



## BRANDING A SPORT BY AMBUSH MARKETING WAY

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### **Abstract**

*“Recent years have seen a considerable rise in so-called ‘ambush marketing’, where unofficial brands aim to capitalise on hype generated by an event. It’s not difficult to see the attraction. Having saved a considerable chunk in sponsorship spend, brands have more financial freedom to invest in social media campaigns, viral contents, PR stunts, celebrity endorsement and add buying.”*

*“The growth of commercial sponsorship has been perhaps the most striking development in marketing communications over the last two decades”*

*“The practice whereby another company, often a competitor, intrudes upon public attention surrounding the event, thereby deflecting attention toward themselves and away from the sponsor”. --Meenaghan, 1994*

*The Oxford dictionary defines Ambush as - "surprise attack by persons lying concealed."*

*Year 2015 is to witnessing ICC cricket World Cup and all of us are enjoying this mammoth event. Reliance, Espn, Pepsi co, etc. are the official sponsors for this event and they have spent a hefty amount in being one of the sponsors. In the same breeze of enthusiastic atmosphere, ZANDU (not an official sponsor) balm comes with an advertisement stating it to be official balm of players’ relief in world cup. Yes, this is Ambush Marketing. "Ambush marketing" is a term which describes any unauthorized activity which attempts to associate a product, service or business without paying for the privilege. This can be done by running event related promotions, for example, giving away products which will hopefully be featured in press or television coverage; using advertising space in proximity to event grounds or official broadcast spots; and sponsoring individual teams and athletes rather than the event itself. Commercialization of sports magnetizes core IPR issues like Trademark, Copyright, Design, licensing and franchising etc. For now, being a very new terminology “ambush marketing” has no specific legislation in India and this paper serves the same reason to shed light upon ambush marketing and its nexus with IPR protection.*

**Key Words: Zandhu, ICC, Cricket, IPR, Ambush Marketing.**

### **Introduction**

Just do it! Using Design and Ambush Marketing Effectively.

*“Ambush marketing is a term used to describe a practice by which a rival company is trying to associate its products with an event that already has official sponsors.”*

*"Ambush marketing implies a connection to an event for which you have not compensated the owner. There's another word for it: stealing.”*

**John Bennett, Visa Senior Vice President of Marketing**

*"Ambush marketing is not a game. It is a deadly serious business and one that has the potential to destroy sponsorship. If ambush marketing is left unchecked, then the fundamental revenue base of sports will be undermined.”*

**Michael Payne, IOC Marketing Director**

*“It is a weak-minded view that competitors have a moral obligation to step back and allow an official sponsor to reap all the benefits from a special event: Competitors have not only a right, but an obligation to shareholders to take advantage of such events.”*

**Jerry Welsh, American Express Marketing**

With the business angle of sports growing by the day, dormant intellectual property rights (IPRs) vesting in almost every component of the sports industry are being tapped into and capitalized. IPRs are valuable assets that are used as marketing tools towards the branding of sporting games and connected events, sports clubs, teams, celebrity status etc. Marketing techniques are applied in creation, maintenance, popularization and sustenance of distinctive marks, logos and personalities, while copyrights vesting in brand and image creation etc. are protected to reap benefits on an exclusive basis considering the



very nature of competition in sports. Various football clubs around the world are a perfect example of intellectual property brand capitalization.

Manchester United, Real Madrid, Barcelona and Liverpool are a few examples of football clubs that have been developed and marketed as huge brands worth millions of dollars. The organizers of popular games such as FIFA (football), PGA (golf), NBA (basketball), IPL (Cricket) and so on organize and manage the events, in such a manner that they are able to extract maximum value from others who want to exploit the marketing potential that the events offer. As the expenses of turning into an official sponsor of a real sporting occasion have mushroomed over late years, sponsors progressively need to manage what has ended up known as ambush marketing. Ambush marketing happens when a brand tries to adventure the media consideration of a significant sporting occasion by uniting itself with the occasion without being an official sponsor, as such, without paying a sponsorship charge. Ambush marketing is evidently successful, and some marketing experts even laud it as the boldest and most imaginative type of advertising ever. Then again, Ambush marketing considerably undermines an event's integrity and also its capacity to pull in future sponsors. In this way, some contend, it debilitates to disintegrate the crucial income base of mega-sporting occasions, for example, the Soccer World Cup, Formula 1 Racing or the Olympic Games. Whichever viewpoint one may take, the predominance of Ambush marketing brings up the issue of what lawful alternatives are accessible to coordinators and official sponsors of such occasions to keep Ambushers from "hitching a free ride" without making any financial commitment. Indeed along these lines, ambush marketing is not a lawful idea. There is no hint of this English term in legitimate lexicons or different vocabularies. Actually, it is a declaration utilized by masters as a part of advertising systems. A certain Jerry Welsh who, in the 80s, was world marketing executive for American Express and as being what is indicated sponsored the national sports groups for the 1984 Olympic Games, cases to be the creator of the concept.

#### **Objectives of the Study**

1. To understand the sports enthusiast attitude towards the practice of ambush marketing.
2. To analyze whether ambush advertisements have a positive effect on sports enthusiast minds and on their purchase decisions.

#### **The Ambush Marketing Concept**

The expression "ambush marketing" has existed following the 1984 recreations with the idea characterized and created in papers by American experts. Albeit numerous have tried to characterize it precisely they have all experienced the issue of its legitimacy. Some consider that it is an unlawful business acted by an organization attempting to make a relationship between its items and administrations and a media occasion, by and large a game, to draw a business advantage from the notoriety of this occasion, however without being the sponsor and without needing to acquire the smallest approval from the sponsor. The result is that, in the long haul, ambush marketing will lessen the estimation of the selective rights obtained at some expense by the official sponsors of the occasion. This definition has satisfied the lawmakers in specific nations who, on the solicitation of the coordinators of games occasions, have fused it into their assortment of measures. Case in point, Italy unequivocally denied ambush marketing for the term of the 2006 Winter Games by characterizing it as "all exercises parallel to those of the elements officially approved by the organizer to acquire monetary gain". Others consider that ambush marketing consists in making use of an opportunity to develop business in a way that is not prohibited on legal grounds. According to this approach there is nothing illegal about ambush marketing. This has been confirmed by certain court judgments. For instance, the Delhi high court in India has stated that the term "ambush marketing" is not part of the legal terminology and the practice does not in its own right constitutes unfair competition, does not seek to mislead the public, but on the contrary is an instrument that uses the opportunity presented by an event to further its own commercial goals. In France, a recent judgment asserted that "sponsorship cannot deprive another economic player from basing its publicity on a sport provided it does not use the symbols or logos of the federation that organizes the event, nor the image. A sports event belongs to everyone because it constitutes part of current affairs and only its direct or televised showing can be the subject of specific rights acknowledged by article L.333-1 of the Code des Sports [Law on Sports]". From a marketing standpoint, the "ambush" therefore consists in exploiting all unprotected business opportunities.

Nike has a long tradition of sponsoring athletes and maintaining a high Olympic profile despite its non-sponsor status in relation to the Games themselves. However, the only way that could achieve such high presence, given their non-sponsorship status, is by engaging in 'ambush marketing'. Even though these types of marketing practices are not breaching any legal regulation, they are still seen as unacceptable for the Olympic host cities that depend on their sponsor money to stage the Games. As a result, a number of new rules and laws have been created that can result in fines or even criminal charges for 'ambushers'; and thanks to that, many illegal ambush practices have been largely kept at bay. This is why companies such as Nike, who want to be present at the Olympic Games but are not official sponsors, have to devise increasingly complex marketing tactics that will not breach any legally-binding rules. Out of the many marketing initiatives that Nike launched



around the 2012 London Olympics, two of them have been particularly instrumental in raising Nike's profile during these Games: the introduction of the infamous neon-green/ yellow Volt spikes shoes that all Nike athletes wore during the athletic competitions, and the 'Find Your Greatness' video commercial that featured athletes competing in towns and places named London from around the world except London, UK.

The so-called ambush marketing approach has proven to be a highly effective marketing practice for Nike. If we take into account the social media metrics surrounding the Olympics, then we can see that Nike was far more successful than Adidas, even though they held the 'high ground' as an official sponsor of the event. According to some reports, the breakdown of the results show the following:

- Over 16,000 Tweets associated the work 'Nike' with 'Olympics', in comparison with fewer than 9,300 for Adidas.
- @Nike followers grew 11% from opening to closing ceremonies, adding more than 57,000 to the brand, while @Adidas Originals grew only 4%, adding 12,000 followers to the brand over the same period.
- 'Find Your Greatness' ad had earned over 7,000 more Tweets than Adidas' 'Take the Stage' campaign that was launched at the same time.
- Over the course of the Games, Nike added twice as many Facebook fans as Adidas (McNaughton, 2012).

Payne, an IOC representative, viewed Kodak's behaviour with concern as he considered it attacked Fuji's rights as an official IOC sponsor. He described ambush marketers as

"... thieves knowingly stealing something that does not belong to them" (Payne 1991 p24)  
and later argued that

"ambush marketing breaches one of the fundamental tenets of business activity, namely truth in advertising and business communications" (Payne 1998 p323).

As Fuji had purchased the exclusive category rights to this event from the IOC, Payne considered they had a legitimate right to publicity that might be generated by the event. Kodak infringed upon this right when it purchased the broadcasting sponsorship rights, thereby gaining an association with the event and access to its audience. However, Welsh, a former marketing executive at American Express, criticised the "Weak-minded view that competitors have a moral obligation to step back and allow an official sponsor to reap all the benefits from a special event" (Meenaghan 1996 p108).

He further stated that competitors had "not only a right, but an obligation to shareholders to take advantage of such events" and that "all this talk about unethical ambushing is intellectual rubbish and posturing by people who are sloppy marketers" (Meenaghan 1996 p108).

**Ambush marketing does work, especially if this is supported by research, creative zeal, and it is executed with great attention to detail for legal purposes.**

It has been reported that, as the 2012 Games began, in one week Nike's 'Find Your Greatness' received the No.1 spot on the Viral Chart with 4.5 million views, compared to Adidas' 'Take the Stage', which arrived at No.3 with 2.9 million views. In addition to this, an online survey conducted in the US showed that 37% of the participants identified Nike as an Olympic Sponsor, compared to 24% that identified Adidas as the sponsor. While the merits of being an ambush marketer are clear for the rival brands as the case of Nike shows these benefits are essentially achieved at the expense of the official sponsors and the organisers. Such activities are significantly weakening the impact of the official sponsors and the logical consequence is that corporate sponsors may lose interest in sponsoring events such as the Olympics, who rely on heavy corporate sponsorship in order to exist. Nevertheless, ambush marketing does work, especially if this is supported by research, creative zeal, and it is executed with great attention to detail for legal purposes. This, however, does not mean that sponsorship is an ineffective marketing activity. Sponsorship is still a very attractive option for marketers, especially when they want to associate themselves with positive and highly visible figures or events. Yet, for multinational corporations eager to transcend cultural barriers and promote their standardised messages to a worldwide audience, the opportunities are far fewer. Sporting events such as the Olympics have the global appeal that these corporations want, but they provide expensive and limited sponsorship prospects. That is why some brands, such as Nike, have chosen to pursue an alternative route and engage in ambush marketing instead. Then again, Nike's decision to associate themselves with high-performing athletes, rather than with the organisation that manages the event where the athletes are participating appears to be a strategic decision on their end. In their advertising campaigns, Nike always puts the emphasis on individual athletes by glorifying them, or encouraging them to do better. From this point of view, it makes sense for Nike not to be an official sponsor of the Olympics, and instead to stand behind the athletes (the people) rather than the Games (the institution). This seems to be an ideological choice



grounded in the essence of the brand. Rebellious against the system and challenging the convention is simply a part of the brand image that Nike tries to project.

### Strategies

There are three elements that help distinguish sponsorship from patronage: 1) A sponsor makes a contribution in cash or kind which may or may not include services and expertise to an activity which in some measure is a leisure pursuit, either sport or within the broad definition of the arts; 2) the sponsored activity does not form part of the main commercial function of the sponsoring body (otherwise it would be straightforward promotion, rather than sponsorship) and 3) the sponsor expects a return in terms of publicity. Ambush Marketing can be divided into three broad categories:

- a) Direct ambush marketing
- b) Associative ambush marketing
- c) Incidental ambush marketing

#### a) Direct Ambush Marketing

It is an intentional use of symbols and trademarks associated with the mass event so as to give the consumers the wrong impression as to the actual sponsors of the event. Certain direct ambush marketing strategies are:

**1. Predatory Ambushing:** The direct ambushing of a market competitor, intentionally attacking a rival's official sponsorship in an effort to gain market share, and to confuse consumers as to who is the official sponsor. For example, during the Heineken, UEFA European championships, 2008, Heineken in an effort to ambush Carlsberg's official sponsorship, created marching band-style "Trom-pets" (drum hats) for Dutch fans on their way to Bern which also acted as drum, branded with the Heineken logo and name; company released advertisements featuring Dutch fans travelling to Switzerland, visiting official Oranje fans camping complex, and Heineken marketing executives plotting ways to ambush the European Championship.

**2. Coat Tail Ambushing:** the attempt by an organisation to directly associate itself with a property through legitimate link, without securing official event sponsor status. It refers to the unsolicited association of a company to an event. For example, in Beijing Summer Olympics, 2008, following Liu Xiang's injury in the men's 110m hurdles, Nike released a full page ad in the major Beijing newspaper featuring the image of the disconsolate Liu, a Nike-endorsed athlete, and the tagline: "Love competition. Love risking your pride. Love winning it back. Love giving it everything you've got. Love the glory. Love the pain. Love the sport even when it breaks your heart".

**3. Property Infringement Ambushing:** The intentional use of protected intellectual property, including trademarked and copyrighted property such as logos, names, words and symbols, in a brand's marketing as a means of attaching itself in the eyes of consumers to a property or event. For example, in UEFA European Championships, 2008, betting company Unibet released a series of magazine advertisement in Polish magazine, Pitkanozza for online betting on the European Championship, explicitly featuring the words 'Euro 2008' and football in their advertising" brand.

#### b) Associative Ambush Marketing

The term itself is clear as it means intentional use of such terms or imagery which portrays that the company has links to the sport event or property, without making any reference to the official sponsorship. Such different types of associative strategies are:

**1. Sponsor Self-Ambushing:** When the official sponsor creates the marketing communication beyond the scope of its sponsorship rights effectively ambushing the other official sponsors. During UEFA European Championship, 2008, the official sponsor Carlsberg extended its promotion beyond the sponsorship rights by giving away headbands to the fans during the tourney, sporting fake team-colour hair, it also gave T-Shirts to the fans visiting the brand's promotional Booth.

**2. Distractive Ambushing:** Creating the distraction in or around the place of event, not having any association with the event, in order to gain the attention from the event's audience and thus promote the brand's product. For example, in The Open Championship, 2008, Bentley set up a line-up of the Bentley cars outside Hill side Golf club which is adjacent to the Royal Birkdale, the host course of the Open, which attracted great attraction from the event audience.

**3. Value Ambushing:** Making a direct reference to the event or property's theme or values to imply a link with the event in the mind of the consumers. For example, Puma, in the European Championship, 2008, in order to promote its football line used the tagline, June 2008: Together Everywhere, thus making a direct reference to the event being played that month.

**4. Insurgent Ambushing:** use of surprise and aggressive promotion at an event with minimum investment in order to maximise the awareness and to distract the attention of the people from the official sponsors of the event and the event itself.





For example, in 2008 French Open- Ronald Garros, K-Swiss ambushed the rivals Adidas and the clothing sponsor Lacoste by setting up a huge purple tennis ball on a crashed car on the major route to Ronald Garros.

**5. Pre-Emptive Ambushing:** When the official sponsor creates the marketing communication in order to usurp any possible ambush marketing campaigns of the rivals, thus prompting the ambush activities and distracting the focus from any of the other official sponsors of the event. For example, in the European Championship, 2008, Adidas produced 16 inflatable footballers wearing the jersey of each country participating in the event with Adidas logo and stripes including those countries which were sponsored by Nike and Puma.

**6. Parallel Property Ambushing:** The creation of a rival event or property to be run parallel to the main ambush target, associating the brand to the sport or the industry at the time of the event, thus capitalising on the main event's goodwill. For example, Nike organised a global contest "human race" in 24 countries around the world including Shanghai, where the Olympics, 2008 was taking place, which was continued for 7 days following the Olympics, and gathered a huge international marketing throughout Olympics centred around Nike and the marathon.

### c) Incidental Ambush Marketing

When the market communications of a company leads to such incidental ambushing of the official sponsors. It may be done in two ways:

1. **Unintentional Ambushing:** when the consumers incorrectly identifies a non-sponsoring company as an official sponsor due to its previous association or due expectation of association with the event. For example, Speedo earned a considerable attention from media as result of success of swimmers wearing LZR racer swimsuits. This portrayed Speedo as official sponsor of the Beijing Games thus creating confusion in the market.

2. **Saturation Ambushing:** a strategic increase in the marketing communication of a product through aggressive marketing in order to maximise the advertisement during the event by maximising available advertising before, during and after the event. For example, Lucozade, during the Beijing Olympics indulged into aggressive marketing of its products much above its standard marketing featuring athletes and a variety of sports significantly.

### Sponsorship

"Over the past thirty years, sponsorship has evolved from a small-scale activity in a limited number of industrialised countries to a major global industry" (Meenaghan, 1998). Where sponsorship in the beginning was regarded as just one among a battery of available marketing communication tools, it is globally used by major organizations as a powerful vehicle to build brand value (Farrelly et al., 2005). The growth and significance of sponsorship becomes clear by the worldwide annual investment in sponsorship, which grew from US\$24 billion in 2001 to US\$39 billion in 2009 (IEG Sponsorship Report 2009). Sponsorship is generally defined as "the provision of assistance either financial or in-kind to an activity (e.g., sport, musical event, festival, fair, or within the broad definition of the Arts) by a commercial organization for the purpose of achieving commercial objectives" (Meenaghan, 1983). While firms enter into sponsorship arrangements with a variety of goals, the most important are ones to increase brand awareness and to establish, strengthen, or change brand image (Gwinner, 1997). An important field of sponsoring is the sponsoring of international sporting events, like the Olympic Games and FIFA Soccer World Cup. By sponsoring an event or providing budget for an events broadcast, a sponsor can generate audience awareness while simultaneously creating associations of the events values in people's minds (Meenaghan, 1996). Multinationals pay millions of dollars for annual sponsor fees, via which a company obtains exclusive marketing rights for a particular event. Research by the International Event Group (IEG) demonstrates that the six FIFA partners Adidas, Coca-Cola, Emirates, Hyundai, Sony and Visa together paid an annual sponsor fee of US\$264 dollar for the FIFA World Cup 2010 (IEG Sponsorship Report 2010).

According to Fill (2005, p.713) the development of sponsorship as a communication tool has been spectacular since the early 1990s. Fill (2005, p.712) defines sponsorship as 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". Organisations use sponsorship activities in various ways to generate awareness and brand associations. Moreover, it is used to distinguish themselves from commercial messages of competitors, since it provides the following opportunities (Fill, 2005, p.713):

1. Exposure to particular audiences that each event attracts in order to convey simple awareness-based brand messages.
2. It suggests that there is an association between the sponsored and the sponsor.
3. It allows members of the target audience to perceive the sponsor indirectly through a third party. In this way, negative effects associated with traditional mass media and direct persuasion are diffused.
4. It provides sponsors with the opportunity to blend a variety of tools in the promotional mix.



**1. The Role of Sponsorship in the Promotional Mix:** As mentioned above, sponsorship provides sponsors with the opportunity to blend a variety of tools in the promotional mix. Fill (2005, p.727) states that sponsorship can be aligned with advertising, sales promotion and public relations. Since awareness is regarded as the principal objective of using sponsorship, advertising seems to be an important part of sponsorship. There are many examples of organisations advertising with their sponsorship. An example of this is a recent commercial of Ford UK, showing their 17 years of UEFA Champions League sponsorship on both television and their official website (Ford, 2011). Besides advertisement, sponsorship can be linked to public relations, since the sponsored (such as a football team) can be adjudged to perform the role of opinion former (Fill, 2005, p.727). Therefore messages are communicated to the target audience with the support of significant participants supporting the sponsor. According to Lagae (2005, p.74) sponsorship is also an instrument of corporate communication. During sports events, goodwill is created among press and opinion leaders, and strong business relationships are built.

**2. Event Sponsorship:** An important area of sponsoring is the sponsoring of international sporting events like the Olympic Games and FIFA Soccer World Cup. According to Fill (2005, p.719) sports is the leading type of sponsorship for the following reasons: (1) sport attracts large audiences at both the event and through the media, (2) sports provides an opportunity to identify and reach large numbers of people sharing particular characteristics, (3) visibility opportunities for the sponsor are high in sporting events like the Olympic Games or the FIFA World Cup. The role of event sponsorship has changed considerably over the years. Gwinner (1997) stated that until the beginning of the 1990s, the majority of organisations have viewed event sponsorship as an obligation to the community: "Sponsorships had been placed on a level somewhere between charitable donations and public relation opportunities". Nowadays, sponsorships have not only become more sophisticated, but most organisations are expecting a reasonable return on their investments in the form of increased sales (Gwinner, 1997). Tripodi and Sutherland (2000) stated that the Olympic Games with its huge audience is the premier place for companies to showcase their brands. Jacques Rogge, chairman of the IOC, highlights this statement by mentioning that the 11 major sponsors of the IOC are altogether responsible for \$1 billion total sponsor revenues for the coming four years.

### **FIFA World Cup and Olympic Games**

This research focuses on the effects of ambush marketing activities around the FIFA World Cup and the Olympic Games. Therefore a description of both events is given.

#### **FIFA World Cup**

The FIFA World Cup is an international association football competition contested by the senior men's national teams of the members of Fédération Internationale de Football Association (FIFA), the sport's global governing body. The tournament occurs in a different country every four years since the inaugural tournament in 1930.

Nowadays, the FIFA World Cup is one of the largest sporting events in the world, in terms of spectators and organising costs. The final between Italy and France on the ninth of June 2006 in Berlin generated an audience of 715.1 million television spectators. The matches of the FIFA World Cup 2006 in Germany were broadcasted in 214 countries (FIFA, 2006). Sponsor fees was the most important source of marketing revenue. The FIFA Official Partner program generated approximately 31% of all marketing revenues (Madrigal et al., 2005). Research by the International Event Group (IEG) showed that the six FIFA partners Adidas, Coca-Cola, Emirates, Hyundai, Sony and Visa together paid an annual sponsor fee of US\$264 dollar for the FIFA World Cup 2010 (IEG Sponsorship Report 2010).

#### **Olympic Games**

The Olympic Games are a major international event featuring summer and winter sports, in which thousands of athletes participate in a variety of competitions. The Games are currently held every two years, with Summer and Winter Olympic Games alternating, although they occur every four years within their respective seasonal games. The first Olympic Games organised by the International Olympic Committee was hosted in Athens in 1896. These Games brought 14 nations and 241 athletes who competed in 43 sports events (IOC, 2010).

Nowadays, the Olympic Games have grown out to about 10,500 competitors from 204 countries at the 2008 Summer Olympics. According to Jacques Rogge, Chairman of the IOC, approximately 3.9 billion people tuned in to watch parts of the 2004 Olympic Games in Athens (Madrigal et al., 2005). Madrigal et al. (2005) stated that the core values or equities underlying the Olympic brand include (1) hope for a better world through involvement with sport, (2) the inspiration to achieve personal dreams through the lessons of athletes' sacrifice, striving and determination, (3) friendship and fair play and (4) joy in the effort of doing one's best. As in the case of the FIFA World Cup, sponsor fees are an important source of income for the IOC. For the 2004 Olympic Games in Athens, 32% of all marketing revenues were generated from sponsorship. Eleven of the world's most prominent brands were Official Partner of the 2004 Olympic Games in Athens,



including Coca-Cola, Samsung, McDonald's and Kodak, each paying approximately 65 million US dollar (Amis and Cornwell, 2005).

### **Ambush Marketing**

Due to the increasing importance and investments in sponsoring, the practice of ambush marketing has enlarged during the last decades. Sandler and Shani (1998) describe ambush marketing as "the efforts by non-sponsoring organisations in a planned effort (campaign) to associate themselves indirectly with an event in order to gain at least some of the recognition and benefits that are associated with being an official sponsor". McKelvey (1994) described it as "a company's intentional effort to weaken or ambush its competitor's official sponsorship".

The practice of ambush marketing was first identified during the Los Angeles Olympic Games in 1984. For these Olympic Games, Fuji had acquired the official sponsorship rights by paying millions of dollars of sponsor fee. In response to this strategic sponsorship, Fuji's key competitor, Kodak, announced itself as the proud sponsor of ABC's broadcast of the Olympic Games and also became sponsor of the 'official film' of the US track team (Crompton, 2004). This strategy was aimed at undermining and reducing Fuji's benefits of being associated with a major event like the Olympic Games, and as a result many consumers incorrectly believed that Kodak was the official sponsor of these Games. A recent example of ambush marketing that gained global attention is the guerrilla-marketing campaign of the Dutch brewery Bavaria during the FIFA World Cup 2010. During the match between the Netherlands and Denmark, 36 women dressed like Danish fans, entered the football stadium. After 20 minutes the women took off their Danish clothes and showed their orange Bavaria dresses. The whole world saw this Bavaria dress, while Budweiser was the official beer sponsor of the tournament. During the match the Dutch women were arrested, which led to worldwide commotion and millions of free publicity value for Bavaria (Parsons, 2010). Since the Kodak incident in 1984, ambushing strategies have become more imaginative, complex and expensive (Crompton, 2004). As sponsorship fees demanded by event owners increase, more marketers are attracted to an ambush strategy for both defensive and offensive reasons (Tripodi and Sutherland, 2000). Among company executives there is a widespread believe that ambushing works and therefore companies continue to invest large amounts of money in this strategy. This development has become a major issue for the sponsoring industry, since ambushing strategies are a threat to sponsoring companies and event owners. Official sponsors are threatened because they cannot take full advantage of their exclusive sponsorship rights. They are therefore less willing to pay high sponsor fees. Event owners are threatened because companies associate themselves with an event, without paying the required fee to the event owner. This makes it hard for event owners to attract sponsors, since they are not able to offer exclusive sponsorship rights. Without capital injection from sponsors, it is questionable whether current major sports events can still be organized in the near future (Tripodi and Sutherland, 2000).

As sponsorship fees demanded by event owners increased over the years, more marketers found the price demanded to be outside the reach of their budgets. Therefore companies that could not afford, or chose not to pay for these sponsor fees, were forced to look for alternative ways in order to be associated with events like the Olympic Games or the FIFA World Cup. Ambush marketing is one of the alternatives, and has grown out to a mature business, which has been a serious concern to both event owners and official sponsors (Meenaghan, 1994). Ambush marketing activities can occur around all kind of events (O'Sullivan & Murphy, 1998). However, current literature mainly focuses on the ambushing strategies concerning the Olympic Games or the FIFA World Cup. Since ambushing strategies concerning these events were most obvious and gained most attention in both literature and the news, this research will only focus on ambush activities around these two events.

### **Ambush Marketing Strategies**

Meenaghan (1996), Tripodi and Sutherland (2000) and Crompton (2004) identified a variety of legal ambush marketing strategies, which can be used by companies in order to create association with a sports event in the minds of consumers:

1) Sponsorship of the Broadcast of an Event: This occurs when television rights holders offer non-sponsors the right to be 'a proud sponsor of the, for example, FIFA World Cup 2010 broadcast'. The sponsor pays a rights fee to the broadcasting company, and not to the FIFA. This rights fee is likely to cost far less than sponsoring the event itself. The sponsor expects that consumers are unable to recognize this difference.

2) Purchasing Advertising Time in and around Event Broadcasts: For the FIFA World Cup 2010, Adidas was the official partner of this global event. However, Nike had endorsement contracts with the national teams of The Netherlands, Portugal and Brazil. During the breaks of the matches, Nike showed commercials with these national teams. Furthermore, Nike backed this "Write the Future" campaign with a major poster campaign. Research, conducted by the Nielsen Company in 2010, demonstrated that this campaign resulted them in being linked to the tournament more than any of the official sponsors.



3) Sponsoring Persons Instead of a Team or an Event : At the Sydney Olympic Games in 2000, Ian Thorpe dominated the swimming events in his home country. The official clothing supplier for the Australian Olympic Team was Nike, but Thorpe was sponsored by Adidas. At the medal presentations, Thorpe draped his towel over the Nike logo on his official team tracksuit. By doing this, Thorpe prevented to appear with a Nike tracksuit in the global media (Kendall and Curthoys, 2001). During the FIFA World Cup 2010, Nike sponsored several star players, like Cristiano Ronaldo from Portugal and Wayne Rooney from England, while Adidas was the official supplier.

4) Purchasing advertising space at locations that are in close proximity to the event venue During the FIFA World Cup 1998, Nike built a football village near the World Cup's main stadium in Paris. In this village, players of several national teams showed up to talk with supporters and press.

5) Thematic advertising and implied allusion One of the exclusive rights which sponsors derive from their sponsor fees, are the themes, symbols and images associated with the event. It is illegal for non-sponsors to use any of these symbols in their communication. However, advertisements and campaigns can be developed in such a way to give the impression that the company is officially related to the event. During the Olympic Winter Games in Vancouver in 2010, the Dutch energy company Essent sponsored the Dutch speed skater Sven Kramer. In their advertisements, Essent wishes Kramer lots of success during the Games. Furthermore, the company spoke about "Svencouver", which implied a direct link to the hosting city of the Olympic Games (van Ringelestijn, 2009).

6) Other ambush marketing strategies :- Ambushers can use other creative ambush marketing strategies to suggest involvement with a sports event such as: (1) advertisements wishing a team or player good luck, (2) giving away licensed souvenirs and free tickets to a sports event and (3) accidental ambush (created inadvertently by an event owner not being aware of the potential of third parties to innocently introduce competition).

### Counter Strategies

Although the practice of ambush marketing is sometimes regarded as being unethical, immoral and illegal, in most cases the ambushing marketing campaigns are not illegal by law. Some major ambushers even employ teams of lawyers themselves, in order to understand how far they can stretch the association without overstepping legal boundaries (Farrelly et al., 2005). According to Hartland and Skinner (2005) and Pitt et al. (2010) there currently are very few legal precedents with regard to ambush marketing, since ambush marketers operate in a 'grey zone'.

Event owners, like the IOC or FIFA, do not own Olympic athletes, so there will always be space left for ambushing activities. Furthermore Pitt et al. (2010) show that companies being ambushed should not undertake too much legal action against ambushing companies, since in most cases this will lead to a negative attitude towards the ambushed company itself. Because governments and legal systems do not protect event organisers and official sponsors sufficiently against ambush marketing activities, these parties themselves have developed a range of counter strategies to diminish the effects of it. Meenaghan (1994) and Lagae (2005) proposed a number of tactics in order to block ambush activities, which are considered to be a more efficient approach than taking legal action against ambushers:

**1) Using Unique Logos and Brand Names for Official Sponsors:** A clear exclusivity plan for partners makes it very difficult for ambushers to break the association between sponsor and sport. By means of the Olympic Insignia Protection Act 1987, the use of the Olympic rings and associated trademarks are protected. The FIFA tries to protect official sponsors via the FIFA Rights Protection Programme, and ensures that only official suppliers can make use of images of the official emblem, the official mascot and the FIFA World Cup trophy.

**2) Making Clear Exclusivity Agreements:** For the FIFA World Cup 2006 in Germany, MasterCard was one of the official sponsors. As part of its exclusivity agreement, the company became the official credit card for this event. As a result, people could only purchase tickets for this event with MasterCard, when they wished to pay by credit card (Hartland & Skinner, 2005).

**3) Forming a Sponsor's Protection Committee Directed by Competent Sports Lawyers:** Major event organisations like the IOC and the FIFA have developed their own protection programmes, in order to guarantee the integrity of rights granted to the event sponsors. The IOC composed a list of guidelines, which cities have to take into consideration when applying for being the host city of the Olympic Games. Furthermore, the IOC developed special 'hit squads', which are used to control ambush marketing activities at all Olympic venues (Meenaghan, 1996).

**4) Sponsoring both the Event and its Broadcast:** Event owners offer official sponsors the possibility to sponsor both the event and its broadcast. This prevents the ambushing strategy of sponsoring the broadcast of an event. Because an event





owner does not own all promotional opportunities, a sponsor always has to identify all other potential ways of competitive promotion and close them off (Meenaghan, 1996).

### Conclusion

There are arguments in favour of and against the concept of attaching the brand to an event which already sold sponsorship rights to the competitor. People prefer purchasing popular brands over the unknown ones, irrespective of ambush marketing done by the unknown brands. The people who prefer ambush marketing are mainly the youngsters. Television being an important factor in the purchase, ambush marketers have to focus more on this medium for implementing their ambush marketing strategies. In India the concept of Ambush Marketing is not very prominent among the sports enthusiasts. Ambush advertising is undoubtedly a necessary evil for media, business, the economy, consumers and capitalist businessmen. Healthy competition is necessary in a capitalist society, and hence Ambush advertising is welcome. But the way it functions these days, it has been reduced to a dirty game of mockery between brands and hardly affects the informed consumers' choices.

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