

# **SPORTS SPONSORSHIP EFFECTS: THE ROLE OF LOGO VISUAL FLUENCY AND SPONSOR-EVENT CONGRUENCE FOR AUDIENCE RECALL OF EVENT SPONSORS**

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## **ABSTRACT**

This study examined consumer recall of sports sponsorship using the brand logo as the salient cue indicating event sponsorship. Using a 2 x 2 post-test only between subjects design, the study examined how consumers responded to logos under different conceptual fluency and congruence levels. The results suggest that audience members are more likely to have a false recollection of the sponsor name under low conceptual fluency/low congruence conditions.

## **INTRODUCTION**

It's widely recognized that sponsorship has become one of the major tools in marketing. Sponsorship is regarded as one of "the most commonly utilized marketing strategies" [1, p.188] and perhaps can generate more "money than all media advertising combined" [10, p.59]. Broadly, the definition of sponsorship typically includes two activities, 1) the sponsor's provision of fees or in-kind support to a sponsee for the right to 2) link itself with the activity in order to achieve marketing and commercial purposes [2]. Cornwell et al. [3] coined the term *sponsorship linked-marketing* emphasizing the necessity of leveraging the sponsorship with other promotional activities.

Sports sponsorship garners the most attention for its being "one of the most legitimate and cost-effective modes of marketing communication" [6]. Sports sponsorship is considered the dominant sponsorship context with two-thirds of expenditures dedicated to sports teams, events, and players [4] [22]. Sponsors of sporting events often pay fees or provide in-kind support to have their logos and brand names posted at the scene [7]. By doing this, sponsors show their legitimate relationships with the event.

The match, fit or congruence between a sponsor and sponsored event or team is one factor that has been widely examined and thought to be a facilitator of sponsorship effects on consumers. However, brand logos, often the main visual cue communicating the sponsor's support, are an understudied component of the sports sponsorship context. Logos serve a communicative and representative function. How well and quickly people recognize and process a logo is called visual fluency [12]. It has been shown that when people are exposed to a high visual fluency logo, the logo is more readily recognized at a later exposure when compared to low fluency logos. Yet, what makes a logo attention-getting, memorable, and communicative about a brand is not well understood. How consumers perceive sponsor logos within the event sponsorship context, and the role of logos for the creation of congruence perceptions, or perhaps as moderators of congruence effects, has not been studied. The objective of the research is to understand logos as communicators of brand sponsorship. Using a 2 x 2 post-test only between subjects design, the effects of logo fluency and the match between the brand and the event are tested on consumer recall of the brand sponsorship.

## LITERATURE REVIEW

### Visual Fluency

In sponsorship marketing situations, companies usually use logos as stimuli to communicate their sponsorship to on-site and broadcast audiences. How quickly and accurately consumers recognize and process a logo is influenced by visual fluency. Visual fluency is “based on simple observation that the processing of any visual stimulus requires cognitive work” [24]. When a logo possesses high visual fluency, individuals process and recognize its meaning with greater automaticity, that is, faster and with more comprehension, than when exposed to a visual stimulus with low fluency. Visual fluency has been conceptualized as having two dimensions, conceptual and perceptual fluency. Conceptual fluency is a characteristic of a visual stimulus that influences the efficiency or automaticity of the cognitive processes that activate and associate relative concepts from memory when an individual is exposed to that stimulus [12] [24]. In the case of logos, people recognize the stimulus more readily and quickly and can have brand awareness, brand thoughts and other related schema activated when viewing the logo. This characteristic is not the same as familiarity. Conceptual fluency includes some mental operation when viewing a stimulus that would form a special trace in the mind that enhances the processing of the stimulus during the next exposure. Elaboration and repeated exposure can add more meanings and generates a somewhat deeper learning process to reinforce the stimulus in memory. Overall, conceptual fluency occurs schematically with encoded meaning and not just visual features. For the characteristic of conceptual fluency, it’s logical to speculate that highly conceptually fluent logos would generate greater recall of a brand’s sponsorship than logos with low conceptual fluency.

**H1:** Logos with low conceptual visual fluency will be more difficult to recall than logos with high conceptual visual fluency.

Perceptual fluency, on the other hand, is the ease with which people recognize a visual stimulus based on physical characteristics upon subsequent encounters [15] [20] [18]. Physical characteristics that enhance perceptual fluency include shape, brightness, figure-ground contrast, clarity, presentation duration, previous exposure, and laws of Gestalt psychology [24] [18] [20]. It is very difficult to partition perceptual fluency from familiarity and even more difficult to actually assess the perceptual fluency of a logo. Thus, only conceptual fluency was manipulated and studied in this research.

### Congruence in Sponsorship

Congruence has generated a great deal of research interest and has been shown to be a very important factor influencing recall and recognition of sponsors [3] [1]. Congruence is usually defined as the “fit” of the event and the sponsor [8] [17] [19]. The perception of “fit” between the sponsor and sporting event is based on a logical relationship and connections between the two [23]. This logical relation enables people to transfer the image of the event to the products, vice versa. There are two kinds of congruence or fit most often mentioned. According to [9], fit can be derived into functional or image dimensions. Functional congruence between a sponsor and sporting event is typically a function of the likelihood that sponsor’s products are actually used on the field. Image congruence, on the other hand, needs more time to become established in an individual’s mind. It is considered the perception that people “feel” the sponsor’s image is compatible with the sporting event. Trimble and Rifon [21] suggest

the differentiation of the consumer's acceptance of the sponsor/event/cause pairing from the nature of the match itself. They refer to consumer acceptance of the match as compatibility, and suggest that functional and image congruence can both influence compatibility. Since image congruence is comparatively hard to manipulate, this research will mainly focus on functional congruence. There are some researchers who argue that an incongruent match between the sponsor and events facilitates sponsor recall. Since low congruence is unexpected, it may trigger a "why is that" response and individuals, spend more time processing the link to rationalize the relationship between the sponsor and the event [11] [5]. As a result, people may have greater recall due to greater elaboration of the sponsor brand.

**H2:** High congruence between the sponsor and the event will result in lower levels of recall than low congruence.

**H3:** The effects of logo fluency will be moderated by the congruence between the sponsor and the event.

**H3a:** Under low congruence conditions, logos with high conceptual fluency will be easier to recall than logos with low conceptual fluency.

## METHODS

### Subjects and Design

Undergraduate students between the ages of 18-25 at a major Midwestern university participated in the study. Of the 177 participants, 51 were men and 126 were women. The study was a 2 X 2 post-test only, between subjects design. The dependent variable was the recall of the sponsor in the stimulus and the independent variables were congruence (high/low) and conceptual fluency (low/high). Familiarity with and attitude toward the team were covariates. Subjects in each condition saw the same stimulus presentation, but with a different logo imbedded in the presentation. The logos used were from companies that were all well known but varied in their fluency and match to a basketball event. Nike's swoosh logo was used for high conceptual fluency and high congruence; Target's red bullseye was used for high conceptual fluency and low congruence; Apple's Mac logo was used for low conceptual fluency and low congruence, and the Reebok logo was used for low conceptual fluency and high congruence.

### Data Collection and Stimulus Materials

A well-known member of the women's basketball team at the university presented a promotional message using powerpoint slides to introduce the women's basketball team and encourage the students to attend a game. Logos of fictitious sponsors were embedded in each powerpoint slide but without any explicit statement of sponsorship. Basketball was selected for its wide appeal and its high level of familiarity at the university. Women's basketball rather than men's basketball was selected due to the fact that men's basketball is overwhelming popular at the stimulus university, and their sponsors were more likely to be known than the sponsors of the men's team. After the presentation, participants completed the questionnaire and were told that they were helping to find new ways to promote women's basketball team to ensure the validity of the answers.

### Measures

As a manipulation check, congruence was measured using three nine-point semantic differential items (compatible/ not compatible, a good fit/ not a good fit, relevant/ not relevant). Familiarity with the basketball team was measured using one nine-point semantic differential item (familiar/ not familiar), and attitude toward the team was measured with three, nine-point semantic differential items (good/ bad, like/ dislike, and favorable/ unfavorable). The recall measure was open-ended item; subjects were asked to write down the sponsor name without any aid, and subjects were also asked to report their confidence in recalling the sponsor right applying five-point Likert scale.

## RESULTS

### Manipulation Check

The manipulation check controlled for attitude toward the team and sponsor familiarity using univariate analysis of covariance (ANCOVA). The congruence manipulation created significantly different perceptions of the match between sponsors and basketball team ( $F_{(1, 144)} = 5.212, p = .024$ ). However, the mean of high congruence condition ( $M=5.732$ ) and low congruence condition ( $M=5.198$ ) suggested that there was no low congruence level.

### Effects on Recall

A cross-tab analysis showed that recalls of the high conceptual fluency logos (Nike, Target: 36%) were significantly higher ( $p=0.002$ ) than low conceptual fluency ones (Reebok, MAC: 16%). In addition, low conceptual fluency conditions led to more incorrect recall (24.8%) than high conceptual conditions (7.7%) Thus, H1 was supported. A main effect of congruence on recall was found, but in the opposite direction hypothesized. Under the high congruence condition (Nike, Reebok: 29.0%), recalls of the logos were significantly higher ( $p<0.001$ ) than the low congruence condition (Target, MAC: 14.3%). Results also indicated the likelihood of recalling an incorrect sponsor under low congruence condition (35.7%) was higher than in than high congruence condition (14.3%) disconfirming H2. The interaction effect between congruence and conceptual fluency on recall is notable. In the high conceptual fluency condition, there was no significant difference in the accurate recall of the sponsor under high (30.3%) and low (28.3%) congruence conditions ( $p> 0.9$ ). However, we see that under the low congruence condition, fluency matters. There is a greater likelihood of a false or inaccurate sponsor recall and a lesser likelihood of correctly recalling the sponsor for low fluency logos (43.1%) when compared to high fluency logos (10.5%). Therefore, the results supported H3.

## DISCUSSION

Sports sponsorship and the academic study of its effects appear to be growing at an exponential rate. However, little is known about the role of logos for the communication of sponsorship and the creation of positive image effects. Logos, as visual cues, inject a complex set of variables into the sponsorship equation. While congruence or fit has been one of the more widely studied sponsorship cues, the ability of a logo to be noticed, clearly communicate and to be recalled has largely been ignored. The study presented in this paper suggests that logo characteristics should be more extensively studied. The in-depth interview results illustrate the value of logos to communicate about the brand. Consumers made inferences about product attributes based on logo visuals and sometimes they were accurate, but

other times they were not. Thus, conceptual fluency of a logo is essential for consumers to accurately comprehend brands. The quantitative findings confirm this.

The moderating influence of congruence on conceptual fluency effects on consumer recall is the highlight of the findings. Under the low conceptual fluency condition, people were more likely to inaccurately recall a sponsor and less likely to accurately recall the sponsor when exposed to a logo with low congruence with the sponsoring event. When exposed to low conceptual fluency logos, people in the high congruence condition reported that they did not remember the sponsor (66.7%) rather than recall the wrong sponsors (5.0%); on the other hand, people in the low congruence condition tended to “guess” and recalled the wrong sponsors (43.1%). A possible reason for this result might be that the low fluency low congruence condition offered very little trace memory of the corporate sponsor, and the participants were more likely to use brands that were already in memory. Thus, brands with larger market shares may be the benefactors of sponsorships by brands that have low fluency logos when sponsoring an event of low congruence with the brand.

This is the first study to put congruence and conceptual fluency together examining how those two factors can influence brand recall. Future studies should elaborate on this phenomenon and expand this area of study. Logos are an important branding tool and are central communicators in sponsorship. More study is needed using a wider range of logos, and with additional logo characteristics such as perceptual fluency. In addition, this study was limited to the apparel product category, future studies should examine this phenomenon for categories that are common and less involving such as soft drinks, and beer. Finally, future studies should examine other possible influential factors such as perceptual fluency, familiarity, and involvement to better understand in what condition people would more easily recall a logo. The study of logos in sports sponsorship is just nascent and warrants additional study.

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