

YARMOLYUK O., ZOLOTARYOVA A.

National university of physical education and sport of Ukraine

Analysis of the sponsorship activities of the organizing committee “Kiev city marathon-2014”

Abstract. Purpose: to share the experience of the marketing technologies application in the physical culture and sports sphere and to improve the commercial activities of sports organizations during the planning and holding the mass sporting events. **Material and Methods:** the basic forms and methods of the sponsor activities of the Organizing Committee of the competition “Kiev City Marathon-2014” were analyzed with system analysis, SWOT-analysis and sociological questioning (12 specialists from the Organizing Committee of “Kiev City Marathon-2014” and 95 visitors of the “Kiev City Marathon-2014” were questioned). **Results:** the best way for obtaining the sponsorship is to use the level-approach by the organizers, which means that all sponsors were divided on different levels and each one had certain privileges. It had resulted in appropriate sponsorship agreements. **Conclusions:** the results of research given in the article will enable professional sportsmen to most effectively search and work with the sponsors in the physical culture and sports sphere, as well as to introduce modern mechanisms of interaction between businesses and sport organizations.

Key words: sponsor, sponsor activity, organizing committee of track-and-field competitions, sponsorship agreement.

Introduction. In order to share the experience of the marketing technologies application in the physical culture and sports sphere and to improve the commercial activities of sports organizations during the planning and hosting the mass sporting events authors analyzed the main forms and methods of sponsor activity of the Organizing Committee (OC) of “Kiev City Marathon-2014”.

As to Artychevsky V.N., marketing in physical culture and sports sphere is the process of planning, price making, promotion and selling sports goods and services via exchange that satisfies as a producer (physical persons and organizations), so a consumer.

Prof. Guskov S.I. [2] supposes that sports marketing include marketing of sports goods, competitions and services. It consists of all ways of activity that responds to demands and necessities of sport consumers via exchange process. Author believes that it is necessary to define marketing of sport from marketing in sport. Any sport organization is involved in marketing of sport, and different industrial and commercial organizations use sport for their marketing activity.

Sport sponsorship is one of the main channel of marketing communications at all developed markets (foremost US and EU), which is characterized a high organization and attractiveness. The high level of developing of this direction could be seen in particular by the high level of institutionalization of the segment. Thus, there are definite sponsor associations which are involved in the information providing of sport sponsorship and help to monitor its efficiency; special research companies which produce the main product – the researches on effectiveness of sponsorship on the produced methodology; special editions on sport sponsorship in EU countries.

As to Sponsorship Research International, on the average the stake of sport sponsorship is about 6-7% in all advertising expenses in the EU market, and the US sport sponsorship’s market volume is more than \$13 billion in 2007 and \$48.6 billion in 2011 [16]. These figures are the evidence of the high level of developing and well segmenting of this market which is also characterized with variability of stakeholders and kinds of proposed services. Different aspects of sponsorship are described in scientific publications of foreign authors, such as Altuchov S., Beach J., Guskov S., Konwell T., Kusun V., Kutepov M., Michuda Yu., Chedvig S., etc.

As a result of analyzing the main literature sources we could find out that the usage of marketing communication tools is very important for the sport events organizers. It is also very crucial point for our country, but there is lack information in literature sources of the Ukrainian publishers.

The connection of the work with the scientific programs, plans, subjects. The work is performed within the implementation of the complex scientific project of NUPESU for 2011-2015 1.7 “Theoretic ground and

definition of forms and ways of the innovative technologies' implementation in sports management in Ukraine and foreign countries" (the state registration number is 0111U00719).

The aim of the research –to analyze the features of sponsor activity in the physical culture and sports sphere and to find out the most effective approaches to making of the sponsorship programs for Ukrainian sports organizations (on the example of the Organizing Committee "Kiev City Maraphon-2014").

Tasks of the research:

1. To define the features of the sponsor activity in sports field.
2. To analyze the main forms and methods of the sponsor activity of the OC "Kiev City Maraphon-2014".
3. To propose the recommendations for effective implementation of the marketing tools in sports sphere and for improvement of the commercial activity of sport organizations during planning and holding the mass sport events.

The material and the methods of the study.The following methods of research were used: analyses of scientific and methodological literature and Internet resources, system analyses, SWOT-analyses, social questioning, methods of mathematic statistics. The complex of general methods and particular methodology of implementing of the social-economical researches, system analysis of the Ukrainian and foreign experience of the usage of marketing tools in sport sphere was the theoretical basis of the research. Methods of the empiric level allowed getting the information about the forms and methods of the sponsor activity of the OC "Kiev City Maraphon-2014". Results of the SWOT-analysis allowed finding out the problem aspects of sponsor support of sport organizations and to propose the recommendations for optimization of the commercial activity of sport organizations during planning and organizing of the mass sport events.

The results of the study and their discussion. Modern sport society is characterized by appealing of new types and forms of sponsor activity which is the result of the satisfaction of increasing necessities of population as in various forms of motor activity, so in new types of spectacle services.

The organizing committees have to constantly take into account changes at goods and services' markets while organizing of the sport events at all levels (international, regional, local). They use marketing tools in their activity which stimulates the specialists for acquisition of new knowledge and practical skills in marketing field.

It is crucial to apply marketing approach in commercial oriented sports in certain social-economic conditions in Ukraine. As to Prof. Michuda Yu., it allows to create a competitive product offering that makes a profit via meeting the needs of people in training, health and spectacular services. However, this is further compounded by lacking of theoretical knowledge and summary of practical experience of marketing activity in sports field.

Sport event marketing system is generally mixed with four main elements, such as:

1. Product – the spectacular service (the type of sporting activity having as its objective the achieving of the special psycho-emotional state of a person and characterized with the feeling of empathy or aesthetic enjoying). The short-term and long-term aspects of the own competitive sport product (athletes/teams, related services, souvenirs etc.) and its demand are defined on the basis of the market research.

2. Price – the monetary value of the production, in particular, of the spectacular service. In accordance with the marketing strategy OC develops the various combinations of ticket selling for sport event taking into account different consumer types and the levels of their solvency. The higher level of the sport event, the higher cost of tickets.

3. Place– while organizing the commercially oriented sport events, a very important element of the marketing activity is to choose the sport facility or territory where this event will take place. It should facilitate all technical terms and also be convenient for spectators. Depending on the event program, it is necessary to think about the maintenance of premises and to zone the territory of sport complex for achieving the maximal economic profit.

4. Promotion (complex of marketing communications) – is one of the most important marketing elements for sharing the information about the outgoing sport event and attracting the spectators. This complex includes a lot of tools, such as public relations, advertising, sponsors involvement, etc.

Sponsorship could be as a support with some monetary funds (*financial sponsorship*), or support with certain goods or services that are necessary for holding the sport event (*product sponsorship*), or sharing the air-time in mass-media or traffic access in the electronic networks (*informational sponsorship*). Sponsorship is changed by the advertising during sport event. So, sponsors are interested in cooperation with OC during track-and-field marathons and crosses for sharing the information about their products among their potential

consumers – spectaculars of the event (*direct advertising*), or for brand expansion among the participants and viewers of the event or for creation of a brand positive choice (*brand advertising*).

Marathon, half-marathon and intermediate mass races could develop running culture as in Kyiv, so in Ukraine. These mass events are aimed at a broad audience. So any big company from various sectors of the economics (such as airlines, banks, telecommunication companies, retailers, sport brands, automobile manufacturers, etc.) could be a sponsor.

“Kyiv City Marathon-2014” was one of the large-scale events in Kyiv city life that had all necessary elements, such as advertising campaign, blocked racing circuit in the city center for 6 hours, marathon city with tents, professional medical assistance and a solid list of sponsors, among which “Wizz Air”, “Obolon”, “Asics”, “McDonalds”, “Rozetka”, “Jaffa”, “Sheriff”, “Kamelia”, “Boris” as a medical partner, TV channel “1+1”, newspaper “Vesti”, journal “Correspondent”, “MensHeals”, radio-stations “AutoRadio” and “ProstoRadio” as the informational partners are presented.

Based on the five-years work experience of hosting the marathon, company could agree for sponsor support in 1-2 years after the first meeting, if OC has maintaining the connection with representatives of the company.

It is crucial for OC to understand what benefits for future sponsors it could provide. Depending on the scale of the event, there are some benefits for sponsors, such as:

- 1) self-generated income (before, during and after the event);
- 2) advertising of a product/service;
- 3) creation of a brand positive choice (via mass media, cover sponsorship) [1].

For example, sponsors providing OC with catering or clothing will gain more profit from 1 and 2 above-mentioned positions rather than from creation of a brand choice. Companies involved in selling goods for everyday life will be interested in brand promotion or in creation of a brand positive choice within their potential buyers for the growth of sales. No matter which of these benefits a sponsor is looking for most companies will be willing to provide sponsorship if the opportunity to meet their goals and recover their costs is presented clearly and properly.

As a result of our investigations, the amount of sponsor support has to conform to the scale of the event. Regardless of the desire and readiness of the potential sponsors to provide a support, the benefit has to considerably exceed the investments into the event. Sponsor put into the whole amount of sponsoring support the costs of all goods (services), logistics, personnel and administrative expenses concerning this event. Goods given by the sponsor are usually evaluated with the amount that can be obtained from selling them.

There is one more important aspect which should be taken into account while cooperating with potential sponsors – the audience of the event (participants and viewers). The more participants take part into the event, the greater interest it will gain in sponsors, and as a result the bigger sponsor support can be received by the OC. Thus, having analyzed the “Kyiv City Marathon-2014” participants’ list, we can see the following structure: the average age of a participant is 36 years old, it varies from 19 to 53 years old, in particular 34% - 16-24 years old participants, 66% - 25-45 years old participants, among them 73% are men and 27% are women. As to professional occupation, 41% of the participants – students, 27% - middle managers, 32% - top managers and self-employed. Audience was more than 3000 registered participants.

The main reasons for participating into the “Kyiv City Marathon-2014” were the following:

- “run for myself” (70% of answers);
- “run for fun”, “my friends run and me either” (12%);
- professional interest, “the result is important” (5%).

It could be find out that 87% of participants of the event was convinced that holding such competitions may help to involve population into the regular sport activity. The main tasks for mass sport events are the advertising of the sport disciplines and promoting healthy lifestyles (as to 74% of the respondents), the recreation of population (12%), the leisure organization of citizens (11%) and the finding out and support top athletes (3%).

As a result of questioning the 95 visitors of the “Kiev City Marathon-2014” the interest to sport of the Kyivites is generally mass medial (see Table 1). Sport fans choose TV or Internet, but not a newspaper as an informational source from the mass media, though the analytic quality of the sport newspapers nowadays is much higher than previous publicity and new TV channels.

Table 1

What sport events or shows have you attend or watch?
(in percentage from the number of questioning visitors)

Answer	Attend during the last 12 month	Watch regularly on TV
Soccer	8	29
Figure skating	0	3
Hockey	0	17
Gymnastics	0	6
Track-and-field	60	8
Swimming	12	2
Car races	0	6
Cycling races	7	15
Box	0	21

Also the Kyivites have been questioned to determine the conditions for involving the citizens to attend the sport events held in Kyiv or its districts. The respondents were asked question “What can attract you as a visitor or fun at sport event?” and had a possibility to choose some variants of the proposed answers (see Table 2).

Table 2

What can attract you as a visitor or fun at sport event?
(in percentage from the number of questioning visitors)

Close location of the sport event	56
Free transportation to the sport event location	34
Advertising campaign or lottery holding among the visitors	5
Spectator value of the event	60
Participation of the famous persons or athletes in the Opening or Closing ceremonies	57
Low ticket costs	25
Free sport souvenirs (t-shirts, hats, toys, etc.)	50
Free catering	4
Possibility to share the sport fans' ideals	10

So, the main condition for involving themselves to attend the sport events is the spectator value of the event for the most respondents (60%). The preferences in “Participation of the famous persons or athletes in the Opening or Closing ceremonies” and “Close location of the sport event” were fairly equally divided (57% and 56% accordingly).

Almost a half of the questioned visitors were motivated with granting free sport souvenirs (t-shirts, hats, toys, etc.), and 34% of the questioned visitors choose the free transportation service to visit the sport event.

Having analyzed the commercial activity of the OC of the “Kiev City Marathon-2014”, the following forms of sport sponsorship could be determined:

1) Monetary sponsorship. The title sponsor of the “Kiev City Marathon-2014” was air company “Wizz Air”. And the name of the marathon changed for “Wizz Air Kiev City Marathon-2014”. The value of sponsor package was € 50 000, that was about 60% of total budget.

2) Media support. Mass media support is one of the strongest tools of a sponsor activity. It could promote the appearance of new sponsors and provide the wide publicity of the events. Media support is an exclusive agreement with special information channel for advertising of the event. This advertising will be welcomed by other sponsors. In 2014 OC of the “Kiev City Marathon-2014” signed the sponsorship and partnership agreements with 31 media resources.

3) Sponsor support in the form of clothing. Sponsor companies from clothing industry are “the easiest” sponsors as a rule. These organizations would prefer to put their logo not only at printed advertising banners, but also at athletes' clothing for making the deepest effect of their advertising campaign.

1500 “Asics” branded t-shirts were presented to the first who registered for marathon, half-marathon and 10-km distance race at the “Kiev City Marathon-2014”. In total more than 3000 participants took part in the

event.

4) Sponsor support in the form of catering. In some cases the catering could be the most expensive in the event budget. One of the best ways of solving this problem is to invite catering company as a sponsor. Water is one of the vital thing as for every-day life, so during the marathon racing. It would be desirable for the OC to have a sponsor from water-supplying industry that could provide athletes with unbottled water during the racing and with bottled water at the finish.

For example, the part of sponsor support of TM "Prosora" from "Obolon" was given with the wholesale price for water in the "Kiev City Marathon-2014". Thus, buying the product the OC increases the volume of sales of the water-supplying company "Obolon". Also TM "Jaffa" was involved in this process by presenting of 0.5 l packages of juice to every participant who finishes the race. One of the most popular milk-food companies "Danon" made a gift for all children participating in youth races. Fruits and nuts that are necessary for athletes during the race distance were bought by budget funds, because of the absence of the partner from networks of catering supermarkets.

5) Sponsor support in the form of logistics. This kind of sponsor support is the great field for imagination of a marketer. It could be as tent equipment, constructions for racing roots, sanitary and cleaning facilities, medical care, policing during the marathon.

As a usual several organization are involved in this type of support announced with outdoor publicity near the main event constructions, such as marathon's tent city, medical care tents, etc.

6) Sponsor support in the form of housing. Every sport event is needed in some accommodations for participants and guests. For example, the "Radisson Blue" hotel in the Podol district that is close to marathon city offered a 20% discount for participants of the "Kiev City Marathon-2014". Also the conference hall of the "Radisson Blue" hotel provided a space for press-conferences of the OC.

Thereby, sponsors and partners which cooperated with the OC of the "Kiev City Marathon-2014" had the following benefits:

- **Use the participant's package for own advertising campaign.** 3000 registered participants got the package with products and promo materials given by sponsors and partners. The package included the event program, branded t-shirt, start number, chip, backpack.

- **Advertising materials in printed and electronic forms.** The official web-site attendance was over 10000 clicks during 3-month period before the event. So sharing the information about the marathon and sponsors' events at web-site and in printed materials was such a good advertising

- **The prizes for winners.** The absolute winners (6 athletes), winners in different age categories (120 participants) and youth winners (24 children) were awarded with sponsors' gifts.

- **The right to name one of the race distance.** One of the example is "PerwollSport&Active energy run". The name of the race was printed at the start number of the participant and at the finish strip.

- **Advertising at the official web-site of the event.** The level of the General sponsor allowed to put the logo with promo information about the sponsor company at the title page of event's web-site and to share the link to this information from other web-site pages.

- **Advertising in the printed materials.** The level of the General sponsor allowed to publish the information about the sponsor company (with logo) at the title and back sides of printed materials (such as event program, etc.), and also to include the sponsor's promo prospect into a participant's package.

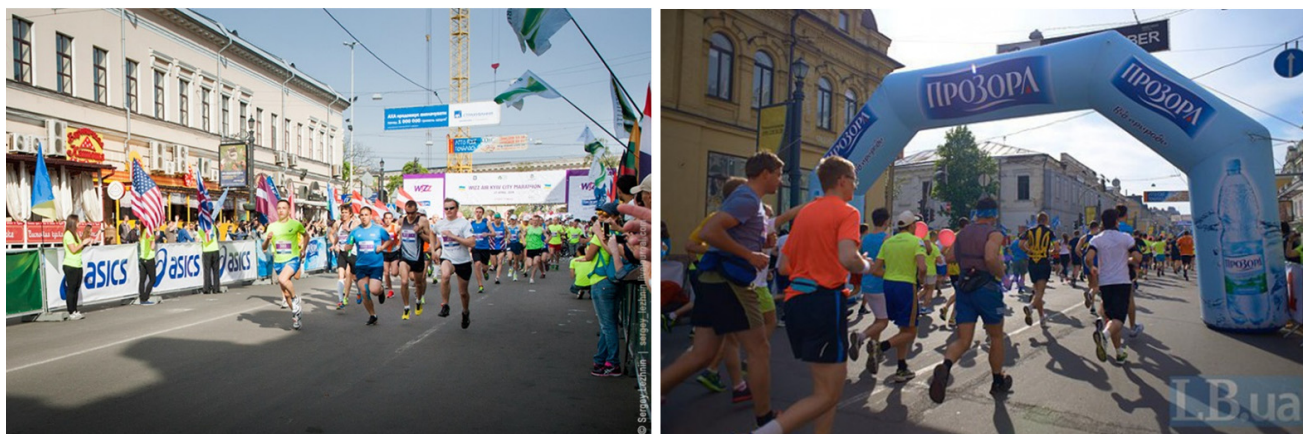
- **Product promo-stands.** As a result of questioning of 12 specialists from the Organizing Committee of "Kiev City Marathon-2014", the event was very successful for making promo-actions and demonstration the sponsors' products during the event. The high involvement of the participants and visitors in this campaign was noticed.

- **Placing the banners for the event.** Kontractovaploscha being a historical heart of Kyiv city was chosen as a place for organizing the "Kiev City Marathon-2014". The banners with sponsor information at the enclosing structures for racing roots and inflatable constructions were installed (see Picture 1).

- **Branded t-shirts for volunteers.** Each volunteer, participated in the "Kiev City Marathon-2014", was presented a branded t-shirt. The volunteer team consists of 150 members.

- **Support of the organizer's team.** Wearing the same cloth, for example tracksuits, allows the marathon organizer's team to stand out from other athletes. The sponsorship contribution helped to cover jersey production costs with the logo that provided a lasting marketing presence over whole event and

beyond.



Pic.1. Placing the sponsors' banners for "Kiev City Marathon-2014"

The questioning of the participants of the "Kiev City Marathon-2014" and analyzing of the sponsorship allowed not only to collect the statistic facts, but to conduct SWOT-analysis. As to results, the main strong points are the following:

- the massive scale of the event;
- support of the event by Kyiv city administration;
- participation of the athletes from different cities and countries;
- souvenir and awards;
- catering for participants.

The main weak points are the following:

- complicated process of the registration on the web-site;
- not so well coordinated work of the controllers and volunteers at the race distance;
- absence of the seats for visitors.

Participants of the event, runners, healthy life-style people and visitors of the mass events such as "Kiev City Marathon-2014" consider the creation of the club/school/organization for communication of the like-minded people and for teaching the techniques of running to be very important for engaging different categories of population for systematic sport activity and healthy life-style.

The questioning of the visitors of the events showed that Kyivites are interested in visiting of such events like "Kiev City Marathon-2014". The analysis of the participants' list of the marathons for the last 3 years showed that the number of foreign athletes which took part in the event was also grown up. In perspective our capital became more attractive for tourists and we could position like one-of-running countries.

The organization of the webcast of the marathon allows to draw attention of the fans, friend of the athletes and their relatives and to wider the target audience for sponsors.

Big popularity of the "Kiev City Marathon-2014" and continuously growing number of participants give a great opportunity for sponsors to higher the brand awareness and target audience for increasing of the sales.

Proceeding from above noted, we have an opportunity to draw the following **conclusions**:

- "Kiev City Marathon-2014" was organized at a high professional level using marketing technologies which had resulted in the increasing of the popularity of healthy life-style and the attracting the general public to the running culture;

- 23 sponsors and partners from different economic sectors cooperated with OC, also 31 media sponsor agreements were signed;

- the best way for obtaining the sponsorship is to use the level-approach by the organizers, which means that all sponsors were divided on different levels (title sponsor, general sponsor, media patronage, etc.) and each one had certain privileges. It had resulted in inappropriate sponsorship agreements. The air company "Wizz Air" was a title sponsor with the highest benefits. The amount of its sponsor package was €50 000, which was over 60% of total sponsorship budget.

The prospect of the subsequent researches. The further searching of new methods and approaches to sport sponsorship is going to be continued, so as the improvement of the marketing activity of sport organizations in planning and hosting the mass sport events.

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Olena Yarmolyuk: PhD (Physical Education and Sport); National University of Physical Education and Sport of Ukraine: Fizkultury st. 1, Kyiv, 03680, Ukraine.

ORCID.ORG/0000-0002-1786-4759

E-mail: olena_yarmolyuk@ukr.net

Anna Zolotaryova: National University of Physical Education and Sport of Ukraine: Fizkultury st. 1, Kyiv, 03680, Ukraine.

E-mail: olena_yarmolyuk@ukr.net