AMBUSH MARKETING

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Introduction

Ambush marketing has become an expected part of the marketing and sponsorship landscape that surrounds modern sport events. Its origins are often tied to the 1984 Olympic Games in Los Angeles when Kodak ambushed the official sponsor, Fuji. The proceeding years have seen the cost of staging major sporting events skyrocket and along with this the required investment of sponsors. For instance, the 2010 Vancouver Olympic Winter Games are reported to have cost $1.6 billion USD (Anonymous, 2009) with domestic partners injecting $756 billion US, TOP (“The Olympic Partners”) sponsors contributing more than $196 million US and $447 million US coming from the International Olympic Committee (IOC) for television rights (Anonymous, 2009). This level of investment creates an expectation from sponsors that the International Olympic Committee (IOC) and national organizing committee (NOC) will protect their rights to exclusivity in order to ensure they receive maximum value for their money. The biggest threat to sponsorship exclusivity is ambush marketing.

Sandler and Shani (1989: 9) define ambush marketing as “a planned effort (campaign) by an organization to associate itself indirectly with an event in order to gain at least some of the recognition and benefits that are associated with being an official sponsor.” While this definition is often cited, it can be argued that there is no clear consensus among academics or practitioners over how to define the practice (Crow and Hoek, 2003; McKelvey and Grady, 2008; Meenaghan, 1994). Much of the disagreement stems from the varying viewpoints of those trying to define ambush marketing. As is often the case with divisive concepts, the position and experiences of the person providing the definition will contribute greatly to the nature and breadth of their description. For example, former marketing executive Jerry Welsh describes ambush marketing as “a marketing strategy with its programmatic outcomes, occupying the thematic space of a sponsoring competitor, and formulated to vie with that sponsoring competitor for marketing pre-eminence” (Welsh, 2002: 1).

On the other hand, those companies who have paid for the right to be a sponsor, and property owners such as the IOC or FIFA (football’s governing body) usually take an opposing view. Their definitions tend towards a more negative tone and make statements relating to the perceived ethical issues of such strategies. As Hoek and Gendall (2002) suggest, however, it seems more likely that a true understanding lies somewhere along a continuum with the
above viewpoints at either end. Throughout this chapter, we will provide the reader with an objective view by exploring both sides of the arguments and presenting our thoughts on some current issues. We begin with an overview of the research and concerns related to ambush marketing, the various roles and responsibilities of management in dealing with the issue, and finally an examination of where ambush marketing seems to be headed in the future.

Ambush marketing: research and discussion

While marketing and sponsorship are relatively mature fields of study, the area of ambush marketing can be described as comparatively young. As noted above, the most often cited “beginning” of ambush marketing is the 1984 Olympic Games in Los Angeles when Kodak ambushed the official sponsor Fuji by sponsoring the television broadcast of the Games as well as the United States track team (Sandler and Shani, 1989). The practice seemingly took off from there and academic research in the area followed quickly behind. Sandler and Shani’s (1989) article “Olympic Sponsorship vs. ‘Ambush’ Marketing: Who gets the gold?” is viewed as a seminal piece in the area and as a result it can be noted that it has been just over 20 years since the birth of the field. In that time great strides have been made in the practice, management and study of ambush marketing.

Looking at past literature, however, we note five overarching themes in the research including, first, attempts to define and describe the concept of ambush marketing (e.g. Crow and Hoek, 2003; Graham, 1997; Meenaghan, 1998; Payne, 1998; McKelvey and Grady, 2008), and second, investigations of consumer perception/attitude towards a number of sponsorship related issues including ambush marketing (e.g. Meenaghan, 1998; Sandler and Shani, 1993; Séguin, Lyberger, O’Reilly and McCarthy, 2005; Moorman and Greenwell, 2005; Portlock and Rose, 2009; Shani and Sandler, 1998). Third, there is examination of the practice from a legal perspective, including judicial precedence in the area (Batcha, 1998), or a discussion of the legislation which governs intellectual property (i.e. trademarks) generally (e.g. Bean, 1995; Crow and Hoek, 2003; McKelvey, 2003) and ambush marketing legislation specifically (e.g. Bhattacharjee and Roa, 2006; Kendall and Cuthroys, 2001; Scassa, 2008). Fourth is an examination of the ethical issues involved in ambush marketing (e.g. Crompton, 2004; O’Sullivan and Murphy, 1998; Séguin et al., 2005) and finally, various strategies aimed at fighting and preventing ambush marketing (e.g. Burton and Chadwick, 2009).

There is little doubt from the growing literature on the subject that ambush marketing is regarded as a major threat to sponsorship programs. A major part of this threat stems from its contribution to the interconnected issues of sponsorship clutter and confusion. In the context of sport marketing, clutter can be defined as “advertising and/or sponsorship messages vying to get the attention of fans, spectators, and potential consumers, which may cause confusion in the marketplace” (O’Reilly and Séguin, 2009: 226). While sponsorship was originally viewed as the antidote to a cluttered advertising environment, allowing a more focused approach to targeting consumers, currently it is just another factor contributing to the clutter. The environment surrounding sporting events is, by nature, cluttered, particularly in respect of major events like the Olympic Games, Super Bowl and professional sport leagues. Outside of sponsorship itself, multiple channels within broadcast conglomerates showing the event, editorial reporting, in-person spectators as well as television spectators, and also the internet have cluttered the environment. Directly within the sponsorship environment the multiple categories offered (e.g. worldwide partner, national partners, supporters, suppliers, broadcast partners, licensees) add to the clutter. With clutter such an inherent part of the sport sponsorship environment, the addition of ambush marketing is a real concern for property owners and sponsors.
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The relationship between high levels of consumer confusion and an increasingly cluttered sponsorship environment is recognized in the literature (Stotlar, 1993; Shani and Sandler, 1998; Séguin et al., 2005; Séguin and O’Reilly, 2008). While clutter itself can be viewed as a negative outcome of ambush marketing it is the consumer confusion resulting from this cluttered environment that is the ultimate threat. It is suggested that companies who partake in ambush marketing seek to create confusion in the minds of consumers with the intention of not just boosting recognition of their own brand, but also weakening the impact of their competitor’s sponsorship (McKelvey, 1992; Sandler and Shani, 1989). The most concerning aspect for property owners is that in achieving the aim of weakening their competitor’s sponsorship it is argued that ambush marketers devalue the property itself by undermining the property’s ability to demand premium sponsorship fees for exclusivity (Payne, 1998; Townley, Harrington and Couchman, 1998). Townley et al. (1998) go even further and suggest that the vitality of entire sport systems and major events could be affected by such practices.

While research seemingly supports the idea that a large amount of confusion surrounds sport sponsorship, attribution of blame for such confusion is much less straightforward. The increasing complexity of sponsorship programs and a lack of consumer understanding related to them are noted to be at least partly at fault for such confusion. For instance, many consumers believe that only official sponsors have the right to advertise during the broadcast of major events, when this is not in fact the case (Lyberger and McCarthy, 2001; Shani and Sandler, 1998).

Ambush marketing strategies

Numerous authors have sought to categorize the various recognized strategies of ambush marketing (e.g. Crompton, 2004; Meenaghan, 1994, 1998). The difficulty is that it can be argued that there are infinite numbers of strategies, limited only by the creativity of marketing professionals. With this in mind only the four most prevalent categories are discussed here.

Sponsoring media coverage

In addition to sponsorship programs the worldwide sale of broadcasting rights is an essential source of revenue for the vitality of major sport events. The broadcast rights for the 2008 Beijing Olympic Games generated more than $1.7 billion US, which was distributed among the organizing committees for the Olympic Games (OCOGs), the NOCs, the international sport federations (IFs) and the IOC (IOC, 2010). However, despite being fundamental facets of an integrated marketing plan, a disconnection between the sale of sponsorship rights and the sale of commercial airtime during broadcasts can lead to difficulties in protecting sponsors from ambush marketing. While sponsors are often offered first right of refusal for commercial airtime during the broadcast of sporting events (e.g. McDonald’s during broadcast of Olympic Games), the often premium costs associated with such events may be unreasonable to a sponsor, which in turn may decline the purchase of airtime. This type of ambush is arguably among the most effective as research has indicated that the difference between an advertiser and sponsor is unclear to consumers (Séguin et al., 2005).

Sponsoring subcategories

Athletes, teams and/or national and international sport governing bodies provide sponsors with another way to ambush official sponsors of an event. While an event like the FIFA
World Cup comes around once every four years, athletes and teams compete before and after such events as well, and in doing so develop their own sponsorship agreements. In actively leveraging these associations during a major event, the competitors of official sponsors may cause confusion among consumers, who have difficulty distinguishing a subcategory sponsor from an official event sponsor. For example, while Adidas is the official sponsor of the FIFA World Cup, Nike has sponsorship contracts with many of the biggest players in the game, and in recent years their related commercials have become an eagerly anticipated and much discussed part of the World Cup experience. In fact, in the first week of its release their viral video campaign in the lead-up to the 2010 FIFA World Cup set a record for most views of a viral ad in a week (Engelhart, 2010).

Advertising that corresponds with the event

While they have no right to use official symbols and trademarks, non-sponsors are able to participate in large promotional campaigns in and around a major event which could be classed as ambush marketing. Billboards, television and radio commercials, newspaper advertising, sampling, give-aways, banners and entertainment pavilions are all potential promotional tools to be used. This strategy is particularly effective when the advertising is thematic or uses implied association, which will be discussed below. Partly in an effort to combat this type of ambush, the Olympic Charter sets out specific “clean venue guidelines.” The aspects related to ambush marketing require the host city to claim all outdoor advertising space (e.g. billboards, bus advertisements, airport ad space) with only official sponsors being allowed to advertise their product within the areas surrounding the event site. In addition, the IOC has maintained its stance on allowing no form of publicity (e.g. billboards) in and above the sporting venues. The Olympic Games remain the only major sport property to have such a policy and, interestingly, most consumers are not aware of this fact (Séguin et al., 2005).

Thematic advertising and implied association

This type of ambush is closely related to the above strategy of advertising which corresponds to the event. Thematic advertising and implied association refers to an instance where a competitor uses related sport and/or destination (e.g., New Zealand for the 2011 Rugby World Cup) imagery and/or wording in their advertising but does not include restricted trademarks, symbols or words. For example, during the 2006 World Cup in Germany, the nose cones of forty Lufthansa aircraft were painted to resemble a football, raising the ire of FIFA and the official airline sponsor Emirates (Wilson, 2006). While they make no claims about any direct association, corporations who use such strategies do so with the same goal in mind as sponsors: to connect themselves to the event in the consumer’s mind.

As discussed above, the four strategies outlined here are only a few of the various ambush strategies used by marketers; others include overextending given sponsorship rights, congratulatory messages, related promotions and the use of disclaimers (Meenaghan, 1998; O’Reilly and Séguin, 2009).

Ambush marketing management roles and responsibilities

While a study by Farrelly, Quester and Greyser (2005) found that some sponsors and property owners believe it is the sole responsibility of the property owner to manage the threat of
Ambush marketing, it is more accepted that in every sponsorship agreement there are various stakeholders who each have their own integrated role to play in ensuring the success of their partnership. In relation to ambush marketing, each group has specific management responsibilities which they must undertake in order to ensure they do not leave themselves open to ambush attacks. From a property management perspective the relevant stakeholders for most mega-sport events can be identified as the sponsor (e.g. Coca-Cola, McDonald’s), the property owner (e.g. IOC, International Cricket Council (ICC)) and the property caretaker (e.g. The London Organising Committee of the Olympic Games and Paralympic Games, the United States Olympic Committee). Using Séguin and O’Reilly’s (2008) model as an initial guide, and the Olympic Games as an ongoing example, the following section will discuss various methods of managing ambush marketing and outlining the roles and responsibilities of all stakeholders in relation to each approach.

Managing the event brand

The first strategy to fight ambush marketing is to ensure the proper management and development of the event brand. In the case of the Olympic Games, the event brand is composed of such elements as the five-ring symbol and just as importantly its related associations (e.g. peace, excellence). As the property owner it is the long-term responsibility of the IOC to be proactive in the growth and protection of their brand through various means. Brand management strategies such as defining the brand, establishing a brand identity, positioning the brand, building brand equity and participating in brand research are all important parts of ensuring the brand is strong enough to fight ambush marketing. Such characteristics are fundamental in building and growing a strong brand (Aaker, 1991; Keller, 2003).

Integrated public relations program

By the very nature of this strategy it is the combined responsibility of property owners and caretakers. In the case of the Olympic Games this can refer not just to the IOC and the organizing committee, but also the National Olympic Committee of the host city. It is important that all these groups collaborate on their response to the threat of ambush marketing as the first line of defense is often a public relations move such as “naming and shaming” the offending ambusher. An integrated public relations program involves ensuring that throughout each level of coordination sponsors and ambushers can count on the same public messages and response to ambush activities from the organizers. With this in mind there are four keys to a successful integrated public relations program for mega-sport events. First, the plans must be consistent and seamless, and second, they need to have worldwide scope. Third, they are supported by the marketing plan of each engaged stakeholder, and fourth, they are created through collaboration between stakeholders (Séguin and O’Reilly, 2008).

Education programs

Education programs targeted at specific groups offer a further strategy for managing ambush marketing and are the responsibility of both property owners and caretakers. The main groups to be targeted are likely ambushers, small local businesses, sport federations and consumers. Education programs targeting likely ambushers might ensure they are aware of the legal rights of organizing committees in dealing with ambushers, as well as the committee’s promised response to any ambush marketing campaigns. Such programs would hopefully serve as a
deterrent. Education programs targeting small local businesses, however, can serve a much more informative purpose. It is often noted that in many cases when a small local business is participating in ambush marketing they are typically unaware their behavior is concerning to event organizers. Ensuring such businesses are aware of formal anti-ambush marketing guidelines as well as the organizing committee’s negative stance towards such practices could drastically reduce occurrences of smaller-scale ambush marketing. The sport federations are also the target of educational programs as many times, ambush marketing results from the action of a sport federation, its sponsors or athletes. Finally, consumer education programs have long been suggested as a way to help combat ambush marketing (Sandler and Shani, 1993; Shani and Sandler, 1998) and their importance has not diminished over time.

In the lead-up to the 2010 Vancouver Winter Olympic Games the organizing committee (VANOC) viewed education as the number one tool in fighting and preventing ambush marketing, even with anti-ambush legislation as part of their arsenal. In this instance sponsors, potential ambushers and consumers were all subject to educational programs established by VANOC around this issue. The organizing committee tried to ensure sponsors were in complete understanding about exactly what rights they had purchased, how best to use those rights, the ability of VANOC to protect those rights and the challenges to be expected in this respect. The task of educating consumers and potential ambushers is more complex with a much broader scope. VANOC attempted to do this by creating and publicizing a brochure and website which sought to outline exactly what would be considered ambush marketing in the eyes of the organizing committee. This was accomplished by creating fictional situations and providing an exact framework for how VANOC would assess the threat of ambush marketing in such a situation.

Finally, as demonstrated by many large sport properties such as the IOC and the football governing bodies FIFA and UEFA, among others, education programs for national and local governing bodies and organizing committees covering such areas as general marketing expertise, brand management, ambush protection expectations and symbol registration and protection should be viewed as a vital strategy in managing ambush marketing.

Sponsorship structure

The close control and management of sponsorship structures related to major sport properties is vital. Despite the emergence of product category exclusivity, some sponsorship systems still place too high a value on the amount of money which can be raised over the need to limit clutter and confusion. Four main problems can arise from this:

- Too many companies have access to the brand;
- Ambiguity relating to the rights of different sponsorship categories;
- Uncertainty relating to the broadcast advertising rights;
- Sponsors acting above their purchased rights category.

The major issue with each of these problems is that they serve to further increase confusion and allow ambushers to become just another aspect of sponsorship that is not understood by consumers. In order to successfully manage ambush marketing it is critical that property owners design a sponsorship structure which minimizes such confusion. Three key strategies are suggested. The first is to create a close link between broadcast advertising and sponsorship (Séguin and O’Reilly, 2008; Shani and Sandler, 1998). By linking broadcast advertising and sponsorship, property owners can better control the advertising space surrounding an event. A second strategy would be to ensure there is direct coordination between those stakeholders.
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selling national and international sponsorships (Séguin and O’Reilly, 2008). Taking the Olympics as an example, while the IOC is responsible for selling worldwide sponsorship rights, it is the job of the organizing committee to sell domestic partnerships and form supplier agreements. Ensuring that there is close communication and direct coordination between the two groups helps make certain that the two sponsorship programs complement each other, rather than overlap and create harmful confusion. The final strategy is to ensure that once a sponsorship structure that works is in place, it is largely maintained with few alterations over the long term (Lyberger and McCarthy, 2001; Shani and Sandler, 1998). This gives sponsors and consumers a chance to learn and understand how it works. Such consistency over time should help make education programs like those mentioned above more effective and therefore further limit the confusion.

Sponsorship recognition programs

This strategy is closely related to the education of consumers, and to integrated public relations programs. While most major sport events do have some form of sponsorship recognition program, Séguin and O’Reilly (2008) found that, in relation to Olympic sponsors, the program did not go far enough. It was suggested that once a sponsor has contributed significant funds to support an event and leverage their association they should not be the only party responsible for telling the public of the value they have contributed. In this case it is the responsibility of event organizers to ensure consumers are aware of how important sponsors’ contributions are, and what they mean to the vitality of the movement. A highly developed sponsorship recognition program should involve various elements such as:

- International scope: Many sponsors are granted worldwide marketing rights and so it is only logical that their contribution should be recognized and commended on a global scale.
- Integrated approach: The message of thanks and recognition towards sponsors should be not just present, but coherent and consistent among all associated parties. That is, each level from the property owner, the property caretaker and any other governing bodies involved should collaborate on a program rather than trying to construct individual and potentially incongruous programs.
- High level of sophistication. A professional and well-thought-out program of thanks will not only be more likely to impress the sponsor, but will also impress the consumer and therefore hold their attention.

The strategy of ensuring there is a strong sponsorship recognition program is important in managing ambush marketing because, once again, it works towards fighting consumer confusion and can serve as an extension of consumer education programs.

Activation/leveraging of sponsorship

Activation has long been recognized as the fundamental strategy in ensuring successful sponsorship arrangements. It is often said that the initial sponsorship fee really just permits a sponsor to begin spending even more money promoting their new association (Sandler and Shani, 1993). In fact, Séguin, Teed and O’Reilly (2005) note that sponsors may spend anywhere up to a 10:1 ratio of leveraging to sponsorship fee when discussing major sport properties. Ensuring that sponsorships are fully leveraged is frequently discussed as a vital strategy to manage ambush marketing (Farrelly et al., 2005; Lyberger and McCarthy, 2001;
Sandler and Shani, 1993; Séguin and O’Reilly, 2008). In this instance it is a strategy where the focus is on the sponsor to protect themselves rather than on the property owner and caretaker. However, despite the undeniable positive impact on the success of sponsorship and in the fight against ambush marketing, many sponsors are seen to be negligent in this area.

There are three important elements of activation which serve to help combat ambush marketing. The first is the sponsor’s use of the full media and promotional mix. That is, their advertising campaigns related to the sponsorship should include, among others, newspaper, internet, radio, billboards, sweepstakes, hospitality and, most importantly, television. An important activation strategy is for the sponsor to make the association with the event long term. In the example of the Olympic Games, sponsors are brought in on contracts many years in advance. It is to the advantage of the sponsors to begin leveraging the association between their own brand and the Olympic brand early on so that consumers build up an awareness of the partnership. Finally, sponsors should participate in brand integration with the property. This means they actively incorporate their own brand and its values with those of the property using strategies such as co-branding and collaborative messaging (Séguin and O’Reilly, 2008). All of the above strategies for activation will serve to reduce the impact and effectiveness of ambush marketing tactics. It leaves consumers with no doubt as to who is the official sponsor and how they are benefitting the movement. Ultimately it is about ensuring the sponsor has “claimed their space” in the event landscape (Séguin and O’Reilly, 2008) so that no ambusher has the opportunity to intrude.

**Legal strategies**

Initial legal strategies for the protection of major sporting marks and symbols, such as the Olympic rings, were not created for the purpose of fighting ambush marketing but rather as a way to protect the trademarks from unauthorized use. However, as the dynamic between hallmark sporting events (e.g. Olympic Games, FIFA World Cup) and commercialism has changed, so too have the methods and motivations behind the use of legal strategies to protect their trademarks. While the Olympics offer the most obvious example of this, a similar process has arguably been played out at many other sport organizations and governing bodies as sport sponsorship concerns are added to the reasons for pursuing brand protection.

While the other strategies for fighting ambush marketing discussed in the sections above have not become obsolete, the use of anti-ambush legislation as a last line of defense and a deterrent against the practice has become increasingly prevalent and it could be argued is now a requisite component of any brand protection system. Despite this it was not until the mid 2000s that anti-ambush marketing legislation for hallmark events became commonplace, and in some instances, such as for the Olympic Games and the FIFA World Cup, a requirement for host cities. Examples of such legislation include but are not limited to: the Melbourne 2006 Commonwealth Games Protection Act 2005, the London Olympic Games and Paralympic Games Act 2006, and Canada’s Olympic and Paralympic Marks Act 2007, which will be examined in more detail in the following section.

**Ambush marketing going forward**

**Government involvement and anti-ambush legislation**

In Canada the Olympic and Paralympic Marks Act (OPMA) was passed in 2007 and it “provide[d] for the protection of Olympic and Paralympic marks and protection against certain misleading
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business associations between a business and the Olympic Games, the Paralympic Games or certain committees associated with those Games” (Olympic and Paralympic Marks Act, 2007). While, like in other countries, Canada’s Trade-marks Act offers general protection for fundamental Olympic marks, OPMA built on this by covering both those Olympic words and symbols with permanent protection, such as the Olympic rings and the words Canadian Olympic Committee, as well as offering protection for additional words and symbols related specifically to the 2010 Games for a period of time before, during and after the Games, which expired on December 31, 2010.2

OPMA also offers event organizers an increased ability to seek resolution through the law in a more timely and undemanding manner. Such a step is viewed by sport event organizers as vital for anti-ambush legislation due to the fact that most major sport events take place over a limited period of time. In the case of a serious ambush attack it may be the case that the event is over, and the damage has been done, before standard court proceedings would have any chance to have an impact.

While OPMA was enacted in 2007 for a specific time period (2007–10), there are instances where such legislation has become permanent. This is the case in New Zealand where the Major Events Management Act 2007 (MEMA) was passed in preparation for the 2011 Rugby World Cup and the 2015 Cricket World Cup, both of which required a commitment to legislated brand protection in the bid phase. The purpose of MEMA is to “implement the government’s decision to enact protections against ambush marketing for major events in a stand-alone, generic piece of legislation” (Major Events Management Act, 2007) and it was explicitly noted that “the availability of ambush protection will be a significant marketing advantage for New Zealand when bidding for future events” (Major Events Management Act, 2007). Under this law there are a set number of criteria that define an event as “major,” and if a sporting event meets their requirements and is declared a “major event” it is then subject to the protection offered by MEMA. It seems likely that other countries will follow in the footsteps of New Zealand and such permanent protection will become the next step in the evolution of brand protection.

Looking back on the Vancouver Games and OPMA there seemed to be three obvious benefits of anti-ambush marketing legislation to look towards in the future. The first is its function as a deterrent. The second benefit is arguably the use of the legislation as an educational tool (Ellis, Gauthier and Séguin, 2011a). For instance, when Canadian national sport organizations were interviewed, many noted that OPMA served to help them understand what VANOC would or would not accept (Ellis et al., 2011a). Similarly, businesses, athletes and consumers with little knowledge in this area were able to use the restrictions as a guide to help in understanding the sometimes murky domain of ambush marketing. Finally, the introduction of such legislation provided sponsors with an increasing sense of security from ambushers. It is contended by many that such feelings of security among sponsors are key in allowing major sport events to continue raising the required sponsorship funds.

Going forward, however, there are also some concerns that have been raised about the use of legislation as a tool for combating ambush marketing. Specifically Ellis, Scassa and Séguin (2011b) have noted potential issues from both a legal and a business standpoint. It was noted earlier that the elusive and subjective nature of providing a definition for ambush marketing remains an issue for academics and practitioners. From a legal standpoint this may create a few issues. While on the one hand legislation may be beneficial as a tool for educating people and organizations about what is acceptable or unacceptable in this area, one could equally argue that a practice that consists of so many grey areas is difficult to capture through the black and white realities of legislation. With this in mind the scope of behavior covered under
legislation could vary greatly depending on variables such as the wording and the system of
government in the legislating country. Another legal concern with anti-ambush marketing
legislation is the high cost of access to the legal system. In most countries the cost for a small
or medium business to fight against an injunction or other legal judgment would be so
prohibitive they would have little choice but to acquiesce even if they feel they are in the
right.

With the threat of such measures in mind, such legislation may also run the risk of stifling
community engagement in the event. In Vancouver VANOC did an admirable job in
enforcing the legislation with enough flexibility to allow community businesses to engage
with the Games and take advantage of the event in their city. However, the inherent
subjectivity of such legislation, in that it depends on the interpretation of those enforcing it,
means that this may not always be the case. There was much public criticism of the 2010
World Cup in South Africa around this issue (Khoabane, 2010; Shikwati, 2010) and with ever
more stringent versions of such legislation being enacted it is sure to continue as a talking
point in the future.

From a business perspective there are also potential issues raised by anti-ambush marketing
legislation. Ellis et al. (2011b) suggest four such issues. The expectation of legislation means
there may be some issues for properties to manage increased expectations from sponsors. The
second business issue may be the increasing need for legal expertise in sport organizations
such as IFs (e.g. ICC, International Ice Hockey Federation (IIHF)), NOCs (e.g. British
Olympic Association (BOA), United States Olympic Committee (USOC)), international
governing bodies (e.g. IOC, FIFA) and NSOs (e.g. Alpine Canada, British Gymnastics). This
may be a particular challenge for smaller federations who could struggle to cope with an
increasing need for legal expertise. A third issue which may evolve out of the growing use of
ambush marketing legislation is the increasing need for an integrated public relations (PR)
structure to handle a potential public backlash.

For example, at the 2010 FIFA World Cup in South Africa a group of women wearing
orange dresses given to them by the brewers Bavaria (a competitor to the official sponsor
Budweiser) were kicked out of Soccer City Stadium in Johannesburg and two of the group
leaders were arrested under the South African anti-ambush legislation. While FIFA refused
to back down, the incident created a media storm that brought the attention of the world to
the issue of ambush marketing and cast a negative light on FIFA, event organizers and
Budweiser while giving Bavaria more exposure then they could ever have foreseen. A clear
PR policy on how to deal with similar incidents and the press around them in a way that
minimizes negative press and does not put the ambusher in the spotlight will be a challenge
for property owners and sponsors in the future.

Challenges of new media

Two major aspects of new media which are making their presence felt in the area of ambush
marketing are social media and YouTube. Blogs, Facebook and Twitter are an increasing
challenge to the capacity of sport organizations to control the messaging coming from athletes
and those involved in an event. Many famous athletes now have their own Twitter accounts
and Facebook pages where they interact directly with fans about their day-to-day experi-
ences. While they are usually given strict instruction by event organizers about how they can
use these tools during the event, it is often too much of a challenge for organizers to monitor
every athlete and ensure compliance. This allows the chance that an athlete will be able to
continue associating with their own sponsors, which may be looked upon with distress by
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event sponsors. Another form of new media creating waves in the area of ambush marketing is the emergence of YouTube and with it the idea of viral videos. When discussing the ambush marketing strategy of sponsoring subcategories, Nike’s extremely successful “Write the Future” ambush campaign around the 2010 Football World Cup was discussed. The foundation of this campaign was a three-minute video on YouTube featuring the biggest football stars sponsored by Nike and at the time of writing the video had close to 21 million views on the official Nike channel alone in addition to endless hours of media discussion. Without making any direct reference to the event taking place, Nike was able to create a buzz around their brand which would no doubt have angered official sponsor Adidas.

While many of the large companies that sponsor mega-events like the Olympic Games and the World Cup are becoming ever more adept at using new media to their advantage it seems the property owners such as the IOC, FIFA and event organizing committees are still playing catch-up in regards to stopping ambush marketing. In an age where events such as the Olympic Games are seeking ways to connect to the next generation of consumers, it would seem to be in their best interests to fully engage with and understand the potential of new media as well as the risks.

International perspectives

As with any international phenomena, the unique nature of social norms and legal contexts present in different countries around the world makes for interesting subject matter. While this is also the case in relation to ambush marketing, to date there has been little direct research on how ambush marketing and anti-ambush marketing legislation is understood and perceived differently around the world. Preuss et al. (2008) initiated some discussion in this area when they examined the impact of China’s unique culture on their understanding and acceptance of ambush marketing and their approach to protecting the sponsors of the 2008 Olympic Games. It was suggested that the Confucian tradition of copying past creative work and building on it rather than creating new work, the communist ideal of everything belonging to everyone, the limited economic education of medium and small businesses as well as consumers among other elements had an impact on Chinese perceptions and interpretation of ambush marketing and related legislation (Preuss et al., 2008). It was also noted that further study of similar cultural conditions and their effect on ambush marketing perceptions in other countries should be the focus of future research (Preuss et al., 2008). No doubt as ambush marketing legislation continues to evolve as a requirement of host cities this will be a growing area of interest for many stakeholders.

Notes

1 This ad can be found at: <http://www.youtube.com/watch?v=BZtHAvsIvQ>.
2 A legislative summary of The Olympic and Paralympic Marks Act can be found at <http://www.parl.gc.ca/Content/LOP/LegislativeSummaries/39/1/c47-e.pdf>.

References


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