

**CORPORATE SPORTS SPONSORSHIP: A COMPARISON
BETWEEN PUBLIC AND PRIVATE SPONSORS IN MALAYSIA**

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ABSTRACT

Sponsorship has become a major source of funding for special and on-going sporting events. As a result, sports organization managers may question the return they receive on their investment in such events. Manager may find that potential sponsors are reluctant to invest in sporting activities (McCarville, Flood & Froats, 1998). The present research addresses the issue of sports sponsorship management including: (a) the nature of the company's sponsorship program, the duration of the sponsorship planning process and benefits offered in sports sponsorship program; (b) the objectives behind corporate sports sponsorship; (c) the nature of corporate sponsor's current sponsorship evaluation practices both in the importance of the evaluation techniques in sports sponsorship and frequency of the use of the evaluation techniques in sports sponsorship; and (d) the sponsees and audience analysis. Hundred participants with 50 each from public and private companies were used. Each participant completed a questionnaire specially developed for the research. The questionnaire covered important aspects of the nature of the company's sponsorship program, such as, the duration of sponsorship planning process and benefits offered in sports sponsorship program. The results from the questionnaire were collated and *Statistical Package for Social Science* (SPSS) was used for the statistical analyses. Overall, the results showed those companies, and in particular private companies viewed sports sponsorship seriously. This is not surprising because sport sponsorship is growing in popularity and value in financial terms with sport organizations and corporations entering into partnerships with each other, by agreeing to help one another to achieve their objectives (Parkhouse, 2001).

1. INTRODUCTION

1.1 Background and Scope of Study

Since, sponsorship has become one of the most essential and applicable investment methods in today's business, it has proven that with a proper and appropriate sponsoring company deal with a good sports organization could bring an excellent result in terms of achieving both companies goals (Ball, 1993).

Subsequently, the element of the promotional mix that is linked with sports marketing to the greatest degree is sponsorship. In addition, a sponsorship is an investment in a sports entity including athlete, league, team and event to support overall organizational goals, marketing objectives and promotional objectives as well (Shank, 2002). Sports sponsorships are growing in popularity as a promotional tool for sports and non-sports products (Ball, 1993).

Corporate sports sponsorship involves both public and private corporate sponsors not only in Malaysia but also throughout the world (Ukman, 2001). However, the nature of the similarities and/or differences between public and private corporate sports sponsorship in Malaysia is yet to be explored. Hence, the presents research. It is the aim of the present research to examine the exact nature of public and private corporate sports sponsorship. The characteristics of each of the corporate sports sponsor in Malaysia will be examined. It will be done by analyzing their terms and requirements as they enter into sport sponsorship contracts.