The Effect of Sponsorship Activities and Consumer-Oriented Activities on Growth Performance

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Abstract: Sponsorship activities, which mean that an organization should be supported by another institution to promote itself or a product without waiting for monetary provisions, is an important tactical move for companies that want to gain competitive advantage today. The aim of this study is to investigate the effects of sponsorship activities and consumer-oriented activities on the firm’s growth performance. The survey method was preferred as a method of measurement and a total of 310 participants were evaluated by using 5-point Likert technique. As a result of the study, it was determined that both sponsorship activities and consumer-oriented activities had a direct and positive effect on the growth performance of the enterprise. It has been observed that companies that allocate budget for sponsorship activities and which shape their activities with consumer feedbacks have a direct impact on their growth performance. The results were interpreted in detail for academicians and senior executives and various suggestions were made for future research.

Keywords: Sponsorship Activities, Consumer Oriented Activities, Growth Performance

JEL CODES: M10, M30, M31

Introduction

Under intense competition conditions, technology is at the focal point of companies to adopt fully customer-oriented activities and take part in more active activities. Thanks to the rapidly developing technology, the concept of social media has emerged and this development has led companies to benefit from technology to reach further individuals or broader masses. Therefore, the social media that consumers mostly use has also a significant effect on consumer behaviors and social media has a significant effect on the consumer’s decision-making process. Thus, customers influence other users and are significantly influenced by other users and a completely mutual interaction emerges. Consumers share their own experiences and experiences of people around them on social media. The majority of these shares usually consist of shares about a product/service or brand and as a result of this, users indicate their presence on social media with their consumer identities. Within the framework of these explanations, it is stated that social media has gained importance by large masses of people and it has become an important factor for purchasing behavior. Consumer-orientedness covers all activities related to obtaining important information about current consumers. In addition to this, consumer-orientedness aims at determining the expectations and desires of consumers before the purchase action and requires the consideration of the thoughts of consumers, which are an important element for institutions. The definitions of consumer-orientedness and competitor-orientedness are different. Competitor-orientedness refers to initiatives to understand the strengths, capabilities and strategies of the organization’s existing competitors. The efforts of the organization to regularly produce consumer and competitor data and information by responding to the expectations of consumers are gaining importance. In this context, sponsorship and consumer-oriented activities are theoretically discussed. In the methodology section, a statistical analysis was performed within the framework of the hypotheses developed and the findings were discussed in the conclusion part as a recommendation to the administrators and academicians.

Sponsorship Activities in Companies

The Concept of Sponsorship

Nowadays, in a dynamic market, in a technological environment where information and communication are at the forefront, it is of great importance to stand out
amongst competitors, to raise awareness, to establish an emotionally strong connection with the target audience of the institution and reach larger audiences with low budgets. Customers not only buy a product or service, but also buy the lifestyle, experiences, stories and emotions offered by that product or service. Recently, the concept of sponsorship has been frequently mentioned to realize such objectives (Yavaş, 2005, 98). The concept of sponsorship is to rent or buy the association with a group, team, event, etc. for the organization’s marketing objectives and/or to use these activities in the interests of the institution itself (Soyer and Can, 2010, 1205). All supportive activities, such as financial support, all entrance fees to increase the level of organizational performance, discounts for transportation and transport, donations, supports, special discounts on tickets, consignment products, product and service prices, supports and arrangements for promotion through the media, are called sponsorship activities. In other words, sponsorship is a name which has not been defined yet in terms of support, which takes place in different types and which is selected according to the objectives of the sponsor and is given to the targeted activities. The concept of sponsorship used in the sense of supporting activities is also known as a legal business arrangement that provides mutual benefit between the supporting firm and the firm receiving support. The main purpose of supportive works and procedures is to provide financial income to the supporter. However, when presenting these activities, they are brought to the forefront with the image of social benefit (Can and Yiğit, 2017, 100). All factors, such as trying to provide short and long-term benefits to a sponsor firm or institution, awareness and recognition of sponsors, consumer recall, attitude toward the sponsor and purchase intention and sponsor image, have a serious impact on sponsorship (Yılmaz, 2007, 588).

Sponsorship means the support of an institution to promote itself or a product without waiting for monetary compensation by another institution. Sponsorship takes place especially in the organization of training, research, various useful activities and social activities in businesses (Ojagov, 2011, 79). Sponsorship activities should be considered not only as an activity that has rules and principles alone, but also as a set of techniques in public relations in terms of institutions. When considered as a stand-alone activity, they can be defined as neither advertising nor propaganda nor marketing; all marketing techniques have an impact and share in its scope. Sponsorship activities are a combination of choices that benefit both the business and the consumer by making use of all these techniques (İnan, 2011, 5).

In order to accelerate sponsorship activities in organizations, it is known that there is a mutual benefit between companies and consumers in the basis of their expectations from these activities. When compared with the advertising budgets of institutions, it is observed that institutions attach importance to less costly sponsorship activities within the framework of their growth strategies. An organization that sponsors another individual or institution gains the opportunity to create its target group and fulfill its responsibility to society by supporting an activity which it has not performed before and helps to strengthen the corporate image (Tarakçı, 2018, 80-81). One of the most important reasons for this situation is that sponsorship has more advantages than advertising used in the classical sense (Kurul, 2013, 36-37). Sponsorship activities are expected to be much more effective when realized by using television and radio (Ojagov, 2011, 80).

**Sponsorship Areas**

In order to reach the desired targets and masses, organizations may prefer sponsorship in different areas and of different types. According to Demir, “While organizations bring some goals to the forefront in their sponsorship activities, they also want to benefit other sponsorship goals. Regardless of the field of activity in which sponsorship is applied, certain factors should be taken into consideration when making a sponsorship decision. The sponsorship duration, cost, the level of participation in the media, the person to be sponsored and whether the activity to be undertaken has risks for the sponsor are among these factors. Furthermore, compliance with the intended positioning policy (target, message, the harmony between the event’s audience and targets in the promotion plan and the target market) and sponsorship’s being new and creative should also be considered (Demir, 2011, 49-50). Companies can carry out sponsorship activities in various areas in order to address the determined objectives and appeal to the desired target groups. They may prefer sponsorship types by themselves. In fact, while companies want to bring some of their goals to the forefront in their sponsorship activities, they also want to benefit other sponsorship goals. The logo, which is frequently renewed in sponsorship activities, makes a significant contribution to the adoption and finding of the corporate identity by recognizing the color and image representing the logo of the organization. Different sponsorship areas and types take a significant place in serving different purposes and their definitions are presented below (Erciş, 2012, 117).

Although the culture and arts sponsorship type has been formerly performed in the form of supporting artists and protecting art by rich people only for the recognition and position in the society, nowadays, companies act with the idea of long-term commercial
gain and sponsor artistic and cultural activities to reach their target groups and customers, improve their image in the society and motivate employees within the organization. Before deciding on the area of culture and arts sponsorship, it is important to consider the age range of the determined target group, income level, consumption type and social status. There should be coherence between the image that exists or is intended to be integrated into the identified activities and the rate that can be allocated for sponsorship from the budget should be considered (Salam, 2015, 26).

Nowadays, sponsorship activities are gaining importance with every passing day and the expenditures made especially in the field of sports have an important share in sponsorship practices. Among all types of sponsorship, sports sponsorship is the largest in terms of both the size of the target audience and the allocated financial budget. Furthermore, attracting the attention of the audience through sports sponsorship activities creates a broader advertisement effect compared to other types of sponsorship. Sports sponsorship has become the most effective communication tool for firms since the implementation of sports sponsorship increases the visibility levels of brands and it is flexible. Within the media, firms can sponsor an athlete, a sports tournament and a football team in order to increase their visibility and reach the target audience. The fact that sports and healthy life have come to the forefront in all ages and lifestyles has made sports sponsorship important for companies. Although sponsorship costs are higher compared to other types of sponsorship, sports sponsorship has lower costs compared to television advertisements (Aksoy, 2018, 1459). Reasons that attract sponsors to this field include the fact that the sponsoring organization can reach the target masses easier and quicker and that mass media tools are included in sports events more. The commercial use of sponsorship took place for the first time when advertisements were included in the official program of the Olympic Games in 1896 and presented. At the 1928 Olympics, Coca-Cola first acquired the sample product distribution rights. After the 1975s, contemporary corporate sports sponsorship began to take place in the form in which sponsorship is perceived today (Karadeniz, 2009, 68). In particular, sponsorship of sports events is considered as an important opportunity since it provides sponsoring institutions with the advantage of investing in large-scale and worldwide events. These events include the FIFA World Cup and the Olympics. This is because these sports events provide the opportunity to reach billions of people at the same time. The sponsorship of such events provides a significant marketing advantage for the sponsoring company and provides much more recognition than the brand awareness to be brought by advertisements (Dumanlı, 2011, 99).

It becomes important for citizens and organizations to focus on environmental sponsorship due to the destruction of nature and environment in recent years, the deterioration of ecological balance and the fact that nature cannot renew itself. Sponsorship of this kind includes subjects such as supporting environmental protection associations, informing citizens regarding the program, organizing meetings to ensure the balance of the environment and taking local measures to protect the environment (Irak, 2009, 48-49). Again, social or environmental research projects, conferences or symposia are the main sponsorship practices related to a particular project or event. At this point, it is also possible to support civil society initiatives such as environmental groups that come together to realize a specific project (İmamoğlu, 2003, 86).

In addition, the main purpose of social sponsorship is to carry out activities related to the areas needed by society. Companies engaged in sponsorship activities carry out various activities without any profit motive in all areas that are needed by the society in order to show the sense of responsibility towards the society, as they are an element of the country where they operate (Canöz and Doğan, 2015, 28-29). The activity of social sponsorship is a type of sponsorship activity that businesses carry out in order to establish positive relations with their target groups in social areas such as education, health and environment. Social sponsorship activities remain a strong tactic in competition in terms of increasing the level of perception through brand-oriented activities and creating a brand that is sensitive to social expectations at this stage because the application areas of these sponsorship activities are the activities that are performed on the subjects that are deemed inadequate within the society (Karaköse and Topbaş, 2010, 6-7). In general, in order for the sponsor to achieve its communicative goals, it should behave in a way that fits the spirit and purpose of the social activity it supports and should not appear to be contrary to the image of the individual or institution with the sense of social responsibility it wants to show to the public (Atasoy, 2013, 32). All organizations engaged in sponsorship activities definitely have an expectation. Regardless of the purpose of sponsorship, the real objective is to achieve mutual benefits. The reasons for organizations to participate in sponsorship activities may vary depending on the field of activity of the organization, target market, the type of goods or services produced, the area chosen for sponsorship, the budget used for sponsorship and many other factors. It is important to consider sponsorship as a commercial investment. The expected returns from sponsorship and the company’s goals determine the objectives of sponsorship (Keskin, 2018, 24). First of all, the type of sponsorship varies depending on various factors such as the sector in which
the business operates, the market area of the business and the scale of the business. Secondly, the purpose of social and environmental sponsorship institutions is to carry out a social responsibility project, the purpose of production businesses is to participate in the media and publicity, the purpose of art sponsors is to ensure hospitality and to give back to the community to which they are a part and small-size businesses (Ateşoğlu, 2010, 181-182).

**Consumer-Oriented Activities and Firm Performance**

Consumers are influenced by users as well as other users on social media. Users share information regarding different subjects such as themselves, their environment, friends, products and experiences on social media. A significant portion of these shares is related to a product/service or brand. This shows that users have consumer identities and they exist in social media. In this respect, it is possible to say that social media is widely accepted and it is an important factor affecting the purchase behavior (Özcan and Akinci, 2017, 144). Considering that there are a lot of producers and product features are simulated by competitors in a short period of time, marketing has no choice but to succeed (Türkmen, 2013, 10-11). Consumer-oriented businesses want to have advantageous consumers, but the main thing is to be able to keep hold of the loyal and profitable consumer and create consumer value. The fact that the products and services offered by the business are perceived accurately and adopted by the consumer is one of the most basic results of consumer-orientedness (Soysal and Kocoglu, 2018, 42).

Most importantly, the consumer-oriented approach has a high level of sensitivity in its approach towards the consumer. The consumer is the most important factor for the company. The firm owes its existence to the consumer needs that are present in the market and not yet met. The firm emerges as a demand to meet current consumer needs better than its competitors. The main assumption of this approach is that there are no firms without consumers. Concepts such as consumer-orientedness, efficiency, transparency, value, benefit, satisfaction, speed (rate), need, demand, communication, interaction, etc. are the basic descriptors of this approach. A consumer-oriented approach requires a new relationship and communication with the consumer. This relationship is based on the wishes, needs, demands and expectations of the consumer. A consumer is a person who knows his/her needs the best. The organization held to meet them also tries to understand and fulfill these efforts and makes the necessary effort (Özel and Polat, 2013, 62).

In the past, consumers were merely purchasers and could not have a say in the administrative framework. The sole aim of businesses was to answer the questions what to produce, when to produce and the price at which to sell it. Nowadays, organizations that are in a highly competitive environment are undoubtedly dependent on their consumers in order to survive and adapt to changes and the dynamic structure. Consumer-orientedness can be expected to play an important role in the economic success of service businesses since services have an abstract structure and communication and interaction with the customer are high. The importance of the consumer-oriented approach emerges at this point. Consumer-oriented businesses achieve continuity in their relations with consumers. Due to the developing technological structure and other factors, it has become much easier to imitate the products produced and businesses can no longer obtain demand as much as supply. Consumer-orientedness is a strategy that is the hardest to implement but provides the highest return. It tries to analyze consumers very well and minimize possible errors. As a result of frequent contact with consumers, firms will not have difficulty in identifying their needs and will use a lot of information they have about their consumers in their marketing activities (Günaydın, 2018, 57-58).

Although researchers emphasize competitors, this emphasis is on meeting the demands of consumers better than competitors. In studies indicating that competitor-orientedness should be separated from market-orientedness, it is emphasized that consumers are not satisfied with businesses that they consider competitor-oriented. From this point of view and if we accept the view of implementing the marketing approach of market-orientedness, market-orientedness should be synonymous with consumer-orientedness because marketing means creating a satisfied consumer. The perception of a firm as competitor-oriented decreases consumer satisfaction. Even though competitor-orientedness aims to deliver better products/services to consumers than competitors, it may result in companies turning towards competitors from the consumer side. On the other hand, the fact that consumer satisfaction depends on a result of the comparison (with competing products/services) should also be noted. As a result, we can state that adopting consumer-orientedness as a culture and addressing competitor-orientedness within activities rather than as a culture will result in more accurate market-orientedness. In other words, a consumer-oriented culture should be followed by consumer and competitor-oriented behaviors (Ekber and Ahmadov, 2017, 39-40). When the definitions in the literature are examined, consumer-orientedness includes interactive communications in order to understand the consumer and it is defined as turning onto consumer preferences for high consumer value. The fact that the organization and its employees focus on the consumer in
any activity they perform is a requirement of consumer-orientedness. It is also very important that this is a process based on strategic long-term relationships. Consumer-orientedness primarily requires understanding consumers for the production of services and products that create value. Efforts to understand consumers also include efforts and activities to gather information regarding consumer needs or market dynamics (Güler, 2014, 229-230).

Businesses in the service sector need to be able to provide quality and consumer-oriented services in order to make a difference in the sectors in which they operate. Efficiency and effectiveness can be achieved with a quality service that exceeds the expectations of consumers. Satisfied consumers bring new consumers to the business, while dissatisfied consumers may even lead to the loss of the existing consumers of the business. Services to be performed in accordance with “Consumer-orientedness” in all activities will render businesses more effective and efficient (Mimarbaşı, 2011, 205). The first method that Deming taught the Japanese has been to determine the demands and expectations of the consumer and take a stand accordingly. In other words, consumer-orientedness, which is the main variable in market-orientedness, focuses solely on creating consumer value, regardless of the sector, industry, or line of business (Altıok, 2018, 15). The normative values of the customer capital loyalty of a company that should lead the attitudes of the employees facilitate the behaviors towards the customers and corporate change. The dependence of life on customer capital value is a customer-oriented structure, It is stressed that there is a general shift towards a customer-centric structure in marketing organizations and customer relations are emphasized partly in many firms. Likewise, the fact that organizational compliance with customers has the strongest impact on a firm’s ability to develop and manage relationships with customers is widely known in the literature.

The Concept of Firm Performance

Various definitions are made in the literature regarding the concept of performance. In its most general definition, performance is defined as the level of fulfillment of the enterprise’s aims according to the output or result of the works after a certain period of time in the firm. According to Tucker and Pitt (2010), the concept of performance is defined as the extent to which the activities in a process can be implemented or the level of effectiveness of the outputs on achieving a particular target as a result of the process. As for the concept of firm performance, it is defined as a concept that presents those that are gained as a result of a planned activity qualitatively or quantitatively or the extent to which a firm can achieve its targets (Küçükkaban, 2015, 44-45). Performance is the qualitative or quantitative evaluation of all planned efforts and results to implement the objectives. It requires business performances to be addressed in detail and in a multi-faceted manner due to global competition conditions. While there is a broad acceptance of the necessity of organizational performance measurements, there is an ongoing debate in the research conducted on the terminology of this measurement, how it will be performed, which stages of the organization it will include and the conceptual foundations of performance evaluation (Köl, 2014, 44).

Qualitative performance is based on abstract data and therefore, the number of the criteria to be used in qualitative performance measurement can be very high. Furthermore, the essence of quantitative performance is also based on qualitative performance and if there is a decrease in qualitative performance, a decrease also occurs in quantitative performance over time. Determinants such as product quality, theoretical commitment levels, customer satisfaction and responsibility to the public are important factors used in evaluating qualitative performance in work life. Non-financial variables such as customer satisfaction, learning and growth can be used to identify long-term goals (Kalmuk and Acar, 2018, 660). Qualitative Performance is examined under different headings such as organizational performance, organizational efficiency and HR performance in the studies in the literature and it mainly includes the following variables: product quality of the business, customer satisfaction, employee satisfaction, employee loyalty, employee productivity, labor turnover rate, level of absenteeism, new product development and spiritual values of the business (Bolat, 2014, 60).

Denison and Mishra (1989) examined firm performance under two headings: quantitatively and qualitatively. The authors who stated that quantitative and qualitative performance indicators interact with each other expressed that qualitative performance indicators help the formation of the quantitative. The qualitative and quantitative performance involves different indicators and criteria. While qualitative performance indicators make up the innovation performance with the culture in the internal environment of the firm, the firm environment, human resources of the firm, the satisfaction that the employees get from the work and their level of commitment to their organization, the perception of justice, the success of developing new products, customer satisfaction and the quality of the products and services provided by the company; the indicators of quantitative performance consist of the turnover that shows the financial management success of the firm, the Return On Assets (ROA), turnover profitability (profit/total sales), equity/investment profitability (profit/equity), the growth in sales, the increase in the market share of the firm, the conversion rate of investments and profitability rates (Dursun, 2015, 55).
As indicated in the Table 1, A strong firm’s competitiveness is important for it to survive and gain a competitive advantage among its competitors and achieve sustainability by gaining this advantage. The firm can determine this on the basis of financial performance criteria. With this firm performance analysis, institutions and organizations can perform healthy decision-making, planning and audit functions effectively and quickly. As a result of successful financial performance analysis, it has a significant effect on accurately reflecting the performance of the business. Firms can perform successful financial performance management with financial performance criteria and get the opportunity to increase firm values. Financial performance criteria are very important for the company managers as well as potential investors considering investing in the company (Aydeniz, 2009, 264).

### Table 1: Qualitative and quantitative performance criteria

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<tr>
<th>Qualitative performance criteria</th>
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<tr>
<td>Sales and increase in sales</td>
<td>Return on equity</td>
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<tr>
<td>Profitability and profit increase</td>
<td>Tobin’s Q ratio</td>
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<tr>
<td>Market share and increase</td>
<td>Return on assets</td>
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<tr>
<td>New product release success</td>
<td>Price to book ratio</td>
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<td>Overall business performance</td>
<td>Earnings per share ratio</td>
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<td>Customer satisfaction</td>
<td>Market value</td>
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<tr>
<td>Reputation and image</td>
<td>Return on investment rate</td>
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<tr>
<td>Competitive advantage (HR, Technology, etc.)</td>
<td>Sales and increase</td>
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<tr>
<td>Others (industry leadership, employee satisfaction, product quality</td>
<td>Other outputs (sales per employee, hotel occupancy rate,</td>
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<td>number of patents)</td>
<td>the number of discharged patients, etc.)</td>
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**Methodology and Application**

Forming the scales used within the scope of the study, method and application, sample selection and data collection, validity and reliability analyses of the scale and the test of the research model are discussed in the last section as headings. The questionnaire used in the study consists of three different sections in accordance with the content of the thesis. Sponsorship activities are found in the first section of the questionnaire directed to readers, the questions of customer-oriented activities are found in the second section and in the third and last section, firm performance questions are found. The predetermined model of the study is illustrated in Fig. 1.

**Hypothesis Development**

Major changes have started to take place in global marketing strategies and practices with the consumer-oriented marketing approach becoming dominating in the place of the product-oriented production approach. With the understanding of the importance of the market-oriented production approach, the idea that companies should focus on the industry in which they operate has come to the forefront. Customer satisfaction and customer loyalty have started to gain importance among the consumer-related criteria and this has led to the formation of the motto “Make a customer, not a sale.” In many studies in the scientific literature, it has been claimed that consumer satisfaction is one of the most important variables in analyzing marketing performance in the corporate sense. Ittner and Ve Larcker (1998) stated that there is a positive correlation between customer satisfaction and accounting performance. According to Achril and Kotler (1999), one of the most significant differences experienced by marketing is that the seller becomes the representative and consultant of the customer. In fact, the most important function of marketing is being a bridge between the customer and the company. This can be shown as the main reason for the customer-related factors that have gained importance in evaluating marketing performance. The fact that the most important factors regarding the customer in the study carried out by Clark et al. (2006) are related to the marketing performance criteria performed by the company shows that this is reflected in the measurement of the marketing performance (Hacıoğlu, 2012, 62).

Sponsorship is a commercial investment that provides financial and material support to enhance the corporate image in terms of the commercial benefits of businesses, to increase the recognition of brands in the eyes of consumers, or ensure the direct marketing of products and services. Sponsorship is defined as providing financial support to initiators in the initiatives in order to operate in the fields demanded by masses. It is a state in which the business supports the events or activities, which are not a direct part of the ordinary activities of the business but in which commercial benefits can be obtained by the management of this support by the business. Sponsorship is one of the most effective instrument methods that can be used to reach the target audience. It is a very effective element in order to create more awareness among the target mass and be more convincing. Moreover, sponsorship activities can directly affect firm performance (Karataş et al., 2013, 37). In the study carried out by Özer in 2011, it was found out that the attitude towards the brand is positively correlated with the attitude of activity, brand image and purchase tendency.
In an empirical study conducted by Çelik in 2016, it was revealed that sponsored activities were regarded as positive by the target audience, created a positive brand perception and created awareness of the brand. The following hypotheses were developed in light of the information detailed in the theoretical section and summarized briefly in this section:

Hypotheses Foreseen

H₁: Sponsorship activities have a direct and positive impact on the firm’s growth performance
H₂: Consumer-oriented activities have a direct and positive effect on the firm’s growth performance

Creation of the Research Scale

As a result of the investigations conducted in the literature on sponsorship activities, consumer-orientedness and employee performance during this study, it was observed that different kinds of research were carried out on this subject. The scales, which are considered to yield the best possible results in the current situation in research scales, were included in the study. A 5-point Likert-type attitude scale was used to answer the questionnaires applied in the study. The evaluation options regarding all the dimensions in the questionnaire are as follows: (1) Totally disagree, (2) Partially disagree, (3) Neither agree, nor disagree, (4) Partially agree, (5) Totally agree. The effects of consumer-orientedness of the institutions studied and sponsorship activities on firm performance and the relations between these scales were examined in the questionnaire answered in the study by managers of all levels in private sector businesses. During the preparation of the questionnaires and the questionnaire form, certain scientific and generally accepted criteria around the world were taken into consideration. In the introduction part of the questionnaire, the scientific and social benefits of the content of this study were explained to the reader by using a simple language that can be understood by all readers. It was emphasized that the answers would be kept confidential and the variables in the form were arranged in different groups according to the dimensions and/or title they were subject to. Attention was paid to the fact that the questions and answers were simple and comprehensible in terms of language use. Professional support was taken during the translation of the scales in the foreign language into Turkish.

The effects of consumer-oriented activities on the growth performance of the firm will be examined by focusing on sponsorship activities within the scope of the study. As is known, sponsorship benefits companies in the service sector in many ways. Sponsorship practices in the form of providing cash or in-kind support for an organization’s activities allow organizations to communicate with their target audiences in unlimited ways with the broad range of options they offer. In addition, it is expressed in the literature that it has an effect on the firm’s growth performance together with other consumer-oriented activities (the use of social media, establishing a foundation, services that will provide social benefit, etc.). The main purpose will be to measure how these two independent variables affect the growth performance in firms that operate in the service sector.

Research Sample and Data Collection

The survey method was preferred in the study as the data collection method. This is a widely preferred method, especially in the field of social sciences. The surveys were collected via e-mail and online software, Google Forms (Google Docs). The professional online software, Google Docs and MS Word were used for the application of the questionnaires and the data were transferred to and analyzed in the SPSS program. The population of the study is service companies located in the Marmara Region and carrying out sponsorship activities. It was found out that the total number of questionnaires required to be collected over the formulation calculation related to the sample size was 305 and the study was completed with 312 questionnaires (Kirby et al., 2002). Kirby’s sample formula is formulated as follows:

\[ CI = \hat{p} \pm z \times \sqrt{\frac{p(1-p)}{n}} \]

In order to collect these questionnaires, questionnaires were sent to about 200 companies and questionnaires were collected from a target group of 1200 people. While certain companies did not respond at all, certain companies responded that filling in the questionnaire would not be appropriate in terms of company confidentiality. The method used in the sample calculation is as follows. In this formula (z = number, p = population cross-section, n’ and n = the number of samples and N = population sample).
Basic Characteristics and Demographic Data of the Samples Responding to the Research

In addition to sponsorship activities, consumer-orientatedness and firm performance, the participants of the survey conducted within the scope of the study were also asked questions such as age, gender, educational status and how long they have been in work life. Descriptive information and tables related to these questions are presented in Table 2.

According to the research conducted within the scope of this experimental study, among a total of 312 employees who participated in the survey, 52% of the employees represent the female ratio and 48% represent the male ratio. When this demographic picture is examined, it is observed that women are at least as active as men in work life (Table 3).

According to the survey conducted, 15% of the employees who participated in the research are business owners/partners, 15% are top-level managers, 37% are middle-level managers and 33% are lower-level managers. It is believed that all the respondents have the capacity to understand and answer the questions in the questionnaire correctly based on their knowledge (Table 4).

According to the results obtained from the data received from 312 employees in total to determine the educational status, 2% of the participants graduated from primary education, 20% from high school, 46% from the university, 16% received a master’s degree, 7% graduated from college and 9% received a doctorate degree. The fact that especially master’s and Ph.D. graduates make up approximately 23% of the participants leads to the perception that the respondents of the survey answered it in a conscious and objective manner.

The concept of reliability is defined as the degree to which a measurement remains error-free. In this study, Cronbach’s alpha (α) coefficient was used as the most widely used reliability measurement tool considering similar studies in the literature in order to determine the reliability of the scales (Özdemir, 2006, 181). The reliability (internal consistency) of the scale in the study was tested considering Cronbach’s alpha reliability coefficients for the scales and the expressions that should and should not be removed from the scales were checked by considering each item correlation of the scale after the reliability analysis. In the following stage, these scales were subjected to factor analysis after calculating the Kaiser-Meyer-Olkin sampling adequacy coefficients aimed at the applicability of the factor analysis on the scales for the structural validity test (Table 5). Finally, correlation and regression analyses were performed to determine the relationships and effects between the variables (Çakmakayapan, 2009, 57).

The overall reliability of the scale was determined to be 0.942. Since it is desired that the alpha coefficient is 0.70 and above in order for the scale to be regarded as reliable, the research was deemed reliable. Nevertheless, in order to avoid any doubt in the research, the reliability analysis was performed by examining each subdimension separately and individually. In this context, it was found to be 0.928 for sponsorship activities, 0.892 for consumer-orientated activities and 0.887 for the performance scale. The fact that the overall reliability ratio of the scale is higher than the arithmetic mean of all scales is an indication that the model may be established correctly. In the next step, factor analysis was performed to prove that the model was structurally valid. Recently, factor analysis is widely used in social sciences due to the difficulties in interpreting a large number of variables, with the increasing number of variables used in multivariate analyses. Factor analysis is used to provide clues about the structure of the relationship between multiple variables thought to be correlated with each other. KMO (Kaiser-Meyer-Olkin Measure Value for Sample Adequacy) is one of the tests that give an idea on the suitability of factor analysis. The analysis performed becomes more meaningful as the KMO value approaches 1 (Şahin, 2009, 175). In the factor analysis in which the independent variables of the research are analyzed together, the KMO value of the first two variables was determined to be 0.934 and the KMO value was determined to be 0.918 for firm performance, which is the independent variable of the study. In the table obtained as a result of the factor analyses, no question was removed from the scale and the minimum loads of all questions were calculated so that they would have a value of 0.500 and above in the factor analysis performed using Varimax. While the consumer-orientedness scale used in the study was divided into two dimensions in the original study, it was collected in a single factor in this study. In order to avoid any manipulation in the analyses, the research was maintained as it emerged and the reasons for this were highlighted in the conclusion section.

Correlation analysis shows the strength and direction of the relationship and cannot distinguish between dependent and independent variables. Nevertheless, in regression analysis, it is possible to distinguish between dependent and independent variables, indicating that one variable has an effect on the other. Thus, the relationship between a dependent variable and one or more independent variables could be examined through this analysis (Özdemir, 2006, 131). Since the correlation coefficients are less reliable on small samples, the results of factor analysis are also not reliable. As a result, the sample size is expected to be 100 and above (Hair et al., 1998; 98). The Kaiser-Meyer-Olkin (KMO) test is applied in order to test the statistical analysis of the sample size and it is desired that the value found is as close to 1 as possible. The KMO loads of the independent variables were determined to be 0.934 and that of the dependent variable was determined to be 0.918.
The correlation table is a Table 6 showing one-to-one relationships between variables. It will not show a cause-effect relationship in any way and it may not be suitable to hypothesize over this table in empirical studies. Nevertheless, it contains important information to interpret the regression table in the study. Sponsorship activities (0.600) and consumer-oriented activities (0.608) are highly correlated with firm performance. At the same time, it is also moderately correlated (0.420) within itself. The regression analysis has an important task to determine the causality relationship between continuous variables following the correlation analysis and to measure the effect of one or more variables on another variable and/or other variables in order to determine the strength of this relationship. To summarize the definition of regression analysis, it is defined as a statistical analysis method used to investigate the relationship between the dependent variable and one or more independent variables in the study (Çoban, 2015, 183).

According to Table 7, which shows the effect of the independent variables in the study (sponsorship activities and consumer-oriented activities) on the dependent variable (the firm’s growth performance), both activities directly and positively affect the growth performance of the firm. The R Square value of the study is 0.511 and this shows that 51% of the changes in the dependent variable are explained by the independent variables. The remaining 49% is not included in the scope of the cause-effect relationship. Furthermore, consumer-oriented activities are the leading determinants on the growth performance of the firm with their high Beta value (0.432). The result obtained is symbolized in Fig. 2.

Table 2: Gender distribution of the participants

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>163</td>
<td>52</td>
</tr>
<tr>
<td>Male</td>
<td>149</td>
<td>48</td>
</tr>
<tr>
<td>Total</td>
<td>312</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 3: Title/status distribution of the participants

<table>
<thead>
<tr>
<th>Title/Status</th>
<th>Number</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Owner/Partner</td>
<td>47</td>
<td>15</td>
</tr>
<tr>
<td>Top-Level Manager</td>
<td>47</td>
<td>15</td>
</tr>
<tr>
<td>Middle-Level Manager</td>
<td>114</td>
<td>37</td>
</tr>
<tr>
<td>Lower-Level Manager</td>
<td>104</td>
<td>33</td>
</tr>
<tr>
<td>Total</td>
<td>312</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 4: Education levels of the participants

<table>
<thead>
<tr>
<th>Educational status</th>
<th>Number</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary education</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>High school</td>
<td>63</td>
<td>20</td>
</tr>
<tr>
<td>College</td>
<td>20</td>
<td>7</td>
</tr>
<tr>
<td>University</td>
<td>143</td>
<td>46</td>
</tr>
<tr>
<td>Master’s degree</td>
<td>51</td>
<td>16</td>
</tr>
<tr>
<td>Doctorate degree</td>
<td>28</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>312</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5: Reliability analysis

<table>
<thead>
<tr>
<th>Name of the scale</th>
<th>Cronbach’s alpha</th>
<th>Number of questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship</td>
<td>0.928</td>
<td>11</td>
</tr>
<tr>
<td>Consumer-orientedness</td>
<td>0.892</td>
<td>8</td>
</tr>
<tr>
<td>Performance</td>
<td>0.887</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>0.942</td>
<td>27</td>
</tr>
</tbody>
</table>

Table 6: Correlation table

<table>
<thead>
<tr>
<th></th>
<th>Pearson’s Correlation Sig. (Two-Tailed)</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship Activities (1)</td>
<td></td>
<td>1</td>
<td>0.420**</td>
<td>0.600**</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>312</td>
<td>312</td>
<td>312</td>
</tr>
<tr>
<td>Consumer-Orientedness (2)</td>
<td></td>
<td>1</td>
<td>0.608**</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>312</td>
<td>312</td>
<td>1</td>
</tr>
<tr>
<td>Performance (3)</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**. The correlation is significant at the level of 0.01. (Two-Tailed)

Table 7: ANOVA and regression coefficients table

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Square of Means</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>75.100</td>
<td>2</td>
<td>37.550</td>
<td>163.286</td>
<td>0.000p</td>
</tr>
<tr>
<td>Singular</td>
<td>71.059</td>
<td>309</td>
<td>0.230</td>
<td>R Square</td>
<td>Corrected R Square</td>
</tr>
<tr>
<td>Total</td>
<td>146.159</td>
<td>311</td>
<td>0.514</td>
<td>0.511</td>
<td></td>
</tr>
<tr>
<td>Model</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-standardized coefficients</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>Sig.</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.738</td>
<td>0.164</td>
<td>4.488</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Sponsorship</td>
<td>0.351</td>
<td>0.037</td>
<td>0.418</td>
<td>9.576</td>
<td>0.000</td>
</tr>
<tr>
<td>Consumer-Orientedness</td>
<td>0.420</td>
<td>0.042</td>
<td>0.432</td>
<td>9.894</td>
<td>0.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance
Within the framework of the results, in order to transform sponsorship activities and consumer-oriented activities into a competitive advantage in its fullest sense, it is necessary to analyze customer needs, competitors’ actions and technological developments and global sponsorship activities very well. Companies without sponsorship and consumer-oriented activities are less likely to stand out in terms of growth performance and will have to explore other alternative ways to survive in an intense competitive environment. This high level of beta values (0.418 and 0.432) also shows that the key role for the firm’s growth performance is hidden in these two factors. In this table, two basic hypotheses were supported and the results were found to be consistent with the current literature.

**Conclusion**

Nowadays, as a result of rapid changes in technology, institutions that carry out sponsorship activities maintain their lives by leaving positive effects on consumers in order to be superior so as not to disappear in the competitive environment. In order for institutions to respond to changing consumer demands and needs more effectively and faster than their competitors, it is important that they maintain their financial success, which is one of the main objectives of institutions and maintain their competitive power/superiority in the market. Consumers come into contact with many institutions more frequently and they play an important role in purchasing by preferring many products that they think are both reliable and better with each passing day. Institutions can turn this into their favor by using methods such as advertising and sales development in their sponsorship activities. Today, after-communication sponsorship activities created by institutions interactively with consumers are increasingly preferred when compared to advertising. The main objectives of sponsorship are awareness/recognition increasing, image creation and development and creating goodwill and especially the image creation and development objective emerges as a mutual objective to perform sponsorship activities. The results of the study were interpreted in a way to make some contributions to the relevant literature.

The concept of sponsorship, which is defined as the support of organizations to different activities outside their area of operation, is one of the most important tactics that increase the brand value of that institution. Taking into consideration the expectations and interests of the society, sponsorship activities carried out by institutions are considered to be quite an important element in terms of the corporate image. Sponsorship, which is an important communication tool, will emerge as a highly effective method if it is properly shaped considering the profile, demands and wishes of the target group. Therefore, sponsorship is regarded as a tool that supports sales development methods.

Sponsorship has a long history since ancient times and expenditures made for carrying out sponsorship activities significantly increase incrementally every year. One of the reasons why sponsorship has shown tremendous improvement in our life in a short period of time is that it offers more advantages than advertising. Therefore, sponsorship activities that develop with each passing day in promotional activity methods can now be encountered almost in any area. While sponsorship activities are carried out mainly with the contribution of the state, certain events are held by private sector institutions. Hence, all the organizations definitely have expectations after these activities. Regardless of the purpose of sponsorship activities, the main goal is to gain mutual benefit. The reasons why organizations engage in sponsorship activities may vary in relation to the target market, the type of goods or services produced, the area chosen for sponsorship, investments made for sponsorship activities and many other applications following the works of the organization in its field. In this case, it is important for organizations to consider sponsorship activities as an investment for commercial purposes and the expected returns from sponsorship and the objectives of institutions clarify the objectives of sponsorship. Sponsorship and advertising are two concepts that are often confused. It should be noted that sponsorship is actually a method of persuasion, but it differs significantly from traditional advertising activities. Sponsorship does not have a direct impact on the consumer, but rather reinforces the brand’s
perception and the trust and belief of individuals in the brand by means of an activity or organization. Although the environment we live in is full of many brands and products, now customers rather buy the brand and want to buy the experiences that the brand offers or promises to offer. Therefore, it is also important to consider the marketing objectives of sponsorship. Sponsorship provides significant benefits in terms of influencing the target group, establishing a relationship between individuals and the product and brand, taking an effective part in growing the sales activities of the institution and supporting the marketing policy. In particular, empirical results of this study support previous literature sources (Javalgi et al., 1994; Hurley and Hult, 1998; Thwaites and Carruthers, 1998; Stokburger-Sauer and Hofmann, 2017; Hoque and Mu, 2019). It is once again scientifically proven that sponsorship activities and consumer-oriented activities clearly influence firm performance.

Sponsorship activities are important in institutions as a result of factors such as the facts that they are considered more interesting when compared to advertising, which is the traditional promotion mix; a relationship is established by the sponsor, which is at an important point in communication; their effects are independent of the language and culture; and they address customers directly and without intermediaries by targeting large masses. One of the main reasons why sponsorship activities develop is the development of brand trust in consumers and brand trust is one of the fundamental values that a brand should create. In addition, one of the important objectives of sponsorship activities in communication is to build trust in consumers. Sponsorship activities, which represent the main subject of the thesis, have a positive effect according to the results of the analysis performed on the firm performance. Institutions and organizations gain many benefits after sponsorship activities and it is important for them to analyze the favorable and risky aspects of the area in which they will engage in sponsorship activities when determining this area.

Nowadays, consumer-orientedness is much more important than ever in order to adapt to the constantly changing and developing conditions and gain competitive advantage. According to the test results, consumer-orientedness, which is the subject of the thesis study, has a positive effect on firm performance. Therefore, it becomes important for institutions to internalize consumer-orientedness and the brand personality of the institution becomes important as much as consumer-orientedness. Organizations that try to meet the demands of consumers as much as possible in line with their own aims also gain brand awareness among their competitors. Financial performance makes up an important part of the financial performance criteria and offers important information both for firm managers and potential investors that consider investing in the firm. Measuring the status of financial performance and taking the necessary precautions before it gets too late protect institutions against certain negativities and failures. In both market practitioners and academy research studies, firm growth performance is stated as an important key to the health and success of firms; and institutions that exhibit a quick and high growth performance move one step ahead of their competitors by having more say in the market.

The research has several limitations. Firstly, since the study was conducted in the Marmara Region, its generalizability on the basis of the country and/or countries is not high. Due to the preference of the survey as a research method, it was thought that the respondents answered the questions objectively and without being affected emotionally. Furthermore, the reliability and validity of the study are not higher than the cumulative effect of the scales that make up the study. Future studies should be carried out on a more different and larger sample group with different international scales. Likewise, the studies, in which comparative analysis methods are used, will be more generalizable.

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Author’s Contributions

Miray Çelik: Contributed to the literature; created the model design, collected data and lessons learned.

Dr. Volkan Öngel: Contributed to the literature review, discussion, limitations, lessons learned and design of model.

Ethics

This article is developed by master thesis. The corresponding author confirms that all of the other authors have read and approved the manuscript and there are no ethical issues involved.

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