Defending the Co-Branding Benefits of Sponsorship B2B Partnerships: The Case of Ambush Marketing

This global study analyzes ambush marketing from the perspective of the sponsor and sport entity as partners in a business-to-business relationship. While it remains a real threat to the strategic co-branding objectives sought from the relationship, ambush is not necessarily as dangerous to sponsors as it has been in the past. Sponsors can use ambushers' attacks to their advantage by drawing attention to issues of legitimacy, by enhancing brand or corporate authenticity, and by appealing to consumers increasingly wary of disingenuous brands. Our findings confirm the potential to approach the sponsorship relationship as a co-marketing alliance to optimize co-branding objectives and to negate the effects of ambush.

As THE 2006 WINTER OLYMPICS fast approach, and as athletes work to attain their scientifically scheduled peak physical form, corporate sponsors are gearing up for a different battle. Having invested in the Games and tied their brand strategy to the Olympic theme, they must now guard jealously this positioning in the face of “ambushers”—direct competitors striving to catch an illicit ride on the Olympic wave by deceiving or confusing consumers into believing they too are official sponsors.

Long regarded as merely one among a battery of available marketing communication tools, sponsorship is now a powerful vehicle used by major organizations the world over to build brand value. In the process, it has become the foundation of dynamic business-to-business (B2B) relationships built on the premise that the brand of the sponsor and that of the sport or event it is associated with can be both successfully and synergistically enhanced over time (Stipp and Schiavone, 1996). In short, sponsorship has become a strategic vehicle for co-branding partnerships (Cliffe and Motion, 2005) with evidence of great success: Adidas' strengthened association with World Cup soccer has been widely credited with significantly contributing to the brand’s market share increases, from 2 percent to 5 percent, in just four years (Keller, 1999). However, while strategic partnerships are increasingly important tools of competitive strategies, they also present significant challenges, with research suggesting failure rates of close to 50 percent (Inkpen and Ross, 2001). For instance, despite the obvious advantages of sponsorship as a co-branding partnership, including the ability to set up exclusive agreements that are rare or impossible in other contexts, sponsorship suffers specific threats, not least as a result of efforts by ambush marketers.

That sports marketing is now one of the biggest business games in town is not under dispute. Recent figures demonstrate the growth and significance of sponsorship budgets around the world. For example, Table 1 shows the price tags of various sports sponsorship agreements. Given the magnitude of these expenditures, that little exists in the way of guidance about how to secure and protect sponsorship value is perplexing. Moreover, given the strategic significance of the long-term co-branding efforts undertaken by both sponsors and sport or event properties, it is somewhat surprising that so little analysis has examined the impact of ambush marketing nor elaborated possible responses to such a threat.

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TABLE 1
Rights Fees for Sponsorship

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>Sport</th>
<th>Rights Fees#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiat</td>
<td>Turin 2006 Winter Olympics</td>
<td>$52 million</td>
</tr>
<tr>
<td>Hellenic Telecommunications</td>
<td>Athens 2004 Olympics</td>
<td>$71 million (50% cash: 50% services)</td>
</tr>
<tr>
<td>Gillette</td>
<td>FIFA 2002 World Cup (Korea/ Japan)</td>
<td>$40 million</td>
</tr>
<tr>
<td>Shell</td>
<td>Ferrari: Formula 1 Grand Prix</td>
<td>$36 million (per annum)</td>
</tr>
<tr>
<td>Coors</td>
<td>NFL</td>
<td>$60 million (5 years)</td>
</tr>
<tr>
<td>Hyundai</td>
<td>EUFA Cup 2004</td>
<td>$27 million</td>
</tr>
<tr>
<td>Anheuser-Busch</td>
<td>Salt Lake City 2002 Winter Olympics</td>
<td>$50 million</td>
</tr>
<tr>
<td>Foster’s Brewing</td>
<td>Formula 1 Grand Prix</td>
<td>$14 million (per annum)</td>
</tr>
<tr>
<td>Nike</td>
<td>Manchester United</td>
<td>$500 million (13 years)</td>
</tr>
</tbody>
</table>

#Estimates from media sources

Despite the best efforts of the International Olympic Committee and other major sports properties across the globe, ambush marketing has plagued the area of sponsorship for close to 15 years. Once described as a threat to corporate sponsorship (Meenaghan, 1996), ambush marketing was first coined by Bayless (1988) to describe the false association by a company not sponsoring an event with a view to derive similar benefits as official sponsors do. Early examples of this questionable strategy include Wendy’s appropriation of the Lillehammer Winter Games at the expense of McDonald’s, American Express’s efforts to outshine official Olympic sponsor Visa, Quality Inn’s ambushing of Hilton, as well as Nike’s attempt to appropriate the 1996 Atlanta Olympic Games from official sponsor Reebok. The Olympics are on a truly global stage and thus provide an ideal target for many ambushers. However, this type of activity is not confined to the Olympics. Incidents of ambush have occurred at many major events ranging from World Cup and European soccer championships, tennis including Wimbledon, and across a broad range of sports such as rugby, cricket, cycling, and numerous others (Murphy and Dignam, 2002). On a global scale, ambush marketing has been most prevalent in the beverage (e.g., Coca-Cola and Pepsi), credit card (e.g., American Express, MasterCard, and Visa), fast-food (e.g., Burger King, McDonald’s, and Wendy’s), and sports apparel (e.g., Adidas, Nike, and Reebok) industries. In all cases, ambushers have aimed to enhance their own brand equity, at the expense of official sponsors, by illegitimately associating their name with the positive brand equity of the target sport or event.

Clearly, media exposure, exclusive naming rights, legal clauses, and policing of breaches may help protect the sponsors’ position and expected brand equity gains. However, the degree of protection is neither comprehensive nor assured. Other than the more obvious breaches of copyright or trademark, legal action (or the threat of legal action) has been a limited deterrent when stacked against the ambusher’s potential gain. Furthermore, there is no clear evidence as to why consumers incorrectly identify sponsors of major events—although it is known that consumers heavily involved in the event stand a greater chance to be confused about who is the sponsor (Walliser, 1994), particularly when the ambusher is a market leader or a highly visible competitor (Lardinois and Quester, 2001).

[A]mbushers have aimed to enhance their own brand equity, at the expense of official sponsors, by illegitimately associating their name with the positive brand equity of the target sport or event.
The confusion may arise from the complexity of sponsorship agreements and the increased layering of sport-related assets, whereby athletes, teams, sports, the event, events within the event, and various elements of its broadcast programming may all be sponsored by different companies. This complexity makes the sponsors’ task of extracting value decidedly more difficult. This is further exacerbated when ambush is part of the equation.

The field research reported here sought a better understanding of ambush marketing from the perspective of both legitimate parties (sponsor and property) in the sponsorship partnership, particularly in the context of the strategic co-branding objectives that sponsors and properties (to a lesser extent) seek to achieve. (The term “property” used here is commonly used to describe any organization (e.g., the NFL or Manchester United), event (e.g., Super Bowl or Soccer World Cup), or athlete (e.g., Tiger Woods or David Beckham), that a sponsor invests in as part of its marketing and communications strategy.)

In particular, we sought to clarify how ambush marketing was perceived and, most importantly, to identify its strategic implications. The findings, and our reflections, highlight that while still a real threat, ambush may not necessarily be as dangerous to legitimate sponsors as in the past. In fact, market-driven sponsors may even use ambushers’ attacks to their advantage by drawing attention to issues of legitimacy, by enhancing perceptions of their brand or corporate authenticity, and by appealing to consumers increasingly wary of “fake” or disingenuous brands. Our findings also confirm the potential for sponsors and properties to form purposeful co-marketing alliances to optimize sponsorship outcomes and prevent ambush and, in doing so, secure and protect the brand value derived from the investment.

**RESEARCH METHOD**

To investigate this and other issues, 20 in-depth interviews were undertaken with many of the most knowledgeable sponsorship professionals in the world. (The study spans four continents.) These individuals are, or recently have been, key executives for many of the world’s largest sponsors and properties (see participant list in Table 2). The study broadly investigated the use of sports sponsorship as a means to build brand value. Here we focus on those aspects of the research dealing with securing and protecting the relationship from ambush and related strategic implications for brand equity. This research is, to the authors’ knowledge, the most comprehensive of its kind conducted to date.

Having secured the participation of these world experts, the research team developed an interview protocol to ensure that interviews followed a similar structure on all continents while at the same time allowing for the free flow of ideas that characterizes qualitative research of this type. Moreover, one of the researchers conducted four of the interviews reported in this article in French, her native tongue.

Members of our research team interviewed the expert participants for between 60 to 90 minutes each. Transcripts were then derived from these taped interviews, and key themes were identified. The French interviews were first transcribed in French and subsequently analyzed and coded in the original language to avoid any issues arising from inaccurate translation before being merged with the other English language interviews by the native speaker. As noted, this article reports the findings of the study in relation to only one of the key themes identified in our analysis, namely, ambush marketing and its impact on the sponsorship partnership. The content of this article reflects the collective view of the participants in relation to the issue of ambush and involves the interpretation of the authors, who have researched and practiced in the field for many years.

**WHAT EXACTLY CONSTITUTES AMBUSH MARKETING?**

Despite Bayless’s simple, unambiguous definition, ambush marketing is now a term overly used to cover a multitude of sins. While all our respondents are acutely aware of ambush marketing, these expert practitioners categorize it as a “grey area.” They found it difficult, for example, to paint with the same brush the direct and wanton misappropriation of an event by a nonsponsor and the more legitimate actions of a team or athlete sponsor who may “push the envelope” and try to associate itself with the event. While the risk for confusion in the latter case is clear, it is also foreseeable and so presumably can be dealt with in advance through careful negotiation of the terms of the sponsorship and full appraisal of its value and contribution to the sponsor’s brand.

Our respondents defined ambush as a quasi-parasitic appropriation of the brand value of an event by competitors who time a purposeful use of the sport theme during and around the event they seek to ambush. Interestingly, our panel of experts did not consider the regular use of sport imagery by nonsponsors as blatant or unethical. On the other hand, if competitors time their communication strategy in such a way that the sport theme is used particularly during or around the event, then the intent is clearly to “steal the show” and hence, this tactic constitutes ambush.

However, the multilevel complexity of sponsorship, particularly the potential of sponsorship deals for individual athletes, teams, a league (or cluster of related events, for example NASCAR), an event (e.g., World Cup), and the telecast of that event,
TABLE 2
The Participants

<table>
<thead>
<tr>
<th>Respondent Title</th>
<th>Organization</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>VP, Global Sponsorship Marketing</td>
<td>Visa</td>
<td>United States</td>
</tr>
<tr>
<td>Director of Global Broadcast and Media Rights</td>
<td>IOC</td>
<td>Switzerland</td>
</tr>
<tr>
<td>CEO</td>
<td>ATP Tour</td>
<td>United States</td>
</tr>
<tr>
<td>VP, Global Sponsorships and Event Marketing</td>
<td>MasterCard International</td>
<td>United States</td>
</tr>
<tr>
<td>President</td>
<td>IMG Pacific</td>
<td>Hong Kong/China</td>
</tr>
<tr>
<td>Marketing Director</td>
<td>Manchester United</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Brand Director, Asia Pacific</td>
<td>Nike</td>
<td>United States</td>
</tr>
<tr>
<td>VP and Managing Director</td>
<td>NBA Asia</td>
<td>Hong Kong/China</td>
</tr>
<tr>
<td>Marketing Director</td>
<td>The Football Association</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Commercial Director</td>
<td>The Rugby Football Union</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>GM, Company Communications and Sponsorship</td>
<td>Vodafone</td>
<td>New Zealand</td>
</tr>
<tr>
<td>General Manager Sales and Commercial</td>
<td>2006 Commonwealth Games</td>
<td>Australia</td>
</tr>
<tr>
<td>Former Marketing Director</td>
<td>FIFA Marketing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Director</td>
<td>T.E.A.M</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Director</td>
<td>Sponsoring Federation Francaise de Tennis (Roland Garros)</td>
<td>France</td>
</tr>
<tr>
<td>Director Communication</td>
<td>Credit Lyonnais</td>
<td>France</td>
</tr>
<tr>
<td>Former Marketing Director</td>
<td>FIFA</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Marketing Director</td>
<td>ASO (Tour de France organizing body)</td>
<td>France</td>
</tr>
<tr>
<td>Director of Event and Sponsorship</td>
<td>BNP Paribas (sponsors of tennis)</td>
<td>France</td>
</tr>
<tr>
<td>VP, Worldwide Sports, Entertainment and Licensing</td>
<td>Coca-Cola</td>
<td>United States</td>
</tr>
</tbody>
</table>

It makes this distinction a subtle and at times invisible one. Determining that a competitor should not use particular words or visuals may be easy enough—for example the Olympic rings, symbol, and motto, and a class of “protected Olympic words and expressions” such as Olympic Games, Olympic, Olympiad, and their plurals. And, rightly or wrongly, it has also been possible to impose even greater protection, as when Qantas, an official sponsor of Australian stars Ian Thorpe and Cathy Freeman, was precluded from advertising this fact in 2000, because Ansett Airlines (its now defunct Australian competitor) had signed a sponsorship agreement with the Sydney 2000 Games. But ultimately, a sport property cannot claim to own (or be able to bestow on its sponsor) the generic value associated with a sport. As a result, there will always be an opportunity for some degree of ambush to occur, as one of our property respondents readily acknowledged, “FIFA does not and will never own soccer or all the thematic space around it.”

TRENDS IN AMBUSH MARKETING
Sponsorship professionals may ponder the boundaries of ambush but they are in no doubt about one thing: ambushers are getting smarter. Despite legal restrictions and increasingly tight controls imposed by properties, governments, and the sponsors themselves, competitors determined to create a false association between an event and their product or brand are now capable of doing so without infringing or breaching trademark or intellectual property laws.
[T]here will always be an opportunity for some degree of ambush to occur . . .

Some major ambushers employ teams of lawyers themselves to understand just how far they can stretch the association without overstepping legal boundaries. Other less overt ambush strategies (which some do not even consider to be ambush) can significantly diminish the return for the sponsor. These include nonsponsors developing long-term plans incorporating, among other things, the ongoing promotion of athletic themes and images far in advance of the event itself, but with the event and related sponsor activity squarely in their sights. Or alternatively, it might involve endorsement contracts with young talents thought likely to compete and succeed at leading sports events in the future.

Many of the sponsors we interviewed have tried to match ambushers’ increasing sophistication and maximize their own investment by building their long-term marketing strategies around the sponsorship investment (Cornwell, 1995). Perhaps not surprisingly, major brands such as Budweiser now devote the lion’s share of their total communication spending to sponsorship and related promotional activities.

A related response has been to avoid the fragmentation of sponsorship budgets by securing fewer, higher impact exclusive sponsorship arrangements rather than playing second fiddle in a long list of deals. As one sponsor noted, “it is vital that properties and sponsors realise that when we talk of major sponsorship deals involving long-term corporate branding objectives, it is only possible for sponsors to extract optimal value if they are one of a few branding themes connected with the sport, rather than one in a sea of many that ultimately don’t resonate.” It is no coincidence that major events are now encouraging fewer but bigger sponsorships: following the trail of the Olympic TOP Sponsor program, most big sports events have restructured and customized their sponsorships in an attempt to offer more value and protection to a smaller number of sponsors willing to invest larger sums.

A smaller number of larger strategic agreements can also be very attractive to sponsors because they can construct a web of legal and relational links between themselves and the property as a way to protect the sponsor investment better. Moreover, a smaller number of relationships increase the capacity for sponsorship counterparts to forge closer, trust-rich relationships that in turn produce mutually beneficial outcomes: the sponsor can confidently build a strategic brand platform around the event knowing that the property partner has the sponsor’s best interests at heart, and the property consequently will enjoy ongoing rights revenue.

A recurrent theme in the responses by our experts was that a longer term view is necessary and that value should be created and protected in a mutually beneficial manner. This suggests that more opportunistic, or even exploitative, sponsorship behaviors are well and truly over, replaced by the need for strategic and collaborative partnering where the brands of both parties are strengthened by the association. Indeed, this point was not lost on our property respondents. Several, when describing their efforts to deter ambushers, referred to the infringement in relation to their own brand as much as those of their sponsors. As one property executive stated, “sponsorship relationships are now of such financial and strategic import and magnitude that potential threats, and for that matter opportunities, must be considered in the context of both brands at all times and on all levels.”

At the same time that sponsors and properties are becoming more sophisticated in their views of ambush, our respondents confirmed that consumers too are more aware of ambush practices and wiser to ambush marketers’ tactics. Notwithstanding the chance of genuine mistake (the “incidental ambush” uncovered by some previous studies, e.g., Quester, 1997), it seems that sponsors can rely on savvy and sophisticated audiences increasingly indignant toward the deception ambushers seek to propagate. One sponsor made the point that “consumers are far more astute and aware than in the past; less and less will they be deceived by the actions of ambushers . . . they will increasingly see these attempts as a cheap shot, and increasingly view brands that adopt such a strategy in a negative light.”

Many sponsors and properties still employ what we term “name and shame” as a means to regain consumers’ support and to undermine ambushers. In the aforementioned campaign by Wendy’s to feign a sponsor role, Olympic officials were quick to appear in front of the media to denounce such practices, pointing the finger at Wendy’s and calling upon consumers to see through their attempt. However, sponsors may not need to resort to such tactics in the future if their alignment is so effective as to create the impression they have the absolute right to be a part of the cultural space generated by the sport and the event. In this scenario, the ambusher may actually magnify, rather than harm, the sponsors’ position.
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The recent explosion of the internet in consumer markets has also created an area of considerable concern for sponsorship professionals. According to our experts, the internet is an environment ripe for an upsurge in ambush activity. Given ambushers' sophistication in other areas, few of our respondents had any doubt that incidences of ambush will increase in cyberspace. Of particular concern is the ability of ambushers to "hide and seek in cyberspace, to capitalize on different national legislations, and to exploit the lack of unified law or enforcement entity that could deter such action." To date, the internet is also fertile ground for guerrilla-style assaults that leave sponsors with little or no recourse to set the record straight. It also presents an environment where any smaller competitor located anywhere in cyberspace is a potential ambusher!

WHO IS THY SPONSOR'S (BRAND VALUE) KEEPER?
The issue of who is responsible for protecting the sponsorship is one that enjoyed a fair amount of consensus among our world experts. To provide value for their sponsor, properties must be at the front line, fending off ambushers by all possible means at their disposal, be it law enforcement, provision of exclusive and naming rights, or even by their deliberate exclusion of sponsors' competitors at any other level of the sponsorship to avoid possible confusion.

Effective and proactive protection against offenders is seen by many properties (and their sponsors) as one tangible way of delivering value to a sponsor who has typically invested large sums in the expectation of some form of positive impact in the marketplace. As a result, some properties use their determined and energetic treatment of ambushers as a way of demonstrating the additional value they bring to the partnership. Most properties, for example, will take steps to prevent even the slightest digressions in and around the sport arena and will act mercilessly to stamp out any attempt by ambushers to steal the light away from the official sponsors. Efforts to reduce the number of sponsors and to make them bona fide partners for the long term is one strategy used by properties to enhance their capacity to defend sponsor entitlements. Increasingly, the promise by the property to the sponsor is one of value creation and mutually beneficial relationship. One property respondent illustrated this, pointing out the need to use "property partner created value" as well as more conventional evaluation measures when assessing the worth of a sponsorship.

The prominent "protector" role ascribed by sponsors to properties in the battle against ambushers needs to be complemented with what is now a well-established rule: sponsors must actively leverage their role with meaningful marketing communication if they are to maximize their investment. Obviously, to be effective with target audiences, sponsorship must first be known. Even the best event will not deliver much to sponsors who do not promote their involvement. Thus, activation aimed at reinforcing the association between sponsor and property.

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LEGITIMACY—A KEY TO SECURING BRAND VALUE FROM THE SPONSORSHIP PARTNERSHIP
When discussing ambush, issues of legitimacy, while not explicitly stated, were often close to the surface. Are ambush marketers' efforts justifiable? Do consumers perceive them in a negative light when they become aware of these practices? Can sponsors really claim exclusivity for events or is the association they create spurious and, therefore, open to any competitor willing to emulate them?

Herein lies a crucial insight into the ambush predicament and what we think should be a sponsorship imperative. Evidence has shown that sponsors who continue to secure handsome benefits from their investments are those that can convince and capitalize upon the legitimacy.
of their association with the event. While some degree of legitimacy may come from having "paid for the right," the reality is that it stems mostly from a credible association with an offering (sport) that is rarely, if ever, questioned by the target audience. Sports events have a natural cultural fit with target consumers, and sponsors need to establish a position that is complementary to, or congruent with, this space.

While some may on occasion debate the purity or fairness of certain sporting events, their existence and enduring nature is seldom a matter for question. The overriding sentiment is a love of competition spawning an extremely stable, strong, and often life-long connection that binds people together. Sponsors who are quick to recognize this may enjoy first-mover opportunity to infuse their messages and brands with emotion, acceptance, and authenticity. Those who can build a legitimate connection can enjoy the advantage of relative impregnability as ambushers are unlikely to create such a powerful connection perceived as "rightful."

Many possible sources for legitimacy exist, not least of which is a long historical association with the sport or property—"we were there then, we are here now." This renders the sponsorship more credible in the eyes of the consumers. In this way, when sponsorship is considered as a long-term co-branding partnership, it can contribute to the creation of the sort of "heritage" described by Aaker (2004) as essential in defining a brand. Credit Lyonnais and Le Tour de France have been able to mingle their respective histories and celebrated together the 100th race in 2003, as if their association had also started a century ago. Likewise, while Mars has little claim in terms of endurance running, a long and repeated involvement as sponsor of the London Marathon eventually ensured its acceptance by consumers as a brand legitimately linked to the event. That Coca Cola has been sponsoring the Olympic Games from the early years of their modern revival goes a long way to explaining why a soft drink fits with an event focusing on physical performance. Such legitimate positioning may also deter would-be ambushers concerned that their attempted involvement may spark rejection and even strong negative reaction from consumers.

Indeed so strong can the ties of legitimacy become that they may well survive the contractual term of the sponsorship. Long after Foster's stopped sponsoring the Australian Formula One Grand Prix, consumers still "recalled" Foster's as the sponsor of that race. For associations that span decades, there is no doubt that some sponsors have assumed natural ownership of the event in consumers' minds. Eventually, the alignment may become so strong as to virtually preclude discontinuation. After more than 50 years (half the life of the event) of sponsorship of Le Tour de France, it would be hard to imagine the winner in anything else but the yellow jersey and extremely unlikely for any other company than Credit Lyonnais to benefit from the daily dose of yellow splashed all over the news. Specifically, the continuous nature of the association ensures repetition and, therefore, emulates some form of classical conditioning.

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sponse and ensures the transfer of meaning between event and sponsor and its reinforcement with consumers.

According to our participants, just as consumers will increasingly reject ambushers' efforts, they will also turn away from sponsors who have "nothing to say" that is pertinent to the brand and the event. Unless a meaningful connection exists, sponsorship will be unlikely to add anything to the brand. Guidelines exist or can be developed for sponsors wishing to create a strong association with sport. One example is that provided by NBC to assist Olympic sponsors advertising their association with the Games. This includes ideas for clarifying the brand linkage with the Olympic spirit, building brand credibility by connecting with viewers through feelings of hope, and establishing a sense of reverence and celebration (Greyser, 2004). Obviously, when a sponsor's advertising content clearly relates to the spirit of the sponsored property, this signals official sponsorship.

Some of our interviewees added that sponsors have no excuse if usurped by ambushers because they have all the tools in hand to maximize (and thus safeguard) their investment, including the opportunity to build images associated with legitimacy and to leverage these images. As we read between the lines, it appears that ambush may even present sponsors with a rare opportunity: To optimize their position of legitimacy by infusing a sense of authenticity into their brand communication. The word "authenticity" describes how genuine an offering is perceived to be, and consistent with recent research conducted elsewhere, highlights an issue particularly germane for consumers. Dimensions of the "authentic" have emerged as a basic standard of choice for an increasingly large number of consumers (Penaloza, 2000; Pine and Gilmore, 1998). It is clear that a competitive advantage could well stem from authentic messages that position the sponsor's offering as beyond the commercial realm (similar to sport itself). This type of positioning may be similar to that achieved by some of the luxury wines (such as Chateau Margaux) and fashion houses (e.g., Louis Vuitton) that reinvent a contemporary appeal while anchoring themselves to historical, craft-based, natural, or even mythological dimensions.

CONCLUSIONS: HOW TO DEFEND CO-BRAND EQUITY IN THE FACE OF AMBUSH MARKETING

While legal activity to counter unofficial association will continue in earnest, so too will the irresistible attraction of "getting something for nothing" through ambushing. Sponsors will be well advised to assume that ambush will be tried in some form and to use this scenario to "out ambush the ambusher." This also pertains to potential sponsors considering the investment. We are not suggesting that sponsors become too preoccupied with competitors or potential threats. Rather they should pursue a proactive, comprehensive approach to sponsorship planning and activation to insulate against ambush and to protect and grow their association with the property. This strategy would include a full and frank appraisal of issues of legitimacy and the prospects for activating those attributes that underlie authenticity. Ultimately, a multilayered activation strategy leaving little doubt as to who is the official sponsor (and what the property means to the sponsor's brand) is the best defense (and offense) in the fight against ambushers to secure optimal benefit for the legitimate sponsor.

Attaining legitimacy (and its associated benefits) should be the motivation to build long-term, as opposed to opportunistic, sponsorship relationships that can counteract and possibly even profit from ambush activity. It is perhaps indicative that after ambushing the Olympic Games for years, Nike determined that better value could be derived from investing in the Games and exploiting legitimately the meaning of the association for the brand. Nike has recently signed on a sponsor of the U.S. Olympic Team in place of its major rival (and sometimes ambush sparring partner) Adidas.

We advocate a remedy for ambush that appears deceptively simple. Sponsors should choose properties with which they can establish an association that is meaningful to consumers and those that favor long-term arrangements that assist them in adding historical legitimacy and authenticity to their corporate or brand reputation. In other words, sponsors should consider such partnerships as long-term strategic options and carefully select the events or sports brands that most usefully contribute to their own. Having done this, they should then invest heavily in their marketing and media communication strategy to build barriers in the public's perceptions and further legitimize their role as sponsor. This strategy is also a forceful way to take ambushers head on without becoming too competitor focused.

It is undeniable that successful ambush marketing can produce negative outcomes for sponsors, because it reduces their ability to capture fully the benefit of associating their brand with that of the sport or event in which they have invested. Ambush can also harm the property. Consider, for example, the damage done to the Olympic brand around the time of the Barcelona Games by Benetton's infamous two-page newspaper advertisement featuring five giant rolled-up condoms in various colors parodying the Olympic rings. With such high stakes it would appear incumbent on both parties to take decisive action to counter a threat.
that may go to the very heart of the brand equity they seek to build. A more unexpected finding from our discussion with world experts, however, is that for some sponsors, attacks from ambushers provide a great opportunity for brand building as they garner consumers' support and goodwill in the face of "fake" and fraudulent ambushers. In such instances, ambush marketing may not be so much a threat to corporate sponsorship as an opportunity for building the sponsor's brand as more genuine or authentic.

Analysis of our findings also leads us to believe that an opportunity exists to manage the sponsorship relationship as a co-marketing alliance where both parties invest resources and assets (financial, human, intellectual) and input into the strategic goals set for the relationship. Doing so places the sponsorship partners on a more proactive footing, with both parties seeking some leverage from the association of their respective brand equities, brand meanings, and histories. It is also from such a platform of shared interest that they must consider together the appropriate defense against ambush marketers. Furthermore, viewing the relationship through an alliance lens should broaden their strategic horizons and reveal opportunities for new joint development strategies to grow the value of both the property's and the sponsor's brands.

A JAR lead articles), and over 300 published HBS case studies. Prof. Greyser served two terms as a National Advertising Review Board public member. He also was the first academic on ARF's Board and has been a judge for ARF's Ogilvy Award since its inception. He is a former MSI executive director, charter member of its Hall of Fame, and fellow of the American Academy of Advertising for career achievement. He was a Harvard Business Review editor and later its editorial board chairman. He created Harvard’s Business of Sports course.

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