### VI. Recommendations

1. The federal government of Nigeria should not be the sole sponsors of sports; instead it should encourage corporate bodies and individuals to compliment its efforts.
2. Global system of mobile (GSM) communication companies should also focus on the sponsorship of other sports such as aquatic sports and racket sports.

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