Chapter 18

RELATIONSHIP MARKETING

From theoretical issues to its application by sport organizations

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Introduction

Relationship marketing is a popular topic in the marketing literature. Analysing the early literature, Coote (1994) identified three broad approaches to relationship marketing: the American approach (e.g. Berry, 1983; Jackson, 1985a; Levitt, 1983), the Nordic approach (e.g. Grönroos, 1989, 1990; Grönroos and Gummerson, 1985; Gummerson, 1987) and the Anglo-Australian approach (e.g. Christopher, Payne and Ballantyne, 1991). From these early works until now, thousands of papers and books have dealt with this issue from either a practical or a theoretical point of view. As an illustration, 3,861 references can be counted in the EBSCO database with the subject terms ‘relationship + marketing’.

In the sport industry, Bee and Kahle (2006: 102) observed that recently, relationship marketing has received considerable attention in practice. Sport organizations are focusing on long-term consumer retention and incorporating a variety of database-management techniques to maintain and enhance customer relationships.

This mainly testifies to customer relationship management, which is the best-known relationship marketing issue. There are other orientations such as collaboration in a network, and sport organizations could share resources with their partners in a joint program. Bühler and Nufer (2009: 3) stressed the fact that ‘many sport organizations always knew the value of a deep and good relationship with their stakeholders and practical relationship marketing without being aware of it’. There is therefore a gap between the application of relationship marketing in the sport industry and the related managerial frameworks. According to Tower, Jago and Deery (2006: 167), ‘all sport marketing transactions, in fact, involve some type of relationship marketing. In some cases the efforts are explicit. In other cases they are hidden or even unrecognized.’

Despite the growing importance of relationship marketing in the sport industry it has been ignored by the sport marketing literature (Bühler and Nufer, 2009). There are only 17 references in the EBSCO database corresponding to the following subject terms: ‘relationship + marketing + sport’. The first book dedicated to this topic was published in 2008 (i.e. Ferrand...
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and McCarthy, 2008), followed by a second in 2009 (i.e. Bühler and Nufer, 2009). Consequently, there is a gap between the importance of relationship marketing within the sport industry and the literature and academic research investigating it.

This chapter on relationship marketing aims to provide an overview of the development of the relationship marketing approach in the fields of business and sport, and to present, in an innovative way, a framework for implementing relationship marketing. This framework includes network and market-oriented methods and tools that enable sport organizations to design and develop offers that provide greater value to targeted stakeholders.

The chapter is structured as follows. The first section analyses the literature in order to encompass the various conceptions of relationship marketing in the business and sport sectors. A special focus will define the core concept of relationship and then provide an integrated relationship marketing framework. The second section illustrates this framework with the BNL sponsorship strategy related to the ‘Internazionali BNL d’Italia’ ATP tennis tournament.

Relationship marketing: conception, definition and application to sport

Relationship marketing is generally associated with consumer relationship management (CRM). However, it covers various practices based on different foundations. This section aims to define relationship marketing in relation to the various approaches, specifying the relationship concept and analysing the relationship literature in sport management. An operational framework will be presented in order to facilitate an efficient implementation of relationship marketing by the sport organizations.

Definition of relationship marketing

Relationship marketing has been defined in a variety of ways by different authors. In order to find a way through the maze based on the three approaches (i.e. the American, Nordic and Anglo-Australian approaches) we analysed the definitions which have gained wide acceptance. These definitions are presented in Table 18.1.

The American approach is rooted in both services marketing and business-to-business marketing streams. It focuses on buyer–seller relationships and emphasizes the development of a lifetime relationship with the customer. Jackson (1985a, 1985b) was among the first authors to differentiate transaction marketing from relationship marketing. With a consumer focus, it refers to a long-term customer retention, which is ultimately reflected in repeat purchasing behavior and moving toward certain levels of psychological attachment and relational attitude positions. According to Coote (1994), the Nordic approach is based on the interactive network theory in the context of industrial marketing, services marketing concepts and customer relationship economics. The Anglo-Australian approach emphasizes ‘the integration of quality management, service marketing concepts and customer relationships economics’ (Christopher et al., 1991: xi).

Berry (1983) focuses on the supplier–customer dyad, although scholars consider multiple stakeholders. Christopher et al. (1991), Morgan and Hunt (1994) and Gummerson (1999) have gone beyond simple supplier–customer interactions or the supplier–customer–competitor triangle to consider marketing relationships as being embedded in a network of multiple relationships. Marketing strategies could then be conceived and implemented based on a stakeholder dyad or multiple stakeholders. Gummerson’s (2006: 3) definition of relationship marketing illustrates the shift from a view of relationship marketing based on a one-to-one
relationship to a relationship marketing view developing valuable relationships in the network of stakeholders. These relationships occur within groups of stakeholders.

In a multi-stakeholder perspective, relationship marketing refers to an ongoing cooperative behaviour aimed at establishing, developing and maintaining successful relationship exchanges. Little and Marandi (2003: 24) stressed the fact that relationship marketing ‘is not advocated in all situations and with all customers; only where it would be profitable for the company and with those customers who wish to engage in such a relationship’. It means that, in some situations, relationship marketing could be inappropriate for some stakeholders. Specifically, Grönroos (2000: 36) defined three types of customer–supplier relationships: the transactional mode (customers are not looking for any contact), the active relational mode and the passive relational mode. The combination of the fundamental differentiating axis (i.e. transactional versus relational) with the stakeholder’s axis (i.e. stakeholders dyad versus multiple stakeholders) allows us to define four types of marketing (see Figure 18.1).
Relationship marketing

Transactional marketing occurs in a stakeholder dyad (buyer–seller) to achieve a valuable exchange between the two parties involved (quadrant 1.1). Transactions could occur in a network (quadrant 1.2) created by multiple transactions (e.g. provider–organization, organization–customer). Relationship marketing could aim to create a valuable long-term relationship between the buyer and the seller (quadrant 2.1) and a value constellation (Normann and Ramirez, 1993). The partners are co-producing value in the network.

What is a relationship?

The concept of relationship, which lies at the heart of relationship marketing, is quite large and requires definition. The following section outlines the various concepts of relationship which are presented in Table 18.2.

These approaches demonstrate the multidimensionality of the concept of relationship in the fields of business and marketing. In summary, relationships are based on the following characteristics.

- A relationship is a series of interactions between parties with each interaction contributing to the evolution of the relationship.
- A relationship involves reciprocal exchanges between entities that are both active and interdependent (interaction). Hence, this concerns all the stakeholders that interact within the organization’s network. Hinde (1979) highlights the mutual dependence of the parties involved and their willingness to act jointly.
- A relationship has an end goal, and this end goal gives purpose to the people and the organizations involved. Marketing actions are finalized and relationships are meaningful and based on arrangements between parts (Sheth and Parvatiyar, 2000).
- Relationships can represent varied realities because they concern different dimensions and they take different forms, thereby procuring a variety of benefits for the participants. Relationships develop through mutually beneficial exchanges (Bhattacharya and Bolton, 2000).
- A relationship is a process-based phenomenon that evolves through a series of interactions and in response to fluctuations in the environment (temporality). The importance of the relationship development during episodes of interaction has been stressed by many authors such as Dwyer et al. (1987), Barnes (2003) and Hakansson and Snehota (1995).
Relationships develop in a stakeholders’ system which creates a network. We stress the fact that relationship marketing (RM) encompasses dyadic and multiple stakeholder relationships. Sheth and Parvatiyar’s (2000) definition encompasses multiple stakeholders. Relationships are not only characterized by the connections and relations between the stakeholders involved but also by the interactions between this system and its larger social environment.

The existence of a true relationship needs an apparent mutual dependence, meaning that both sides have to act, form and reform relationships (Hinde, 1979).

### Relationship marketing in the sport management literature

Originally developed in business, relationship marketing (RM) strategies are increasingly being adopted by sport organizations to implement their actions through their networks of stakeholders. We stressed earlier the gap between the importance of RM in the sport industry and the lack of references on this topic. This attempt to summarize all the literature on relationship marketing in sport has involved some decisions regarding what to include and what

<table>
<thead>
<tr>
<th>Author(s), year</th>
<th>Definition</th>
<th>Key words</th>
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<tbody>
<tr>
<td>Hakansson and Snehota (1995)</td>
<td>Relationship is an interaction of mutually committed sides. Relationship develops during a particular time and is a chain sequence of particular actions.</td>
<td>Interdependence, commitment, interactions.</td>
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<td>Dwyer, Schurr and Oh (1987)</td>
<td>A mutual dependence is a must, but it is not the only sufficient condition for a relationship to exist. Relationships are defined as long-lasting, dynamic and continuous interactions.</td>
<td>Interdependence, long-lasting, continuous, dynamic interactions.</td>
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<td>Barnes (2003)</td>
<td>Relationship is a succession of continuous and long-lasting interactions. However, successful interactions may not necessarily end up with a relationship, as mutual understanding should exist, signifying a special status, valued by both sides.</td>
<td>Long-lasting interactions, mutual understanding, value.</td>
</tr>
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<td>Grönroos (2000: 33)</td>
<td>‘A relationship has developed when a customer perceives that a mutual way of thinking exists between customer and supplier or service provider.’</td>
<td>Customer, mutual way of thinking.</td>
</tr>
<tr>
<td>Bhattacharya and Bolton (2000: 329)</td>
<td>‘A relationship develops between a customer and an organization when there are benefits to both from one or more exchanges.’</td>
<td>Development, benefits, exchanges.</td>
</tr>
<tr>
<td>Sheth and Parvatiyar (2000)</td>
<td>Relationships describe arrangements where two or more agencies enter into agreements to work with each other at any point along a continuum from pure transactions to total integration.</td>
<td>Two or more agencies, agreement, total integration.</td>
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to exclude. These decisions have been made based on their impact in the academic literature. This analysis enables the identification of two perspectives: market and network.

Relationship marketing in sport from a market perspective

Most of the studies regarding relationship marketing in sport have focused on customer capture and retention. From the sport customer perspective, McDonald and Stavros (2007) investigated the motivations and future intentions of recently lapsed members (i.e. season ticket holders) of professional sport organizations and the marketing responses of those organizations to the issue of customer retention. Bee and Kahle (2006) examined how and why consumers develop, enter into, and maintain relationships in a sport marketing context.

From the sport organization perspective, Stavros, Pope and Winzar (2008) examined six major Australian sport industries and suggested an empirical advancement of Shani’s (1997) framework for relationship marketing implementation (RMI) by sport organizations. Judson, Aurand and Karlovsky (2007) conducted research validating the relationship marketing strategy within higher education, and marketing within intercollegiate athletics. Blatter, Fritschi and Oberhoizer (2000) analysed customer loyalty programmes which are designed to encourage Swiss soccer fans to attend more games and to get season ticket holders to renew their subscriptions. Burton and Howard (2000) provided conceptual tools to better prepare managers for the inevitable recovery process. McDaniel and Moore (2005) described a unique type of RMI, one that can be used prior to product or service production. Lachowetz, McDonald, Sutton, and Clark (2001) applied the work of McDonald and Milne (1997) on customer lifetime value and noted that the National Basketball Association (NBA) utilized relationship marketing strategies to stop the erosion of its consumer base. Kelley, Hoffman and Carter (1999) used Berry and Parasuraman’s (1991) three-level process of relationships in examining the impact of a new ice hockey franchise attempting to establish consumer adoption.


Relationship marketing in sport from a network perspective

The articles looking at relationship marketing (RM) from a network perspective cover various marketing issues. Relationship marketing acceptance by sport organizations was analyzed by Cousens, Babiak, and Slack (2001), who explored the adoption of a relationship marketing paradigm by the National Basketball Association (NBA) and provided insights into relationship marketing and organizational change for sport managers. Sponsorship in a network perspective was also subject to analysis. Nufer and Bühler (2010) presented a framework for relationship marketing with a market and a network focus. They identified and discussed the main factors for successful relationships in the context of sport sponsorship. Olkkonen (2001) discussed the inter-organizational network approach for the development of sponsorship research in Europe. The development of partnership was analyzed by Tower, Jago, and Deery (2006), who identified influences on relationships and determinants of
successful and unsuccessful partnerships. Lapio and Speter (2000) used NASCAR stock car racing in the USA as an example of successful relationship marketing strategies to develop partnership with media, sponsors and a more loyal customer base. Territorial marketing related to hosting a mega sport event is another issue. Specifically, O’Brien and Gardiner (2006) investigated how relationship marketing, and networking in particular, was used to create sustainable event impacts in the context of pre-event training for the Sydney 2000 Olympic Games.

The academic literature focuses mainly on market relationships aimed at customer capture and retention. Customers can be fans and spectators, season ticket holders or sponsors. Besides, collaborative relationships in the network is a second important issue and sport organizations’ stakeholders, such as sponsors, fans, local authorities and media, are all involved in a triangle of relationships or in a larger network. Surprisingly the internal issue is, however, shaded. Berry’s (1983) early work drew attention to the importance of internal marketing as it plays an important role in supporting the external marketing activities. The internal perspective is an important research stream in business (e.g. Ballantyne, 1997; Gummerson, 2006) and an issue in management (e.g. Dunmore, 2002), and this perspective must be considered in sport marketing.

**An integrated relationship marketing framework**

Relationship marketing relates to a long-term and mutually trusting and committed relationship between the organization and its stakeholders. Research has focused on drawing up a typology of relationships. Morgan and Hunt (1994) outlined ten discrete forms of relationship marketing grouped into four categories: buyers, internal, suppliers and lateral partnerships; Christopher et al. (1991) developed the five markets model (i.e. referral, internal, influence, supplier and employee recruitment); and Gummerson (2006) identified 30 types of relationships in the marketing field (the 30Rs), grouped into market relationships (i.e. suppliers, customers, competitors, other actors in the market) and non-market relationships, which have an indirect impact on market relationships. In sport, Bühler and Nufer (2009) considered the network from various stakeholders’ perspectives: sporting organization, fan, sponsor, media, external and external stakeholder.

**Developing valuable relationships in three sub-systems**

Relationship marketing is complex and complexity is linked to the stakeholders’ network and their relationships. Therefore, a relevant marketing framework should be implemented by sport organizations. From this point of view it is important to find a proper balance between the complexity of the theoretical framework and its implementation. Ferrand and McCarthy (2008) developed a framework categorizing the relationship according to three sub-systems: market, network and inside the organization. This categorization encompasses the relationships included in the typologies of Morgan and Hunt (1994), Christopher et al. (1991) and Gummerson (2006), reducing the complexity in order to simplify its implementation. This typology is consistent with the ‘how to think, what to do’ principle presented in the introduction. According to Ferrand and McCarthy’s (2008) framework, sport organizations’ relationships with key stakeholders should be developed through market and network-oriented actions that are supported by an internal (organization-based) marketing process involving the creation and exchange of value. This requires a strategy for managing all three sub-sectors – market, network and internal – as illustrated in Figure 18.2.
Relationships in the market sub-sector constitute the classical type of relationships between a sport organization and each of its stakeholders. These relationships provide the foundation for commercial and non-profit exchanges and interactions. They are stimulated by competitors and other parties operating in the market. Most sport organizations focus their relationship marketing actions on the market sub-sector. Furthermore, the recruitment of new consumers, users and volunteers often monopolizes efforts and resources to the detriment of the loyalty-building process. Palmer (1994: 573) summarized this strategic issue as follows:

Successful marketing should focus attention not just on how to gain new customers, but also on how to develop loyalty from those that an organization has previously and expensively gained. It is about seeing a relationship from the customers’ perspective and understanding just what they seek in a relationship.

Relationships in the network sub-sector form the platform on which market relationships are based. These relationships focus on stakeholders’ alliances, competition and institutional regulations in the sport organization environment. They go much further than the horizontal and unidirectional relationships contained within the notion of a value chain. Normann and Ramirez (1993) referred to the creation of a ‘value constellation’ and recognized that ‘instead of “adding” value one after the other, the partners in the production of an offer create value together through varied types of “co-productive” relationship’ (cited in Normann and Ramirez, 1998: 29). Designed in accordance with this idea, collaborative programs involve the co-production of value. When designing this type of offer, it is imperative to ask ‘how different actors’ activities are to be configured for optimum value creation: who does what, when, where, and with whom?’ (Normann and Ramirez, 1998: 53). Hakansson and Snehota (1995) identified three important characteristics: ‘activity links’, which concern a group of activities on which the partners work together (i.e. marketing, technical and administrative aspects); ‘resource ties’, which are related to the provision and sharing of technical, human,
financial and knowledge-related resources; and ‘actor bonds’, which are linked to the relationships between the people and stakeholders who work together.

Relationships in the internal sub-sector are intra-organizational. Relationship marketing strategies for the market and network sub-sectors can only be designed and implemented if an organization manages its internal relationships effectively. Managing organizations’ internal relationships according to marketing principles has led to the development of internal marketing, which has been defined as

> a relationship development process in which staff autonomy and know-how combine to create and circulate new organizational knowledge that will challenge internal activities which need to be changed to enhance quality in marketplace relationships. 

*(Ballantyne, 1997: 44)*

Internal marketing sets the stage for the implementation of marketing actions in the market and network sub-sectors. It is an ongoing process that occurs within organizations that have introduced functional processes that align, motivate and empower employees at all levels. Internal marketing includes recruitment, training, motivation and productivity. Sophisticated marketing relationships with employees, members, fans, and all other stakeholders are essential to maximize productivity in any sport organization. A managerial framework should be theoretically founded and applicable in the field of sport marketing, which is the case of Ferrand and McCarthy’s (2008) framework which fits with these criteria.

### A three-step process to build valuable relationships

The principles of relationship marketing should be applied step by step. Ferrand and McCarthy (2008) suggest a three-step process as presented in Figure 18.3.

*Figure 18.3* The steps in implementing the principles of relationship marketing in a sport organization

*Source:* Ferrand and McCarthy, 2008
The first step of the method concerns the organization itself, within which the foundations of the marketing action must be built. This essential starting point is often overlooked, resulting in many sport organizations attempting to implement a CRM system without taking into account the fact that this also requires introducing internal changes first. Implementing relationship marketing involves much more than installing the relevant software. It requires modifying relations with stakeholders, as well as changing the behaviour, skills, resources and internal organization of the body. Internal marketing is the major issue allowing management of the resistance to change.

The second step concerns the creation and development of relationships with targeted end-users, which involves a second challenge: that of improving loyalty. Many sport organizations favour offensive marketing, concentrating on recruitment, and neglecting less costly and more effective defensive marketing strategies. The third step is to introduce the changes needed to allow the implementation of a network-oriented relationship marketing approach, as it is more difficult to manage the relationships within a network than to manage a one-on-one relationship. It is only when a sport organization has learned to manage market-based relationships that it will be able to build a collaborative network with its stakeholders.

The procedure must be seen as an iterative process because it is only when a sporting organization has established the foundations of relationship marketing, created a relationship with targeted end-users and built a collaborative network that it will be able to define the improvement objectives for the three phases.

Summary

According to Coote (1995), there are three broad approaches to relationship marketing: the American, Nordic and Anglo-Australian approaches. These approaches are based on different theoretical frameworks but can be encompassed by the combination of two axes corresponding to the transactional versus relational nature of the link and the number of stakeholders concerned. According to this typology, relationship marketing aims to create a valuable long-term relationship between the buyer and the seller (stakeholder dyad) and to create a value constellation (multiple stakeholders) as well. Furthermore, Möller and Halinen (2000) distinguished two basic types of relationship marketing theory; market-oriented and network-oriented.

The analysis of the academic literature related to relationship marketing in sport demonstrates the importance of the market focus to achieve customer and sponsor capture and retention. Besides, the network perspective relates to marketing issues such as relationship marketing adoption, sponsorship, partnership and territorial marketing. However, the internal perspective has been ignored in the sport marketing literature.

Considering the complexity of the existing relationships typologies, we support Ferrand and McCarthy’s (2008) relationship marketing framework. It will lead a sport organization to combine its network, market and internal marketing strategies in order to create competitive advantages based on its resources and relationships. The BNL/BNP Paribas sponsorship strategy for the ‘Internazionali BNL d’Italia’ in the following section illustrates the implementation of relationship marketing in the three internal, network and market sub-systems.

Application of the relationship marketing framework: BNL sponsorship strategy for the ‘Internazionali BNL d’Italia’

The first section of this chapter was focused on ‘how to think’ and this second section will deal with ‘what to do’. Specifically, this section illustrates the processes and tools sport
organizations can use to improve the constellation value for their stakeholders through relationship marketing. This case study relates to corporate sponsorship with a market, network and internal focus.

The ‘Internazionali BNL d’Italia’ is one of the nine Masters 1000 tennis events, the second most prestigious ATP event category behind the four Grand Slams. It is part of the WTA (Womens’ Tennis Association) season’s Top 20 and, in 2010, presented nine of the world’s top ten players. The French bank BNP Paribas took control of the Italian bank BNL in 2006 and the following year this bank became the event title sponsor. Since then the event has carried the name of ‘Internazionali BNL d’Italia’. With this sponsorship strategy the BNL chose a communication territory which enables it to promote its identity as a large Italian bank recently integrated into BNP Paribas Group, which constitutes a large international bank.

In the tournament press kit, the BNL justified this choice with two main reasons. The ‘Internazionali BNL d’Italia’ is one of the major annual sporting events in Italy, and one of the most important international events held in Rome. This partnership ‘makes it possible for BNL to demonstrate its dynamism by associating its name with an important appointment of the sport which each year involves a large enthusiastic and passionate public. In addition, BNL has always maintained close relationships with Italian sport and its main clubs. BNL has been the Italian National Olympic Committee (CONI) bank for 70 years. In addition, tennis is one of the few sports benefiting from a truly world popularity. Since 1973, tennis has been part of BNP Paribas group’s “genetic code”. The bank relies on it to raise its awareness, starting from France and then worldwide. In addition to Roland Garros French Tennis Open, the group is today one of the first partners of international tennis: the Davis Cup by BNP Paribas, the Fed Cup by BNP Paribas, BNP Paribas Paris Masters, Monte Carlo Masters Series. BNP Paribas is also associated with thousands of events covering all levels of tennis (i.e. local, family, training and social). Following the acquisition of BNL, Italy became the second domestic market of the BNP Paribas group. It is thus natural that its Italian component became the title sponsor of the most important tennis tournament in the peninsula.’

BNL aims to reinforce the following values: reactivity, creativity, commitment and ambition, which are part of the tennis DNA, and to benefit from the public enthusiasm for tennis to create a competitive advantage on the business to business, business to consumer and recruitment markets. It is also an opportunity to support their corporate social responsibility (CSR) project. The BNP Paribas group intends to fully integrate this event in its strategy to exploit synergies with the other sponsored international events.

**BNL sponsorship with a market focus**

Customer relationship management constitutes an important objective for BNL. Within the framework of this tournament, the bank aims to capitalize on the interest in this event and tennis in general, to develop an emotional bond with its customers (i.e. individuals and firms). The title sponsor status provides the opportunity of being closely associated with the event. The bank intends to create a common identity. A new logotype was launched for the 2008 tournament which is closely associated with the name of the event: ‘Internazionali BNL d’Italia’. BNL benefits from exceptional media exposure during the two-week tournament. As the exclusive sponsor on the tennis court backdrop, the bank logo is visible for 48 per cent of the airt ime on television. It runs a traditional activation plan based on TV, radio and poster advertising, posters in the bank’s agencies and banners on its website. This plan allows BNL to be the first sponsor quoted, with a 35 per cent unprompted awareness after the first year.
BNL organizes a major promotion and public relations initiative for the event in Foro Italico, the tournament facility, where the bank has a large commercial area in which it carries out promotional events (in partnership with Sony Playstation in particular) and sets up a banking agency. The BNL also manages four 300 square metre private spaces for public relations and a VIP lounge. BNL will welcome nearly 400 customers and prospects each day.

The BNL invited 5,000 people in 2008, of which 78 per cent attended the tournament. It should be stressed that it is the private customers who participated the most with a 90 per cent rate of participation. This strategy aims at customer capture and retention.

### Sponsorship with a network focus

The development of a partnership with the event’s stakeholders is another important objective for the bank. This strategy is implemented on the basis of a triangular relationship with the Italian Tennis Federation (FIT) and the Italian National Olympic Committee (CONI), via its commercial branch the CONI Servizi SpA. These organizations constitute the primary stakeholders of the tournament. Since 2006, it has been managed as a joint venture between the Italian Tennis Federation (the owner of the tournament) and the CONI Servizi SpA., which is the owner of the Foro Italico facilities. This agreement was supported by the fact that the BNL has been the CONI’s bank for 70 years as well as providing banking for the FIT. These relationships are represented by the arrows numbered ‘1’ in Figure 18.4. BNL is part of the BNP Paribas group. Consequently this tournament is fully integrated into the set of events and programs sponsored by the company which include Roland Garros (arrow number 2 in Figure 18.4).

Other essential relationships in this stakeholders’ network relate to the ATP and the WTA. We previously stressed that the men’s tournament is part of the ATP Masters Series (arrows numbered 3 in Figure 18.4). It is the fourth Masters Series of the season, organized the week after Monte Carlo. It is considered by the top players as a preparation for the French Open in Roland Garros. The women’s competition is integrated into the Sony Ericsson WTA Tour (arrows numbered 4 in Figure 18.4). The control of these two organizations creates an

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**Figure 18.4** Direct and indirect relationships between BNL and Internazionali BNL d’Italia primary stakeholders
indirect relationship with Sony Ericsson WTA, title sponsor and Mercedes-Benz ATP’s main partner. The German firm is also a partner of the tournament and provides the official cars.

Contractual agreements with television channels are essential for the mediatization of the event and the promotion of the BNL sponsorship at a national and international level. TV rights are owned by Sky Sports. At a national level, the private channel Italia 1, which belongs to the Mediaset group, is in charge of the production and the diffusion of the tournament (arrows numbered 5 in Figure 18.4). In addition BNL is sponsor of the diffusion of the tournament at the Italian level within the framework of its activation plan. These agreements ensure a world diffusion of the event which exceeds 280 hours of live and delayed coverage. Lastly, BNL has carried out co-marketing actions with event partners such as Sony Playstation, which provided an entertainment system for the promotional and public relations areas (arrow numbered 6 in Figure 18.4).

Figure 18.4 presents a map of the BNL relationships within the tournament. If we consider both contractual and non-contractual relationships, it appears that BNL implements a reticular sponsoring which enables them to develop relationships within the event-driven system (i.e. event rights owner, players, public, media, other sponsors and other sponsored tournaments), the sporting system (i.e. ATP, WTA, FIT and Italian tennis clubs), the territorial system (i.e. local authorities, citizens, business sector, politicians and culture) and extra-territorial (i.e. public opinion, business sector, policies and cultural).

Sponsorship with an internal focus
The BNP Paribas group has one of the largest international networks. It develops its business in more than 85 countries and it employs 162,700 collaborators. Of these, 126,600 are located in Europe (19,900 are in Italy and 64,100 in France), 15,000 in North America and 8,800 in Asia. This company thus operates in a large territory and employs people from different cultures. In this context, the involvement of its employees is an important issue.

The BNP Paribas Group sponsorship is based on tennis ‘professionals’, ‘rising stars’, ‘amateurs’, ‘competitions’ and ‘goodwill tennis’, which allows the bank to develop synergies involving its employees worldwide. The internal cohesion of the company is reinforced based on collaborative programs involving the staff with their clients and partners. These actions give substance to the bank’s values and its socially and environmentally responsible approach, which is one of the key factors behind their employees’ commitment to the group.

Lastly, the sponsorship allows BNL to be active in the recruitment market. The Foro Italico complex also serves as the theatre for EduCare days, where BNL professionals provide training to young people about the bank’s different businesses. BNL has centred its sponsorship campaign on the transfer of knowledge and invited forty students from the Aquila Science School, as well as students from a school in Rome which collected the most donations during the Italian Telethon, to take part in the event.

Lessons learned
The sponsorship business is based on the marketing rights management and the collaboration of primary stakeholders, such as the event rights owner, media, sport organizations and main sponsors. Farrelly, Quester and Smolianov (1998), Erickson and Kushner (1999), Chadwick (2002) and Ferrand, Torrigiani and Camps i Povill (2006) demonstrated that sponsorship is based on a network. BNL, in association with the main event stakeholders, implement a relationship marketing strategy in order to create a competitive advantage link to their resources association.
BNP Paribas Group and BNL use this long-term collaborative network to develop actions to ramp up initiatives for both current and prospective customers and internal marketing. This case demonstrates the relevance of the bank’s sponsorship strategy, which exploits synergies between and within the three sub-systems: network, market and internal.

It also demonstrates the importance of the construction of collaborative relationships between stakeholders. Peppers and Rogers (2004: 36) have pointed out that the relational dynamic leads to changes in behavior by the parties involved. The process is an iterative one that leads to the establishment of a relationship of trust based on the reliability, durability and integrity of the other party and the belief that one’s actions serve the common good, which in turn produces the desired positive effects. This requires a commitment to the relationship that progressively increases the importance of the relationship for both partners.

Conclusion

According to Egan and Harker (2006: 230), ‘as a paradigm, relationship marketing is now at the stage of converting theory into tools and guidelines for practice directly relevant to consumer marketing’. Scholars agree on the fact that relationship marketing is based on the notion ‘that it is not exchanges per se that are the core of marketing, but that exchanges take place in ongoing relationships between parties in the marketplace – and now also in the virtual marketplace facilitated by the internet’ (Grönroos, 2000: 22). Relationships between parties or stakeholders are the core phenomenon; therefore, managing the relationships between the organizations, customers, suppliers and other partners that form a network is a central issue of sport marketing.

This chapter was written according to the ‘how to think, what to do’ principle. Consequently, a literature review on relationship marketing was performed with a specific focus on sport in order to highlight the various approaches. Relationship marketing is a growing force in the sporting world. As there are no ‘one size fits all’ solutions in management, the goal of this chapter was to provide a theoretical background as well as a case study to allow the reader to develop an informed and progressive plan to harness the power of the relationship in its many forms in the sporting environment.

References


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