The Growth in Marketing Alliances between US Professional Sport and Legalised Gambling Entities: Are We Putting Sport Consumers at Risk?

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Over the past decade, the United States has experienced unprecedented growth in the legalised gambling industry. Because of increased societal and governmental endorsement, legalised gambling has become a widely accepted form of entertainment. Concurrently, US professional sport organisations have begun loosening the internal policies and restrictions that have historically established a firewall between professional sport organisations and legalised gambling entities, resulting in a recent proliferation of marketing alliances between the two. Detractors of the widespread growth of gambling decry its potential health and socio-economic risks, raising the spectre that sport organisations’ marketing alliances with legalised gambling entities may have profound effects on sport consumers. This article suggests the growing need for academic research to determine the potential effects that legalised gambling entities’ sport sponsorship may have upon the attitudes and behaviours of sport consumers. Drawing upon prior attitudinal and behavioural-effects research involving other potentially harmful products with lengthy histories of sport sponsorship, namely tobacco and alcohol, this article provides a research agenda that should be of importance to sport managers, as well as to social action groups who may eventually seek to challenge sport sponsorship by legalised gambling entities.

US professional sport organisations have historically established a firewall between themselves and gambling enterprises, fearful of the potential impact that such associations might have upon the integrity of their product (McKelvey, 2004). For

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instance, 12 years ago, the commissioners of the major professional US sports leagues converged on Capitol Hill to decry the potential threat to the integrity of their sports should more states be allowed to join Nevada in taking wagers on professional and college games (Ostertag, 1992). During these highly publicised hearings, National Basketball Association commissioner David Stern testified that “[s]ports betting … places athletes and the games under a cloud of suspicion, as normal incidents of the game give rise to unfounded speculation of game-fixing and point-shaving …” (Hearings on S. 474, 1991, p. 39).

Major League Baseball (MLB) commissioner Fay Vincent further testified: “The intense feelings with which I approach betting on Baseball might best be understood if one remembers that the Office of the Commissioner of Baseball was created in direct response to the 1919 ‘Black Sox’ scandal. Protecting the integrity of the game is our primary job. State-sponsored sports betting runs the real risk of undermining public confidence in the honesty of what transpires on the field … No state should be permitted to create an environment that is conducive to a major sports betting scandal, which would affect the citizens of all states” (Hearings on S. 474, p. 46).

As a result of these and other hearings, Congress enacted a law prohibiting any government entity from operating a wagering scheme based on competitive games in which amateur or professional athletes participated (Nevada, Oregon, Delaware and Montana, states which had enacted statutes prior to 1992 allowing for sports wagering, were exempted from the Act through a “grandfathering” clause) (Professional and Amateur Sports Protection Act, 1992).

The league commissioners’ testimony, while specifically addressing the issue of state-sponsored wagering on professional sporting events, provides an illuminating historical perspective on the proliferation, over the past decade, of marketing alliances between US professional sport organisations and legalised gambling entities (LGEs), such as government-authorised lotteries, casinos, race tracks and off-track betting organisations (LGEs do not include Internet sports gambling, itself a burgeoning industry, because the US government considers such gambling illegal (Weir, 2003)).

In a 2003 interview, for example, while addressing the growing business involvement of the NBA and the WNBA with LGEs, Stern remarked:

In a country where 40 states have (lotteries), and state legislators decided long ago to bet the grocery money to help education by picking a lottery ticket, gambling is the American way. Gambling is out of the bag. We are a nation of lottery players, slot-machine players, etc. I won’t start moralizing about that. My narrow area of protection is the NBA and basketball betting. (Farrey, 2003, para. 9).

In a similar vein, MLB president and COO Robert DuPuy has stated: “Our society has evolved in terms of accepting legalized gambling as a form of entertainment, and we’ve tried to evolve with it … Tribal casinos are popping up
almost everywhere, and they’re an accepted form of social behavior. There’s an enormous difference between legalized gambling and betting on baseball, which is anathema to the competitive integrity of the game” (Crasnick, 2003, p. 4).

Over the past decade, the majority of US professional sport leagues have significantly altered their rules and policies governing their marketing relationships with LGEs (McKelvey, 2004), resulting in a tremendous increase in the number of LGEs engaging in sport marketing activity with leagues and teams. For instance, a review of sport sponsors in Team Marketing Report’s annual Sports Sponsor FactBook revealed that, from 1996 to 2002 alone, the number of US and Canadian LGEs listed increased from 22 to 48 (the latter figure including 25 US state lotteries as well as the DC lottery) (TMR Sports Sponsor FactBook, 2003).

Because of the tremendous growth in LGE marketing involvement in sport, consumers are being exposed to an ever-increasing amount of advertising and promotional messages from LGEs, both within sport venues and within sport broadcasts. With this historically unprecedented marriage of US professional sport with LGEs as a backdrop, this article supports a call for academic research designed to evaluate and measure the impact of LGE sport marketing activity on sport consumers’ attitudes and behaviours. Section I of this paper discusses societal factors that have contributed to the growth and acceptance of legalised gambling in our society, as well as the sport industry-specific factors spurring its growth within the sport setting. This section also discusses the emerging trends and activities that illustrate the expanding scope of such marketing activity within US professional sport. Section II examines why the proliferation of LGE sport marketing activity should raise concerns among a variety of stakeholders, including sport marketers, sport organisations, and pro-social action groups. Finally, Section III suggests some starting points for future academic study. Given the premise that the health and socioeconomic risks of gambling may be analagous to that of other potentially harmful products with a long history of sport involvement, namely tobacco and alcohol, this section draws upon prior academic research on the effects of tobacco and alcohol sponsorships on consumer attitudes and behaviours, and suggests a research agenda that will be of value to stakeholders.

The Growth of Legalised Gambling and LGE Marketing Alliances of Sport Organisations

Societal and Sport Industry-Specific Factors Fuelling the Growth
Several societal factors and influences have triggered the growth of legalised gambling, and hence LGE sport sponsorship. Legalised gambling is experiencing an unprecedented boom across the United States, as states and cities faced with budget
deficits look for ways to raise revenues. The Indian Gaming Regulatory Act (IGRA) of 1988 (2004), a federal law granting American Indian tribes the right to regulate gaming activity on tribal lands, has been cited as a chief catalyst for the expansion of gambling in the United States (Goldin, 1999). In 2002, there were approximately 290 casinos on Indian reservations in 28 states, with tribal gambling revenues having grown from US$212 million in 1988 (the year of IGRA’s enactment) to an estimated US$12.7 billion by 2001 (Barlett & Steele, 2002). The IGRA’s enactment has also fuelled the desire of states and businesses on non-tribal lands to cash in on the gambling mania, resulting in at least 25 states establishing casinos in direct competition with Indian tribe casinos. The number of major casinos in the United States (those with more than 250 slot machines) has increased by 25% in the past four years, from 405 in 1999 to 508 in 2003 (Casinos place their bets, 2003).

Similar meteoric growth has occurred in the area of state lotteries and riverboat gambling. In 1973, only seven states had lotteries (Claussen & Miller, 2001). In June 2003, Tennessee became the thirty-ninth state to authorise a state lottery (States, cities ignore odds, 2003). Riverboat casino gambling, also an emerging source of sport sponsorship revenue, had by 2001 grown to number 100 such establishments in six states (Claussen & Miller, 2001).

As a result of these societal and economic factors, “gambling has shed its image as a corrupting vice and has been reconstructed as a socially acceptable leisure activity” (Claussen & Miller, 2001). For instance, according to one study, by 1996, 92% of Americans were in agreement that casino gambling is acceptable entertainment (Goldin, 1999). Today, Americans spend an estimated US$70 billion a year on gambling, nearly three times as much as they spend on movies, concerts, sports and the theatre combined (States, cities ignore odds, 2003). Dubbed by some as our “new national pastime”, the United States was the world’s fastest-growing gambling market over the last decade, and gambling now generates far more public revenues (estimated at US$27 billion in “gambling privilege taxes” in 2000) than either tobacco or alcohol (Morais, 2002, p. 66).

Several sport industry-specific factors have also fuelled the growth of marketing alliances between sport organisations and LGEs over the past decade. The dramatic increase in the number of professional sport organisations vying for sponsorship dollars and the highly leveraged position of many sport franchises (Mahony & Howard, 2001), coupled with escalating player payrolls, a dramatic drop-off in tobacco advertising and sponsorship (Turco, 1999), and a weakened economy, have spurred increasing demand for new revenue streams.

LGEs are aligning with US professional sport organisations to achieve the same business objectives as other more traditional sport sponsors. These objectives include increasing public awareness, influencing public perception, establishing association with particular market segments, becoming involved in the community,
building goodwill, generating media benefits, and achieving sales objectives (Mullin, Hardy, & Sutton, 2000).

Such objectives have been publicly confirmed by representatives of LGEs involved in sport sponsorship. “When we put up a sign at Fenway Park, we are trying to tell people we’re part of the crowd,” said Mitchell Etess, executive vice-president of marketing for Mohegan Sun (Casinos place their bets, 2003, p. 1). Those who market LGEs are also cognisant of the ability of sports sponsorship to generate new customers. The Mohegan Sun’s executive vice-president of marketing explained the casino’s sponsorship of the Red Sox and other MLB clubs as an ideal means of reaching the casino’s targeted demographic, men aged 25–54 (Crasnick, 2003). Furthermore, Mohegan Sun’s “brand ambassadors” promotion, which required game-card holders to visit the casino to determine if they had won, was specifically designed to drive traffic to their casino (Casinos place their bets, 2003, p. 8).

Another objective is the desire of LGEs to retain and reward their premium-players (the high rollers). Based on a study showing that, for some casinos, 5% of customers account for 40% of the casino’s gross gaming winnings, gaming establishments have turned to professional sports to help retain key customers (the premium-players) (Casinos place their bets, 2003, p. 8). For instance, perks for the best customers of Connecticut’s Foxwoods Resort Casino include invitations to private dinners with Boston Celtics stars (Casinos place their bets, 2003). Given the widespread popularity of sport, marketing alliances with sport organisations also provide LGEs with the opportunity to further legitimise gambling, an activity which in the past has been cast by some as socially undesirable or potentially harmful behaviour. Thus, in theory LGE sponsorship within the sport setting serves to reinforce the notion of gambling as an acceptable form of entertainment, as well as to influence consumers to see gambling as part of the status quo of sport and, subsequently, unobjectionable.

The Broadening Scope of LGE Marketing Alliances with US Sport

Over the past decade, the scope of marketing alliances between US professional sport organisations and LGEs has broadened significantly (McKelvey, 2004) (see Table 1). No form of LGE involvement is more direct than team ownership. In a first for American sports that required the sanctioning of NBA commissioner Stern, the Connecticut-based Mohegan Sun Resort and Casino purchased a team in the Women’s National Basketball Association (WNBA) in January 2003 (Bondy, 2003). The team, which moved from Orlando, Florida, was renamed the Connecticut Sun, and plays its home games in the Mohegan Sun Arena, located adjacent to the casino with entrances located approximately 30 metres from slot machines and roulette
tables. When asked about potential concerns regarding the Mohegan Sun ownership of the franchise, WNBA president Val Ackerman stated:

I would just say, we’re comfortable with it. We care that there is no sports book [at the casino]. That’s important. And by law, there won’t be. They have other forms of gambling activities and those forms of gambling activities are largely legal in most of the country … We do have an existing rule – and Mohegan has agreed to comply with it – that puts limitations and prohibitions on the co-promoting of the gambling activities with the basketball activities … A number of our teams, in fact, have had associations with organisations that have gambling activity. But I guess this has come up in the context of questions relative to the family element. I don’t want to speak for all parents, but I have no qualms about taking my daughters to Mohegan Sun to spend a week or go see an event or go see the WNBA play. It’s not an issue for me as a parent. I’m hopeful that other parents have the same view. (Doyle, 2003, p. C3)

Table 1: A Sample of LGE Involvements with US Sport

<table>
<thead>
<tr>
<th>LGE activity</th>
<th>Recent examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team sponsorship</td>
<td>Sycuan Resort &amp; Casino – First LGE to become “presenting sponsor” of a professional sport team’s “season” in 2000, a sponsorship deal that has been renewed through 2004 season (Lavelle, 2000)</td>
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<td></td>
<td>Mohegan Sun – In-arena advertising on basket stanchions and player seat backs (“Celtics, Mohegan Sun,” 2003)</td>
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<td></td>
<td>Mohegan Sun – Boston Red Sox local market “brand ambassadors” promotion offering “peel and win” game pieces redeemable at Mohegan Sun for prizes, including Red Sox game tickets, merchandise and a $1 million grand prize (“Red Sox, Conn. Casino,” 2003)</td>
</tr>
<tr>
<td>Event sponsorship</td>
<td>Sportsbook.com – Title sponsorship of American Le Mans Series race in Miami, FL (James, 2003)</td>
</tr>
<tr>
<td></td>
<td>Boyd Gambling Corporation – Title sponsorship of 2003 Sam’s Town 300 (Nascar Busch Series, Las Vegas) (Casinos place their bets, 2003)</td>
</tr>
</tbody>
</table>
**Table 1 (contd)**

<table>
<thead>
<tr>
<th>LGE activity</th>
<th>Recent examples</th>
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<tbody>
<tr>
<td>Licensing</td>
<td>Alberta Lottery – Calgary Flames and Edmonton Oilers logos licensed by NHL for promotion offering cash prizes and Stanley Cup tickets, with profits from lottery sales to both teams (Girard, 2002)</td>
</tr>
<tr>
<td>Athlete sponsorship</td>
<td>Harrah’s Entertainment – NASCAR Nextel Cup driver Robby Gordon</td>
</tr>
<tr>
<td>Team ownership</td>
<td>Mohegan Sun – Takes ownership of Orlando-based WNBA team and renames it Connecticut Sun, playing its games in Mohegan Sun Arena (Bondy, 2003)</td>
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In January 2003, another potential groundbreaking event occurred in the marriage of LGEs and sport organisations when the NHL Calgary Flames announced that it had applied to the Alberta Gambling and Liquor Commission to build a casino inside the city-owned Pengrowth Saddledome that could generate millions of dollars for the hockey club. In defending the proposal, Flames president Ken King stated: “I believe we are well within our rights to seek to do it, as much as if we were building another food facility or another entertainment element” (Wilton, 2003, p. A7). This casino-within-arena proposal faces hurdles from opponents. However, this concept, adding to current LGE marketing activities ranging from in-stadium promotions to the licensing of team logos to government-run lotteries, suggests a growing dependence of professional sport organisations upon LGEs as a source of revenue.

**The Cause for Concern**

US professional sport organisations have, while remaining staunchly opposed to sports betting, at the same time rationalised their marketing alliances with LGEs as simply a by-product of an increasingly accepted form of social behaviour. However, these alliances raise issues that should be of concern to professional sport organisations and other stakeholders. One concern is the potential effects
that such alliances may have upon the attitudes of sport consumers towards the
sport organisations themselves, as well as the LGEs that use sport to promote their
products and services to sport consumers. Another concern is the potential effects
that such alliances may have upon sport consumers’ attitudes and behaviours with
respect to sport-related gambling, particularly among adolescents.

To date the increase in LGE involvement in sport has drawn little debate
from sport managers and media, most likely attributable to reasons suggested
by Crompton (1993) in his seminal exploration of tobacco and alcohol sport
sponsorship. He suggested that the self-interest of sport managers and media, both
cconcerned with protecting their revenue streams, resulted in little discussion on the
appropriateness of tobacco and alcohol sponsoring sport (Crompton, 1993). One
could draw the same conclusions with respect to the growth in LGE sport marketing
alliances, which continues to generate significant new revenue streams for sport and
media organisations.

While gambling does not pose exactly the same health risks as tobacco and
alcohol, it still generates its own brand of personal, social and economic risks. As
with tobacco and alcohol sport sponsorship, contradictions with sport’s growing
alliances with LGEs clearly exist on two fronts. First, there are the potential risks
associated with gambling that are, as with tobacco and alcohol sports sponsorship,
inconsistent with the health and social benefits of sport consumption (McDaniel &
Mason, 1999). Second, and in this case unlike tobacco and alcohol sponsorship, the
association of sport organisations with LGEs raises, albeit indirectly, “integrity of
the game” challenges. Although this article focuses primarily on LGE marketing
alliances with sport organisations, and not on sports gambling per se, it cannot help but
invite speculation as to the potential impact that such marketing alliances may have
upon sport consumers’ perceptions of the integrity of games and events sponsored
by LGEs. As Maryland Congressman and former NBA star Tom McMillan has
suggested, if such LGE associations continue, “all you need is one major incident
and you can do tremendous damage to the integrity of sports. I think that’s a risk
factor that professional sports … need to take a look at” (Farrey, 2003, para. 31).

What is not debatable is that the growth of the legalised gambling industry
has not come without costs (Kindt & Asmar, 2002). As legalised gambling has
grown, so too has the incidence of pathological and problem gambling. By 1997,
the socioeconomic costs of gambling were estimated to be at least US$80 billion
per year (compared to US$70 billion per year for drug abuse), with 4.4 million
pathological gamblers and 11 million problem gamblers (Kindt & Asmar, 2002).
The socioeconomic costs of gambling include, but are not limited to, new gambling
addictions, personal bankruptcies, crime and corruption (Kindt & Asmar, 2002).

In what should be of particular concern to the sport industry, a 1999 poll
of Americans found that 64% would legalise sports gambling, only 29% believed
that it should be illegal for adults to bet on sports events, and 10% did not know
(Carey & Bryant, 1999). Furthermore, a more recent poll conducted in 2003 by ESPN found that half of Americans aged 16 and older have placed a bet on sports in the past 12 months, a total estimated at 118 million people betting on sports, including office pools, gambling with friends, horse-racing and casinos (Keating, 2003). This poll also found the following:

- 52% of Americans believe that some sports are fixed, including 60% of regular betters (32% think that the NBA is fixed, 24% think college basketball is fixed, 23% think baseball is fixed);
- Nearly 40% of the US population believes that “betting is a big problem in our society” and about 3.5 million Americans believe they have a sports-gambling addiction;
- Nearly two-thirds of people in their twenties believe betting on sport is “no different” from buying a lottery ticket, while 41% see Internet sports betting as “perfectly harmless”;
- Support for the legalisation of sports betting nationwide peaks at 46% among teenagers (Keating, 2003).

Of perhaps graver concern is the number of adolescents and college-age students who are engaging in gambling, and, in particular, sports gambling. In a study performed by Kindt (1998), on average, the percentage of pathological and problem adolescent gamblers consistently doubled those of the adult population. In 1999, the US Gambling Commission stated that sports gambling frequently served “as a gateway to other forms of gambling” and concluded that “[o]ne of the most troubling aspects of problem and pathological gambling is its prevalence among youth and adolescents” (National Gambling Impact Study Commission, 1999, p. 1). A 1999 national poll further reported disturbing results about teenage gambling, including: 52% of teenagers aged 13–17 were in favour of legalised gambling; 20% of teenagers said they gamble more than they should (compared to just 11% of adults); 29% of teenaged gamblers claimed to have made their first wagers when they were 10 or younger; 27% claimed to have bet on professional events while 18% bet on college games; and betting on college sports was twice as prevalent among teenagers (18%) as among adults (9%) (Gallop Poll, 1999). Calling gambling “the addiction of the 1990s”, the American Academy of Pediatrics estimated that there were more than one million teenagers “addicted to gambling” whose first experience with gambling involved betting on sports (Kindt & Asmar, 2002, p. 234). Furthermore, a review of 14 US and six Canadian adolescent gambling studies found that since 1990 the number of teenagers aged 12–17 reporting serious gambling problems increased by 50%, from 10 to 15%, and that the age of onset for gambling had dropped so that now, throughout America, the majority of 12-year-olds had already gambled (Jacobs, 2000).
Illustrative of the nation’s emerging adolescent gambling problem, a 2003 survey of student gambling conducted by the Delaware Council on Gambling Problems found that nearly one-third of 6,753 participating eighth graders said they had gambled in 2002, including 9% who had gambled on Internet sites offering electronic forms of slot machines and card games (Crary, 2003). A spokesperson for the Delaware Council on Gambling Problems stated: “This is the first generation of kids growing up when gambling is legal and available nationwide. Casinos, racetracks – they take it for granted” (Crary, 2003, p. B6). Gambling by student athletes has also caused increasing concern on college campuses. In May 2004, the most comprehensive study ever undertaken by the National Collegiate Athletic Association (NCAA) found, among other results from its survey of 21,000 NCAA athletes, that 27.5% of the respondents had taken part in football pools or had bet with a bookie, in violation of NCAA rules (Moran, 2004).

Given these figures which suggest a significant growth in gambling activity among adolescents and college-age individuals, it would seem that US professional sport organisations need to become better educated not only about sport consumers’ attitudes towards marketing alliances between sport organisations and LGEs, but also about the potential consequences they may have on sports-related gambling behaviour in the future.

In framing a research agenda with respect to the potential impact of LGE sport marketing alliances upon the levels of adolescent gambling, it should be noted that there is an inherent difficulty in determining the extent to which LGE advertising and sponsorship may cause an increase in adolescent gambling, or whether such an increase is merely the result of the increased opportunity to gamble. Any research proposing to study the effects of LGE sport marketing activity on adolescent gambling would also need to measure the effects of increased opportunities for adolescent gambling.

### Effects on Consumer Attitudes and Behaviours: Some Starting Points

There exists, to date, no reported scholarly research designed to ascertain the various levels of impact that LGE marketing alliances may have upon sport consumers. Given that gambling can be assessed within the category of potentially harmful behaviour, an appropriate starting point for future research is to build upon the existing research, which though limited, has assessed the impact of tobacco and alcohol sport sponsorships upon consumer attitudes, perceptions and behaviours.

In developing a future research agenda, prior studies suggest six general factors for study regarding the impact of LGE sport marketing alliances upon sport
consumers’ attitudes and behaviours: (1) levels of acceptance of commercialisation, sports advertising and sponsorship; (2) levels of fan avidity; (3) the concept of “self-interest”; (4) socio-demographics; (5) religiosity; and (6) impact upon behaviour, particularly among adolescents.

Prior research suggests that sport consumers’ level of acceptance of commercialisation within sport, as well as their acceptance of sport advertising and sponsorship, may impact upon attitudes towards the affiliation of potentially harmful products with sport. Kropp, Lavack, Holden, and Dalakas (1999), in their examination of tobacco and alcohol sport sponsorships, identified sponsorships as a useful supplement to regular advertising, particularly as an advertising substitute in situations where advertising may be banned or limited (Cornwell, 1997, cited by Kropp et al., 1999). Similar to the way in which the tobacco industry has used sport sponsorship activities primarily, or even solely, to create corporate goodwill (Furlong, 1994), it is perhaps not surprising that LGEs, in an effort to combat negative imagery and public perceptions of gambling, have turned to sport sponsorship as a marketing vehicle, since research has determined that sponsorship has the ability to improve consumer perceptions of corporate citizenship (Dean, 1999).

Furthermore, McDaniel and Mason (1999) suggested that consumers’ perceptions of commercialisation and their acceptance of an increasing corporate/commercial presence in sporting events may influence their attitudes towards various types of sport sponsorship. The researchers further suggested that consumers may be more accepting or tolerant of potentially harmful related sponsorships if they view such sponsorships as a means of lessening their own financial burdens (i.e., increased ticket costs if certain sponsorships were to be restricted). Additionally, consumer sentiments towards advertising and the degree of autonomy that sport organisations should be afforded may also influence consumer attitudes (McDaniel & Mason, 1999). Relying on the findings in a 1993 Roper Poll on tobacco sponsorship, the researchers suggested that, “even though some [respondents] seem generally opposed to the use of tobacco products, the majority are reluctant to allow government restriction of sport sponsorships. In spite of health-related concerns, it appears the autonomy of sport organizations and commercial subsidies of sport entertainment services superceded health concerns …” (McDaniel & Mason, 1999, p. 485). Furthermore, one study on this topic found that sport enthusiasts reported more positive attitudes about advertising than those less interested in sport (Burnett, Menon, & Smart, 1993).

Another study specifically targeting tobacco sponsorship at a Canadian LPGA event concluded that “an overwhelming majority of spectators support tobacco sponsorship and suggest the willingness and interest in sport event sponsorship are essential elements of any sponsorship arrangement” (Danylchuk, 2000, p. 111). These prior studies suggest that, as a general research proposition, sport consumers who are more positively disposed to commercialisation within sport, as well as to
higher levels of sport advertising and sponsorship, will be less likely to have negative attitudes towards LGE marketing alliances with professional sport organisations.

Prior research also suggests that, as a general research proposition, a sport consumer’s level of fan avidity may affect attitudes towards LGE marketing alliances with US professional sport organisations (Chebat, 2003). Consumers can be identified along a range of participation levels, from avid fans, to casual fans, to non-fans, and often more closely affiliate themselves with some sports leagues/teams than others (Mullin et al., 2000). Thus, as a general research proposition, a sport consumer’s level of fan avidity, particularly with a certain league or team, may correlate with his or her acceptance, or non-acceptance, of LGE sport marketing alliances. In other words, if a consumer identifies himself or herself as an avid fan of the Boston Celtics, he or she may be more accepting of an LGE’s marketing alliance with the Celtics.

The concept of “self-interest” may also be found to influence the sport consumer’s attitudes towards LGE sport marketing alliances. The concept of self-interest essentially holds that “people are responsive to the costs and benefits associated with their interest” (Green & Gerken, 1989, pp. 8–9). Building upon Heider’s theory of balanced states (1958) and other research on cognitive consistency (McGuire, 1972), Kropp et al. (1999) examined differences in attitudes between smokers and non-smokers, and beer drinkers and non-drinkers in the United States, Canada and Australia. The results of their research suggested that consumers value consistency and harmony in their attitudes and behaviours. For instance, the researchers found that beer drinkers had significantly more positive attitudes towards beer sponsorships than non-drinkers, as did smokers versus non-smokers, but, in general, attitudes towards beer sponsorship were significantly more positive than attitudes towards tobacco sponsorships, a distinction that was attributed to the greater social acceptability of drinking than smoking. Furthermore, McDaniel and Mason (1999) also found a strong corollary between smokers and their positive attitudes towards sponsorship by tobacco companies, suggesting that the same corollary may apply to gamblers and LGE sport sponsorship. Such findings suggest that, as a general research proposition, those who gamble may have more positive attitudes toward LGE sponsorship than non-gamblers.

Socio-demographics may also influence sport consumers’ attitudes towards LGE sport marketing alliances. One general research proposition within the area of socio-demographics suggests that sport consumers who reside in closer proximity to gambling establishments (e.g., casinos), and who thus may be direct or indirect recipients of the economic benefits provided by such establishments, may be more accepting of gambling and hence LGE sport marketing alliances. Additionally, one’s gender, level of education and level of household income may correlate to an acceptance, or non-acceptance of LGE sport marketing alliances (Danylchuk, 2000; Dixon, Lowery, Levy, & Ferraro, 1991). This line of research suggests that
LGE sport marketing alliances might be more acceptable to certain segments of sport consumers based upon socio-demographic factors (e.g., lower-income, less educated classes support of LGE sponsorship of MLB) than others (e.g., LGE sponsorship of polo).

Another avenue of investigation is the extent to which a sport consumer’s religious beliefs and convictions may influence attitudes towards LGE sport marketing alliances. Given the condemnation of products such as tobacco and alcohol by many religious groups, it would seem, as suggested by McDaniel and Mason (1999) that religiosity has the potential to influence how people feel towards the association of these types of potentially harmful products with sport. Thus, one general research proposition may be that those sport consumers who view themselves as highly religious may have more negative attitudes towards gambling, and thus towards sport organisations that align with LGEs.

One final area of future research involves the impact that LGE sport marketing alliances may have upon sport consumers’ behaviours, particularly among adolescents. Like tobacco and alcohol, gambling has been shown to start during adolescence (National Gambling Impact Study Commission, 1999). Academic research, much of which has been conducted outside the United States, has suggested that both tobacco sponsorships (Hoek, Gendall, & Stockdale, 1993) and sport marketing promoting beer (Grube & Wallack, 1994; Slater, Rouner, Murphy, Beauvais, Van Leuven, & Domenech, 1996) can have significant effects on young consumers. Hoek et al. (1993), for instance, found that a single exposure to tobacco sponsorship advertising reinforced existing smoking behaviour among young New Zealand male school-aged smokers, created more favourable attitudes towards smoking among non-smokers, and increased non-smokers’ brand awareness, thus suggesting that sponsorship ads fulfil a function very similar to product advertising.

Another study in Britain found that children were most aware of the cigarette brands that were most frequently associated with sponsored sporting events on television and that brand awareness varied depending on which event sponsors had been featured most recently on television (Ledwith, 1984). Finally, a study in Australia found that the brands most popular with children aged 12–14 were the same brands that sponsored the state’s major league football competition. Interestingly, and with potential longer-term implications for sport organisations, is that this study led to the Australian Sports Minister’s pursuing a ban on tobacco sponsorship for sporting events (Pritchard, 1992).

Most recently, Chebat (2003) conducted a study on the effects of Formula 1 (F1) Grand Prix auto-racing sponsorship by cigarette brands on adolescents’ cognitive and behavioural responses. Participants were students from the same secondary school in Montreal, Canada. Although drawing from an admittedly small sample, Chebat found that the Grand Prix “enhances brand personality and brand identification more significantly in the case of male adolescents, older adolescents
(over 14) and those who have a pre-existing interest in F1 racing” (Chebat, 2003, p. 100). The study also found that advertising at the Grand Prix event was more likely to affect spectators’ consumption habits if their interest for racing was higher, if their identification with the tobacco brand was higher, and if the adolescent spectators were male. Although acknowledging some limitations in his research study, Chebat concluded that:

> the effects of the Grand Prix are both attitudinal and behavioral. Its effects go beyond what managers typically believe, i.e., enhancing brand image, as reported by Gwinner (1997). It also contributes to enhancing the identification with the brands and, in turn, the consumption of cigarettes. In fact, it seems that adolescents are identifying more with the smoking activity than with a specific brand since they cannot really form a clear image of specific brands. (Chebat, 2003, p. 101)

The prior academic research studies regarding the impact of tobacco and alcohol sponsorships on sport consumers’ attitudes and behaviours thus provide a solid foundation upon which to build a range of future studies into the potential impact of LGE’s growing marketing alliances with US professional sport organisations. Such future studies should attempt to evaluate the impact of LGE marketing alliances on consumer attitudes and behaviours in the context of the six factors proposed above.

**Conclusion**

As the relationship between LGEs and professional sport organisations continues to grow, so too should the debate over potential effects that these relationships may have on the attitudes, perceptions and behaviours of sport consumers. What messages are professional sport organisations and teams sending to their customers by licensing team logos to state lotteries, or distributing lottery tickets to fans in the arena, or handing out premiums bearing the logo of a local casino and a local team, side by side? What are the attitudinal and behavioural effects of such activities upon sport consumers, particularly upon adolescent fans? Ultimately, are the marketing alliances between LGEs and sport organisations a short-term solution to financial needs that may eventually result in the erosion of the sport brand and the integrity of the sports themselves?

The current lack of concern towards the potential ill effects of LGE sponsorship, analogous to the lack of concern that McDaniel and Mason (1999) found with respect to alcohol sponsorship, may ultimately need to be addressed by public health organisations such as the National Council on Compulsive Gambling. Just as alcohol and tobacco sport sponsorship began to face the scrutiny of academic research in the early 1990s, the time has arrived to develop, as McDaniel and Mason (1999) suggested with respect to tobacco and alcohol sponsorships, a better
understanding of public opinion, attitudes and effects of LGE marketing alliances with US professional sport organisations, and what drives them, whether it be for the purposes of creating materials for problem gambling awareness campaigns; building support/rationale for or against regulatory policies; or maintaining brand equity of an event, team or league by understanding if certain types of marketing alliances have the potential to alienate fans. Research on this topic will help sport organisations to better maintain their relationships with fans and can also benefit those involved in pro-social campaigns to understand the resistance they may face.

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1 The “Black Sox” scandal arose during the 1919 World Series, in which eight Chicago White Sox players, including the infamous Shoeless Joe Jackson, were accused of accepting money in exchange for influencing the outcome of the World Series. Although the players were acquitted by a jury in 1921, MLB Commissioner Judge Kenesaw Mountain Landis banned the eight players from ever again playing major league baseball. The Office of the Commissioner was, in fact, created in response to the 1919 Black Sox scandal (Ostertag, 1992).