



AMBUSH MARKETING: THE CASE OF OLYMPIC GAMES

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ABSTRACT

Ambush marketing in sports sponsorship constitutes a misleading marketing strategy adopted by companies trying to associate their brands with a particular sporting event or other sports entities, without being part of the latter official sponsorship programs. Ambush marketing first appeared during the 1984 Los Angeles Olympic Games and continued throughout the whole Olympic history, despite legal measures taken by event organizers and official sponsors so as to protect their exclusive rights and trademarks. Although the International Olympic Committee (IOC) has introduced various regulations and enforcement mechanisms to deter non-official sponsors from capitalizing on the Games' popularity without contributing to their funding, a series of infamous cases during the Games' historical development prove that ambush marketing is an undeniable reality of the Olympic movement throughout the years.

KEYWORDS : Olympic Games, ambush marketing, IOC.

INTRODUCTION

Sports sponsorships represent a fast-growing market of undisputable importance for all involved parties, being developed in the context of synergies between modern sports and the liberal economy. This type of sponsorship has been defined as a profitable two-way transaction between the sponsor and the sponsee, in which contractual terms are clearly defined (Lamont et al., 2011), or as an investment in a sports entity (athlete, team, event, league) aiming to achieve business and marketing objectives through the application of promotional strategies (Shank & Lyberger, 2014). Among the various issues concerning the research field of sports sponsorship, ambush marketing is gaining significant attention due to its unconventional methods and undesirable effects for different parties involved.

Ambush marketing consists of an unauthorized use of the logo and other properties of the sports entity that organizes an event (direct effect) and the undertaking of commercial actions aimed at associating a commercial brand with a sporting event, without it being part of its sponsorship program (indirect effect) (Crompton, 2004). In other words, this type of misleading marketing is a planned effort made by companies in order to associate their brand with a sporting event or another sport entity and be mistakenly perceived by the public to be its sponsor, when in fact they are not (Alexandris, 2021). The main goal of ambush marketing is to reap some of the benefits of the sponsorship without having spent money on signing respective sponsorship contracts. According to Nufer (2016), this attempt to associate a company's brand with the sponsored sports activity without official rights greatly affects the effectiveness of the sponsorship and weakens the impact that the official sponsor can achieve.

Ambush marketing can be traced back to the Los Angeles Olympics in 1984, when Kodak, which has supported the Olympic movement since the beginning of the 20th century, tried to associate its brand with the Games without being in their official sponsorship program, providing a single sponsorship to the US track and field team and negatively affecting the performance of Fuji's official sponsorship in the film category (Sandler & Shani, 1989). Since then, relevant efforts have been made in many cases of the Olympic Games,

which constitute a greatly attractive event for companies wishing to develop similar unconventional advertising campaigns. In the same time, ambush marketing opportunities are now offered in a great variety of sporting events, such as the FIFA World Cup (Ertz et al., 2020). For example, Beats by Dre, a headphone manufacturer, launched a marketing campaign featuring several high-profile soccer players wearing their headphones in the lead-up to the 2014 World Cup in Brazil, without being an official sponsor of the event, with FIFA responding by banning players from wearing Beats headphones at official World Cup events.

The Case Of Olympic Games

The case of Kodak at the 1984 Los Angeles Games is the first example of ambush marketing in the modern history of the Games, which was however followed by several similar incidents, considering that they constitute a sports marketing platform that is particularly favorable for the development of non-conventional marketing tactics, due to their attractiveness and recognition (Nufer, 2016). At the 1996 Atlanta Games, Nike found itself at the center of controversy when, in the 400-meter race, the American sprinter Michael Johnson won the gold medal wearing a \$30,000 pair of the company's shoes with gold stripes, with this image being broadcasted not only during the telecast but also being featured on the cover of Time magazine a few days later (Chadwick & Burton, 2011). At the same time, Nike set up a center behind the Olympic village that was open to both athletes and fans, distributing flags with its logo at various Olympic venues. Instead of paying the \$50 million fee paid by its competitor Reebok, Nike decided to deploy ambush marketing actions, maximizing its exposure and visibility and forever changing the landscape of the global sports sponsorship industry (Nakamura, 2018). In the same Games, it was found that almost 70% of consumers incorrectly believed that the fast-food chain Wendy's was their sponsor, with the official sponsor McDonalds being correctly identified by only 55% (Shank, 1999).

In order to avoid this phenomenon, the IOC in collaboration with the sponsors started to implement various strategies, such as the prohibition of the consumption of competitive products of the official sponsor in the venues of the Games and the use of advertisements in the Olympic facilities, if they do not refer to official sponsors (Alexandris, 2021). Despite

these efforts, ambush marketing in the Olympic Games continued in the same space. At the 2012 London Olympics, Nike followed a similar strategy as in Atlanta Games. While its rival Adidas decided to pay a sponsorship that cost them more than 130 million dollars, Nike leveraged its advertising budget to buy a lower-tier sponsorship, developing a particularly extensive communication campaign on television and the then-emerging social media. The company ensured that the launch of its "Find Your Greatness" advertising campaign would coincide with the opening ceremony of the Games, finding a way to circumvent the IOC's strict licensing guidelines (Chanavat & Desbordes, 2014). In the first week of the Games, Nike's ad achieved 4.5 million views, while the competitor Adidas only got 2.9 million for a similar campaign ("Take the stage"). In a related consumers' survey in the USA, it was found that 37% of respondents considered Nike as an official sponsor of the Games, with the corresponding figure for Adidas reaching only 24% (Nakamura, 2018). Nike's misleading marketing wasn't just limited to digital media, as the company outfitted hundreds of athletes with shoes in eye-catching colors, thus attracting the attention of viewers.

Ahead of the 2016 Rio Olympics, IOC officials revised the "Rule 40", a rule of the official Olympic marketing that prohibited unofficial sponsors from using their athletes in related advertisements, which had been widely criticized as a tool of unfair competition. The revised rule now allowed this type of advertising, provided it did not use Olympic trademarks under the Commission's legal protection (Burton & Chadwick, 2018). However, these strategies are not always sufficient. At the Rio Games, Under Armor took advantage of this rule by running an ad that focused on the famous swimmer Michael Phelps' training regimen in preparation for the Games. After its completion, the "Rule Yourself" campaign garnered over 11 million views, with over 44,000 likes on YouTube, capitalizing on its collaboration with an Olympic symbol and establishing a new model of promotion in the new era of "Rule 40". A similar strategy was adopted by Puma, which, although it was not a sponsor of the Games, used in its advertising campaign the famous sprinter Usain Bolt, who after his victory in the 100m race completed a victory lap in the stadium holding in his hands the Puma branded shoes, congratulating him on social media with the hashtag #ForeverFastest. Thus, Puma's "multi-engine" marketing team cleverly demonstrated the fine line that exists between ambush marketing and infringement of the Olympic intellectual property (Nakamura, 2018).

It is more than obvious that strategies adopted by the IOC are less than sufficient in preventing ambush marketing, as reflected in infamous cases of latter Games. According to Demir & Söderman (2015), collective sponsorships of large-scale sporting events such as the Olympic Games involve multiple sponsors, who often face problems in trying to differentiate their commercial message and signal to the public. A typical example is the case of the Chinese sportswear company Li Ning against the official sponsor Adidas in the Beijing Games, which managed through ambush practices to upgrade its commercial value, making difficult for Adidas to protect its brand from imitation, despite governmental efforts (Pitt et al, 2010). During the Tokyo 2020 Olympics, Puma, a rival of the official sponsor Adidas, ran a marketing campaign called "Only See Great" featuring the Jamaican sprinter Usain Bolt, who had retired from competitive racing but was still a well-known figure in the world of athletics. While not directly referencing the Olympics, the campaign featured Bolt and his achievements, leveraging his Olympic fame.

CONCLUSIONS

Ambush marketing is a widely adopted strategy by big corporations aiming to capitalize on Olympic Games' popularity, as reflected in many cases throughout their history.

Although the IOC has taken legal measures and regulations in order to deter non-sponsors from such misleading practices, many companies continue to be involved in ambush marketing strategies through creative ways than cannot be easily encountered by official event planners. As such, unethical and opportunistic promotional strategies constitute a widespread phenomenon of the Olympic Games, while carrying risks of negative publicity and potential legal consequences.

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