
Event Sponsorship Factors Towards Purchasing Intention

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Abstract - This study was conducted using empirical data to examine objectives by adopting the perception of attendees towards sponsors. Three distinct forms based on Tomalieh (2016) which proposed the relationship between brand knowledge, event sponsor-fit and attitude towards events to purchase intention was adapted. How consumers experience an event can also have a powerful influence over their purchasing intention behavior. Outcome of this study concludes that attitude towards the event is the most important factor and has a much more significant relationship towards purchase intention when compared with other variables. This factor refers to how event attendees perceive an event sponsor. This study adds to the body of knowledge by providing new data and empirical insight on the relationship between event sponsorship factors and purchase intention specifically for the event industry in Malaysia. For future studies, it is recommended that comparative studies with other industries as well as other developing and developed economies be carried out.

Keywords - Event sponsorship, purchase intention, events, sponsor

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I. Introduction

The Federal Agricultural Marketing Authority (FAMA) is a statutory body under the Ministry of Agriculture and Food Industries in Malaysia. FAMA is responsible to improve the marketing of agro-food products such as vegetables, fruits and agro-based industry products. One such marketing service is the provision and support of farmer's markets. FAMA, as the main corporate sponsor for *Pra-Jelajah Ramadan RTM 2019*, facilitated the location of the event, at Pasar Tani Mega Stadium Malawati, Shah Alam and also provided event attendees with pro bono *bubur lambuk*.

RTM or Radio TV Malaysia, on the other hand, is a Malaysian public broadcaster based in Kuala Lumpur. Established on 1 April 1946 as Radio Malaya, it is the first broadcaster in the country. Later, in September 1963, Radio Malaya was renamed Radio Malaysia while Televisyen Malaysia was established the same year. Despite its status as public broadcaster, RTM's television channels and radio stations have some amount of commercial advertising. Pra-Jelajah Ramadan RTM is one of its many programs aims at educating the public.

The relationship between event sponsorship by the Federal Agricultural Marketing Authority (FAMA) towards purchase intention of their products among attendees of event Pra-Jelajah Ramadan RTM 2019 is investigated to identify the most important factors in event sponsorship towards purchase intention as well as to investigate the relationship between the event sponsorship factors towards purchase intention.

The term 'corporate sponsors' usually consist of companies that provide financial support for a program or event with the intention to obtain public recognition in exchange for that support. Organizations that solicit sponsors typically produce sponsorship packages that offer different benefits for different levels and types of contributions, hence FAMA plays similar role in this situation.

Keller (1993), states that the sponsor's corporate identity can also be associated with how the event was perceived by consumers. Nevertheless, favourable brand awareness can be achieved when proven objectives that associates with consumers' needs are utilized (Pitts & Slattery, 2004). Therefore, the sponsor's corporate identity wholly depends on elements that relates to consumers (Piva, Cerutti, Prats & Raj, 2017).

Event perception quantify as message delivery and how the sponsors are perceived are subject to the attendees' perception and acceptance towards them (Cornwell, Humphreys, Maguire, Weeks & Tellegen, 2006). This also explains the importance of consumer attitude towards events, the event's supportive fit, attendee's knowledge on the brand and their purchase intentions (Tomalieh, 2016). In traditional brick and mortar stores, customers can analyze the product with their own eyes Abdul Manan, Ariffin, Ratul Maknu & Zakaria, (2020).

This research aims to identify factors in event sponsorship and how it affects purchase intention. The relationship between these two are also investigated.

II. Background of Study

FAMA as a brand, is well known and respected among locals in Malaysia. Although their products are not widely commercialized within the country, many consumers enjoy its locally sourced products. Sponsorship as a concept is increasingly popular for businesses who wish to exponentially grow and reach high-quality audiences. Sponsors are individuals or corporations that provide financial or alternative methods to support others and usually offer products, services, funding or a mixture of the three to support events, trade shows, teams, nonprofits, or organizations. In exchange, the organization that is being sponsored gets exposure and the chance to connect with new clients. According to Hardy, Mullin and Sutton (2007), the term 'sponsorship' is defined as 'the acquisition of rights to affiliate or directly associate with a product or event for the purpose of deriving benefits related to that affiliation or association. The sponsor then uses this relationship to achieve its promotional objectives or to facilitate and support its broader marketing objectives'.

Existing research confirms that a sponsor's image is defined as being affected by the consumer's perception towards the image of the sponsored activity and how well this activity fits with the sponsor's corporate identity (Gwinner & Eaton, 1999). Hughes and Fill (2008) considered sponsorship as a marketing communications tool wherein a company offers funding or other resources (financial, personal services, equipment, experience or others) to cover all or part of the costs and other requirements associated with a project or event (concert, sporting event, educational program, television program or other events) in return for displaying its logos, brand names and products. The collective evidence from past research suggests that these variables demonstrate good measurement properties. The following are four variables studied:

i) Purchase Intention

Purchase intention is the consumer willingness to purchase a particular product in specific conditions. Purchase intention usually relates to the behavior, perception and attitudes of consumers (Tomalieh, 2016). As defined by Schiffman and Kanuk (2005), purchase intention is the possibility that determines the strength of the customers' willingness to purchase a commodity; the higher the possibility was, the stronger the purchase intention would be.

ii) Brand knowledge

It is important to consider what the attendees know about the sponsoring brand and the services it offers. Brand knowledge represents the attendees' interest in the sponsoring brand and their level of experience, expertise, and use associated with the brand. It is not limited to the brand's individual or newly launched service offerings, but rather encompasses a much broader form of brand awareness (Keller, 2003). In terms of sponsorships, brand knowledge relates to the more abstract and intangible brand associations held in the mind

of consumers related to the sponsor. When more emphasis is placed, brand knowledge influences consumers' response to marketing activities that link the service brand to a sponsored event. Sponsorship can build brand knowledge via recall and recognition, evokes feelings about the brand, and create consumer experiences (Keller, 2003). A consumer may develop poor brand image if they have a poor experience with the company. Brand knowledge eventually helps in creating brand equity through brand recognition.

iii) Event Sponsor-Fit

According to Lacy & Angeline, (2013) Event sponsor-fit is whether the sponsors and attendees match the genre or type of event insofar as to say that they are similar in identity or specification. Recent research on sponsor fit as conducted by Groza, Cobbs, & Schaefer, (2012); Zdravkovic & Till (2012), demonstrates that it is the key to managing the sponsorship portfolio, enhance brand image via sponsorship strength of association effects, and wayer self-agreement or conformance and brand attitude to loyalty. Moreover, Simmons & Becker Olsen, (2006) defined event sponsor-fit as the extent to which an attendee perceives that an event and its sponsor have a similar image and shared values, along with a logical connection.

iv) Attitude

Attitude towards the event is another independent variable in this study. Attitude refers to how event attendees react towards a sponsor for that event. The overall experience they gain after an event can have a powerful influence over their behavior. Attendees of the event might have varied attitudes towards sponsorship which impacts on the effectiveness of the sponsorship. This can possibly result in either a positive or a negative response towards the sponsor's brand. Consumer behaviour can be broadly classified as the decisions and actions that influence the purchasing behaviour of a consumer (Yunus, Mat Som, Abdul Majid, Ungku Abdul Aziz, & Mohd Abas, 2018).

A negative impact on attitude may stem from attendees being made aware of the possible inconvenience of an event, among other things. This is supported by Chandon, Wansink, & Laurent (2000). Attendees of the event will consume the brand's product during the event and if they determine that the product is worth buying, they will continue using the brand in the future. Once they are really satisfied with one brand, they will consume it repeatedly. The following are three hypotheses arising from the discussion above:

- i) H1: There is a significant relationship between brand knowledge towards the purchase intention of FAMA's products among the attendees of the *Pra-Jelajah Ramadan RTM 2019* event.
- ii) H2: There is a significant relationship between the Event Sponsor-Fit towards purchase intention of FAMA's products among attendees of the *Pra-Jelajah Ramadan RTM 2019* event.
- iii) H3: There is a significant relationship between attitudes towards purchase intention of FAMA's products among attendees of event *Pra-Jelajah Ramadan RTM 2019*.

As discussed, several prior studies have suggested that these factors have been found to be significant factors in the relationship between event sponsorship factors and purchasing intention. The proposition investigated in this paper uses the following framework.

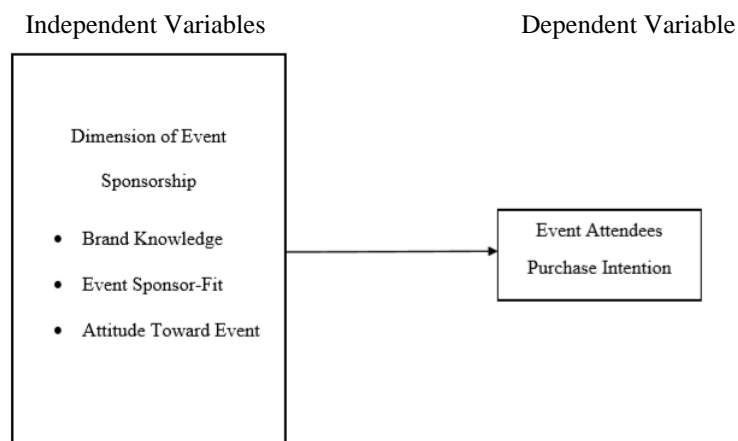


Figure 1 - Research framework based the impact of events sponsorship on attendee's purchase intention. the mediating role of brand image adapted from Tomalieh, (2016).

III. Methodology

Data was collected via questionnaires which were distributed among event attendees during the *Pra-Jelajah Ramadan RTM 2019* event. The sample size in this study was 150, based on the number of items (15) times ten. According to Salkind (2009), the minimum sample size should be 30 and the maximum to be 500. The instrument depends on a five-point Likert Scale, 1- strongly disagree to 5- strongly agree. The questionnaire contains three parts: - Part A: Demographic factors, Part B: Independent Variables- Event Sponsorship factor (Brand Knowledge, Event Sponsor-Fit and Attitude Toward Event) and Part C: Dependent Variable- Purchase Intention.

IV. Data Collection

The event attendees of a single event in Malaysia were used as the unit analysis in this study. This sample consists of event attendees of the *Pra-Jelajah Ramadan RTM 2019* event who hail from various backgrounds. All information related to the event was collected from the main sponsor FAMA and organizer RTM respectively. The researcher used the non-probability sampling method which comprises of convenience sampling, where the questionnaires were randomly distributed to event attendees. Out of the 150 questionnaires, only 120 were deemed useable.

V. Measurement of Variables

The two main variables for this study are event sponsorship factors and purchase intention. Table I summarizes the variables, measurement items, and the number of indicators associated with each sub-construct.

Table 1: *Measurement of Variables*

Variables	Dimensions	No. of Items
Event Sponsorship Factors	Brand Knowledge	3
	Event Sponsor-Fit	5
	Attitude Towards Event	3
Purchase Intention		4

VI. Findings

i) Demographic profile

Most of the respondents were female (53.3 per cent) aged between 20-30 (29.2 per cent) years old. Table 2 displays the demographic profile of the respondents.

TABLE 2: *Demographic profile*

	Frequency	Percentage (%)
Gender		
<i>Male</i>	56	36.7
<i>Female</i>	64	63.3
Age		
<i>1. Less than 20 years old</i>	17	14.2
<i>2. 20-30 years old</i>	35	29.2
<i>3. 30-40 years old</i>	34	28.3
<i>4. 40-50 years old</i>	18	15.0
<i>5. Older than 50 years old</i>	16	13.3

ii) Reliability Analysis

Table 3 indicates the result of the reliability analysis. Reliability can be referred to as the degree of which a reliable result can be generated so long as repetitive measurements are made. In this study, it was performed to ensure that this tool would provide reliable measurements. Cronbach's Alpha is a reliability co-efficient that indicates how well positive items within a pre-determined set correlate to one another. From the results above, it can be concluded that the reliability for brand knowledge, attitude, and purchase intention are moderate, while event sponsor-fit is good. All constructs were acceptable as survey questions for respondents.

Table 3: Result of Reliability Analysis

Dimension	Cronbach's Alpha	N of Items	Degree of Reliability
Brand Knowledge	0.78	3	Moderate
Event Sponsor- Fit	0.82	5	Good
Attitude Towards Event	0.76	3	Moderate
Purchase intention	0.72	4	Moderate

iii) Mean and Standard Deviations

The most important factor in event sponsorship towards purchase intention in this study was identified to be the attitude towards event. The mean for this variable was found to be 4.02 and the standard deviation is 0.67.

Table 4: Mean and Standard deviations

Dimension	Mean	Std. Deviation
Brand knowledge	3.50	0.92
Event Sponsor- Fit	3.98	0.68
Attitude Towards Event	4.02	0.67

iv) Correlation Analysis

Table 5 presents the results of the Pearson's Correlation coefficient which is a statistical measure of the strength and direction of the association that exist between brand knowledge, event sponsor-fit, attitude towards event and customer's purchase intention. The findings indicate that the positive correlations between two independent variables (event sponsor-fit, attitude towards event) and the dependent variable (Purchase Intention) is at $p < .001$. This relationship between brand knowledge of FAMA and purchase intention was found to be insignificant and nonexistent ($r = 1.40$, $p > 0.01$).

Table 5: Correlation Analysis

		Brand Knowledge	Event Sponsor Fit	Attitude Toward Event	Purchase Intention
Brand Knowledge	Pearson Correlation	1	.249**	.231*	.140
	Sig. (2-tailed)		.006	.011	.127
	N	120	120	120	120
Event Sponsor Fit	Pearson Correlation	.249**	1	.430**	.457**
	Sig. (2-tailed)	.006		.000	.000
	N	120	120	120	120
Attitude Toward Event	Pearson Correlation	.231*	.430**	1	.443**
	Sig. (2-tailed)	.011	.000		.000
	N	120	120	120	120
Purchase Intention	Pearson Correlation	.140	.457**	.443**	1
	Sig. (2-tailed)	.127	.000	.000	
	N	120	120	120	120

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 6: Summary of Hypothesis Testing

Hypothesis	Results
H1: There is a significant relationship between brand knowledge towards purchase intention of FAMA's products among attendees of event Pra-Jelajah Ramadan RTM 2019.	Not accepted
H2: There is a significant relationship between Event Sponsor-Fit towards purchase intention of FAMA's products among attendees of event Pra-Jelajah Ramadan RTM 2019.	Accepted
H3: There is a significant relationship between attitudes towards purchase intention of FAMA's products among attendees of event Pra-Jelajah Ramadan RTM 2019.	Accepted

The summary of hypothesis testing between brand knowledge, event sponsor-fit and attitude as part of event sponsorship are shown in Table 6. The results surmise that only two variables have a moderate

relationship with each other. This result shows that most event attendees do not actually care about who the sponsor is. The researchers conclude that all respondents enjoyed this type of event.

VII. Conclusion and Recommendations

The main objective of this study is to assess the relationship between the factors that affect event sponsorship based on the proposition as opined by Tomalieh (2016) and the purchase intention of consumers. Descriptively, a fair majority of respondents agreed that the attitude towards an event was the most dominant component. This refers to how attendees react towards an event's sponsorship and ties with how the consumer experience of an event can have a powerful influence on behavior. Additionally, the various preconceived attitudes and perceptions of event attendees towards event sponsors have an impact on the effectiveness of the sponsorship, ultimately resulting in either a positive or negative reaction or response towards the sponsor's brand.

For this event, consumers did not pay attention to FAMA and its status as the main sponsor; instead, they were more concerned of it being a farmers' market. As such, it is equally important to focus on events with a wider scope that could relate the target audience with the promoted brand to give maximum benefit to the sponsors.

Future studies should investigate a larger sample of the population and extend towards other major cities and other events such as the Urbanscape Festival. This event could have potential respondents both attending the event and intention to buy sponsors' products. It is recommended that event sponsors consistently review the brand knowledge, event sponsor-fit and attitude to suit the purchasing intention of the targeted customers. The use of social media platforms such as Facebook, Twitter and Instagram contribute to effective event promotion. Suitable sponsors should be found for suitable event types in order to also better increase the event's success. This will contribute to the sponsor's decision to further support future events.

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