Sponsor Response Strategies for Avoiding Negative Brand Image Effects in a Sponsorship Crisis: The Comparative Efficacy of Apology, Denial and No Comment

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Sports properties such as mega events or clubs are generally highly attractive partners for corporate sponsors. However, due to their propensity for scandals (e.g. corruption, drug abuse or match fixing), sports properties may at times become liabilities to sponsors with which they are linked. Such negative incidents usually cause an episode of negative publicity that threatens the image of sponsors, a situation that is referred to as a sponsorship crisis. This research examines the effectiveness of three communicative response strategies (i.e. apology, denial, no comment) that sponsors can use to minimise negative image effects in a sponsorship crisis. The results show that the effectiveness of the response strategies is contingent on the level of crisis responsibility that is attributed to the sponsor: in the case of high responsibility attributions, only an apology protects the sponsor from reputational damage, while apology and denial are equally effective in the case of low responsibility attributions. The findings also highlight the idea that sponsors should avoid a no-comment strategy, independent of their crisis responsibility.

1. Introduction

Sponsorship is an important marketing tool with a considerable economic impact. In 2013 alone, total worldwide spending on sponsorship was estimated to be $US 53.3 billion, two-thirds of which were invested in sports properties (IEG 2013). Companies engage in the sponsorship of sports properties such as events, teams, or individual athletes because the associations that consumers link to these properties are often positive and desirable (Tribou 2011). For example, an energy drink producer seeking a thrilling and exciting brand image may increase such attribute associations via Formula One sponsorship. A sponsor of the Olympics may seek a transfer of the Olympic values of excellence, respect and friendship to its brand. Such image development through the transference of brand associations from a sponsored property to the sponsoring brand is theoretically substantiated by the image transfer model (Gwinner/Eaton 1999; Keller 1993).

However, the image transfer from sponsorship properties to corporate sponsors is not limited to positive associations, a notion that seems particularly true for sport properties. Many sports properties are prone to scandals such as corruption in governing bodies, drug abuse by athletes, or match fixing, which usually cause an episode of negative publicity (Hill 2010; Maennig 2005). A number of recent examples of such negative incidents – concerning highly popular sponsorship properties – buttress this claim. For example, the International Federation of Association Football (FIFA) faced allegations of widespread corruption for many years (Jennings 2011; Pielke 2013). Another example is the world’s most prestigious cycling race, the Tour de France, which is experiencing its darkest hour after the majority of the last two decade’s most successful athletes, including seven-time winner Lance Armstrong, were found guilty of using performance-enhancing substances. Findings from previous research demonstrate that incidents like these are problematic for corporate sponsors because negative associations become part of the image transfer from the property to the sponsoring brand (Schnittka/Sattler/Farsky 2013; Till/Shimp 1998). For example, Schnitka/Sattler/Farsky (2013) show that negative publicity relating to the sponsorship property negatively affects the image of its sponsors. Similar negative brand image transfer effects have...
been empirically demonstrated in other contexts such as celebrity endorsement (Till/Shimp 1998; Zhou/Whitla 2013) and brand alliances (Votolato/Unnava 2006).

In this article, we refer to situations in which the sponsor image is threatened by a negative event surrounding the sponsored property as a sponsorship crisis. Although sponsorship crises are widely prevalent, no research has yet systematically examined what sponsors can do to protect their image in these situations. A notable exception is Messner/Reinhard’s (2012) experimental study showing that withdrawal from sponsorship of an event that was hit by a doping scandal could insulate sponsors from negative effects to their image. However, as sponsorship is often a sizeable long-term financial investment, withdrawal may not be appropriate or beneficial for the sponsor in all circumstances. Instead, more mild forms of response, e.g. a public statement from the sponsor that acknowledges regret or denies involvement in the negative incidents, may at times be more appropriate in order to minimise or prevent reputational damage. However, sponsors frequently avoid any statement in a sponsorship crisis, possibly because they are uncertain about an appropriate statement or hope that avoiding a comment is at least somewhat effective.

Against this background, the goal of the present research is to examine the effectiveness of different communicative response strategies that sponsors can use to minimise negative effects on their brand image in a sponsorship crisis. Our empirical study attempts to make the following contributions. Drawing on Situational Crisis Communication Theory (SCCT) (Coombs 2007b; Coombs/Holladay 1996), this study compares the effects that three response strategies to a sponsorship crisis (i.e. apology, denial, no comment) have on attitude toward the sponsoring brand, and demonstrates that adverse image effects can be prevented. In addition, our research considers a boundary condition of the effects by showing that the sponsor’s responsibility for the crisis moderates the impact of response strategy on attitude toward the sponsoring brand.

2. Conceptual background and hypotheses development

Several studies have shown that corporate responses to situations of crisis play an important role in preventing, reducing or repairing reputational damage (Bradford/Garrett 1995; Claeys/Cauberghe/Vyncke 2010; Dutta/Pullig 2011; Ferrin et al. 2007; Kim et al. 2004). However, since previous studies compare various types of responses, it is problematic to identify which response to a sponsorship crisis is the most effective. Situational Crisis Communication Theory (Coombs 2007b; Coombs/Holladay 1996) provides a theoretical framework for systematically selecting crisis response strategies. A key notion of SCCT is that there is no single best corporate response to a crisis; rather a communicative response strategy must fit the crisis type to prevent the company from reputational damage (Coombs 2007b; Coombs/Holladay 2002). Based on this notion, the theory distinguishes different crisis types and assigns response strategies to each type of crisis. Drawing on attribution theory (Weiner 1989), SCCT uses attributions of crisis responsibility to create a conceptual connection between crisis types and response strategies. Sponsorship properties typically attract great attention, which is not only directed at the sporting contest but also at many other aspects relating to the property such as, for instance, the dismissal of a coach or the signing of a new naming right sponsor. It can therefore be expected that consu-
Mers are aware of sponsorship crises and, at least to some degree, engage in attribution processes referring to causes of and responsibilities for the crisis. Fig. 1 illustrates the key predictions of SCCT as applied to the context of a sponsorship crisis.

The theory distinguishes various types of crises that differ in the amount of responsibility that is attributed to the company. The most common types of crises along the low-to-high responsibility continuum are the victim crisis, the accidental crisis, and the preventable crisis (Coombs 2007a; Coombs 2007b; Coombs/Holladay 2002). A victim crisis involves a mild reputational threat because low or no responsibility is attributed to the company (e.g., a natural disaster). Accidental crises are caused by unintentional actions by the company (e.g., technical-error accidents), leading to moderate attributions of crisis responsibility and a moderate reputational threat. Finally, a preventable crisis results from inappropriate actions by the company, which could have been avoided (e.g., corporate misdeeds such as the violation of laws). Consequently, strong attributions of crisis responsibility arise, resulting in a severe reputational threat for the company. Thus, the more responsibility is attributed to the company, the stronger is the potential reputational damage, a notion that has found empirical support in a number of studies (Claeys/Caubergh/Evenke 2010; Coombs/Holladay 1996; Dean 2004; Griffin/Babin/Atta- way 1991).

SCCT classifies corporate responses based on the amount of responsibility that the company assumes for the crisis (Coombs 2007b). Different response strategies imply different degrees of accepting responsibility, extending from defensive strategies that reject responsibility to accommodative strategies that accept responsibility for a crisis (see Fig. 1). A crisis with high (low) attributions of responsibility to the company should be matched with a response strategy that accepts (rejects) responsibility to reduce or prevent reputational damage.

According to these predictions, the relative effectiveness of different sponsor responses to a sponsorship crisis should be contingent on whether or not the sponsor is held responsible for the crisis. It is important to note that responsibility is not only attributed to a company for its own negative behaviour but also when it facilitates negative behaviour of others (Benoit/Pang 2008). Thus, different amounts of responsibility may also be attributed to the sponsor in a sponsorship crisis because the partners in a sponsorship arrangement are usually involved, to some extent, in each other’s activities. For example, a long-time sponsor may be accused of condoning corruption in a sport governing body or it could be revealed that a sponsor covered for, or even facilitated, an athlete’s use of performance-enhancing substances.

Although it is a key premise of SCCT, only a few empirical studies have tested the interaction effect between response strategy and crisis responsibility. Kim et al. (2004) provide support for SCCT as they show that an accommodative response (apology) is more effective in rebuilding trust in an accused person when the accused is guilty, whereas a defensive response (denial) is more effective when the person is innocent. Claeys/Caubergh (2012) as well as Coombs/Holladay (1996) find that a matched response produces more positive post-crisis attitudes toward a company than a mismatched response. However, neither study tested the interaction of response strategy and crisis responsibility per se. Furthermore, in Claeys/Caubergh/Evenke’s (2010) study, the interaction effect of crisis responsibility and response strategy was non-significant.

In the present research, we compare three potential communicative strategies that sponsors may use to respond to a sponsorship crisis: apology, denial and no comment. An apology is a statement that acknowledges responsibility and may include expressions of regret (Kim et al. 2004). Denials are statements that deny the occurrence or the company’s responsibility for the crisis (Bradford/Garrett 1995). Thus, apology represents an accommodative, and denial a defensive response strategy. In addition, we include a no-comment response because this allows us to compare the effects of apology and denial with what real world sponsors frequently do in a sponsorship crisis, i.e., avoiding any statement. It has been suggested that saying nothing can be a desirable or principled response, for instance, to avoid self-incrimination or when the responsible party expects that evidence of responsibility will never surface (Ferrin et al. 2007). However, in previous studies the no-comment response has been found inferior in protecting the image compared to other response strategies. For example, Bradford/Garrett (1995) find that offering no communicative response to accusations of unethical corporate behaviour is the least effective strategy for rebuilding image compared with denial, excuse, justification and concession. In addition, Ferrin et al. (2007) show that saying nothing is ineffective in rebuilding one’s image after a trust violation compared to apology and denial, regardless of responsibility.

Based on these empirical findings and the theoretical predictions of SCCT, we propose the following hypotheses:

**H1:** In a sponsorship crisis, high crisis responsibility (vs. low crisis responsibility) of the sponsor has a negative effect on attitude toward the sponsoring brand.

**H2:** The effect of the sponsor’s response strategy to a sponsorship crisis is moderated by the sponsor’s responsibility for the crisis: an apology (vs. denial or no comment) is more effective in protecting attitudes toward the sponsoring brand in the case of high responsibility, whereas a denial (vs. apology or no comment) is more effective in the case of low responsibility.

Fig. 2 summarises our research framework.
3. Empirical study

3.1. Experimental design

We conducted an experimental study with a 2 (sponsor’s crisis responsibility: high vs. low) × 3 (sponsor’s response strategy: apology vs. denial vs. no comment) between-participant design to test our hypotheses. In addition, we incorporated a no-sponsorship-crisis condition as control group. This control group served as a reference condition that enabled us to assess the extent to which a crisis response prevents the sponsor from reputational damage.

To manipulate the experimental factors, we created a fictitious article that had ostensibly appeared in a popular weekly magazine. The article consisted of three paragraphs: the first paragraph reported negative incidents that had been uncovered in relation to the Olympics, including corruption in the International Olympic Committee (IOC) and negligent doping tests. The second paragraph manipulated sponsor’s responsibility for the incidents by stating either that the brand was involved in the incidents and had condoned the IOC’s practices for years (= high responsibility) or that the brand was not involved in the incidents and had no insights into IOC’s practices (= low responsibility). To manipulate sponsor’s response strategy, a third paragraph described the sponsor’s reaction toward the negative publicity. The article presented either an apologetic response (= apology condition), a denying response (= denial condition) or stated that the sponsor did not comment on the negative incidents (= no-comment condition). Participants in the control group only received an article that contained neutral information about the 2012 Olympics in London (e.g. facts about media coverage and number of events) and the brand’s involvement as a sponsor.

3.2. First pretest: Selecting the test object

This study used a real Olympic sponsor to enhance the believability of the experimental stimuli. To reduce the effects of prior brand attitudes, a first pretest aimed to select an Olympic sponsor that was unlikely to have either an overly positive or negative brand image among the study participants. To this end, 16 students (mean age: 25.4 (SD = 1.82) years, 68.8 % males) from the same population as the latter main study participated in this pretest. They were presented with a booklet that included the experimental stimuli and used the same cover story as in the main study.

To assess participants’ correct identification of GE’s response strategy, we followed an approach suggested by Kim et al. (2004). First, all participants were asked to indicate whether or not GE had responded to the crisis. This procedure aimed to confirm the successful manipulation of the no-comment condition. To ensure that participants correctly recognise the response strategies denial and apology, participants in these two conditions were asked to indicate their brand attitude (single item, five-point rating scale anchored at 1 = negative and 5 = positive) toward a selection of nine sponsors from the IOC’s Olympic Partner Program. Based on the results of this pretest, we selected the brand General Electric (GE).

The average attitude score for the brand GE (M = 3.13 (SD = 0.81)) was the only one that did not significantly differ from the midpoint of the scale (t(15) = 0.62, p = .54). Participant attitudes toward GE were neither overly positive nor negative, and showed a relatively low variance. Thus, the brand GE was deemed appropriate for the purpose of this study.

3.3. Second pretest: Proving the manipulation of the experimental factors

A pretest with a 2 (sponsor’s crisis responsibility: high vs. low) × 3 (sponsor’s response strategy: apology vs. denial vs. no comment) between-participant design tested the success of the experimental manipulations. Ninety students (mean age: 24.3 (SD = 3.56) years, 60.0 % males) from the same population as the latter main study participated in this pretest. They were presented with a booklet that included the experimental stimuli and used the same cover story as in the main study.

To assess participants’ correct identification of GE’s response strategy, we followed an approach suggested by Kim et al. (2004). First, all participants were asked to indicate whether or not GE had responded to the crisis. This procedure aimed to confirm the successful manipulation of the no-comment condition. To ensure that participants correctly recognise the response strategies denial and apology, participants in these two conditions were asked to indicate their agreement with two statements that described GE’s response as apologetic or denying, respectively (“GE’s response is apologetic and accepts responsibility for the crisis.” and “GE’s response is denying and doesn’t accept any responsibility for the crisis.”). The second item was reversed coded. Both items were aggregated to an index (α = .93) that represents participants’ recognition of the sponsor’s response strategy. Lower values indicate perceptions of a more denying response and higher values indicate perceptions of a more apologetic response.

Perceptions of GE’s responsibility for the crisis were measured with three items. The items were adapted from Coombs/Holladay (2002) (e.g. “The blame for the crisis lies with GE.”, α = .85). Unless otherwise stated, all measures used seven-point rating scales (anchored at 1 = totally disagree and 7 = totally agree). Tab. 1 illustrates the design of the pretest and summarises the descriptive statistics.

As regards the manipulation of GE’s response strategy, all participants in the no-comment condition correctly indicated that GE did not respond to the crisis and all participants in the apology and denial conditions correctly indicated that GE responded to the crisis (not illustrated.
in Tab. 1). Hence, the manipulation of the no-comment condition was successful. In addition, we compared the apology conditions with the denial conditions regarding participants’ perceptions of GE’s response strategy. The results (see Tab. 1) reveal that participants in the apology conditions (vs. the denial conditions) perceived GE’s response as more apologetic ($t(58) = 24.96$, $p < .001$). Overall these results provide support for a successful manipulation of GE’s response strategy.

As regards perceptions of GE’s crisis responsibility, participants in the high-crisis-responsibility conditions perceived GE as having significantly higher responsibility than did participants in the low-crisis-responsibility conditions ($t(88) = 24.76$, $p < .001$) (see Tab. 1). Thus, the stimulus material is deemed appropriate for the purpose of the study.

3.4. Procedure, sample and measures of the main study

A total of 232 students from a German university completed the study in exchange for course credit. They were randomly assigned to one of the seven groups. Due to missing data, four cases were eliminated, resulting in a final data set of 228 (mean age: 24.0 (SD = 3.2) years, 53.3 % males).

The study was completed as an in-class paper-and-pencil exercise. Participants received a booklet that included a cover story, the experimental stimuli and measures of the manipulation check variables and the dependent variable. The cover story informed the participants that the purpose of the study was to examine consumer perceptions about various brands and their activities. In reality, the experimental stimuli referred to the same brand – i.e. General Electric and its Olympic sponsorship – for all participants. The first part of the booklet contained a short excerpt from a fictitious newspaper article and a fictitious GE advertisement both informing the participants about GE’s sponsorship of the 2012 Olympics in London, followed by some filler questions about the ad. Afterwards, participants read the fictitious article, which served as the experimental manipulation. After reading the article, participants were presented with several measures assessing the dependent variable and afterwards the success of the experimental manipulation. The dependent variable attitude toward the sponsoring brand was measured with three seven-point semantic differential items (1 = negative/unfavourable/bad and 7 = positive/favourable/good). These three items were averaged to an attitude index ($\alpha = .84$; Simmons/Becker-Olsen 2006).

After completion of the study, participants were thanked for their participation and were fully debriefed. As part of the debriefing, participants were informed that GE’s involvement in any negative incidents was completely fictitious.

3.5. Manipulation check

The manipulation check of the main study followed the same procedure and used the same measures as the second pretest (see Section 3.3.). The descriptive statistics of the manipulation check are summarised in Tab. 2.

As in the pretest, the manipulation of the experimental factors was successful: a large percentage of the participants in the no-comment condition (96.8 %) correctly indicated that GE did not respond to the crisis. Also, 95.6 % of the participants in the apology and denial conditions correctly indicated that GE responded to the crisis. Thus, the manipulation of the no-comment condition was successful. In addition, participants in the apology conditions perceived GE’s response as more apologetic.
3.6. Hypotheses tests

H1 and H2 were tested using a two-factorial ANOVA with the sponsor’s response strategy and the sponsor’s crisis responsibility as independent variables, and attitude toward the sponsoring brand as dependent variable. Tab. 3 presents the brand attitude scores across the six experimental groups and the no-sponsorship-crisis control group.

The ANOVA results show a significant main effect of crisis responsibility ($F(1, 192) = 22.22, p < .001$) on attitude toward the sponsoring brand. In support of H1, attitude toward the sponsoring brand is more negative in the high-crisis-responsibility conditions compared to the low-crisis-responsibility conditions. The main effect of response strategy on attitude toward the sponsoring brand is also significant ($F(2, 192) = 13.91, p < .001$). In addition, a significant interaction of crisis responsibility and response strategy provides initial support for H2 ($F(2, 192) = 4.33, p = .02$). To interpret this interaction, planned contrasts compared the effectiveness of the response strategies for both the high- and the low-responsibility conditions. The results show that when the sponsor’s responsibility is high, an apology results in a more positive attitude toward the sponsoring brand compared to either a denial ($p = .001$) or offering no comment ($p < .001$). The difference between denial and no comment is not significant ($p = .10$). Contrary to our predictions, the results further show that when crisis responsibility is low, a denial does not produce a significantly more positive attitude toward the sponsoring brand compared to an apology ($p = .72$). Both strategies result in the same level of attitude toward the sponsoring brand. However, both a denial ($p = .01$) and an apology ($p = .03$) produce higher attitude scores than the no-comment condition.

To examine the extent to which the response strategies protect the sponsor’s image from reputational damage,
planned contrasts compared the no-sponsorship-crisis control condition with the six experimental groups. The results show that in the case of high crisis responsibility, only an apology produces the same level of attitude toward the sponsoring brand as the no-sponsorship-crisis condition ($p = .30$). Thus, an apology fully compensates for the negative effects of a sponsorship crisis on attitude toward the sponsoring brand even when the sponsor is highly responsible for the crisis, while both a denial ($p < .001$) and a no-comment strategy ($p < .001$) produce significantly lower attitude scores compared to the control condition. The results further show that in the case of low crisis responsibility, both an apology ($p = .10$) and a denial ($p = .21$) insulate the sponsor from image damage. However, attitude toward the sponsoring brand is significantly lower in the no-comment-condition compared to the no-sponsorship-crisis condition ($p < .001$). Thus, offering no comment at all should be avoided even when the sponsor’s crisis responsibility is low.

3.7. Interpretation

The findings of our study are only partially consistent with the predictions of Situational Crisis Communication Theory. Consistent with SCCT, we found that the effectiveness of the response strategies is contingent on the sponsor’s responsibility for the crisis. As predicted, an apology is more effective in protecting the sponsor from reputational damage compared to a denial or offering no comment when the sponsor’s crisis responsibility is high. However, in the case of low sponsor responsibility, apology and denial are equally effective in protecting the sponsor’s image. Both response strategies lead to the same level of attitude toward the sponsoring brand as the no-sponsorship-crisis control condition, and thus protect the sponsor from reputational damage. SCCT did not predict the identical effectiveness of apology and denial. According to the theory, a defensive response strategy such as a denial should be superior relative to an apology when low amounts of crisis responsibility are attributed to the sponsor. A possible explanation for this unexpected finding may be that even in the low-responsibility condition of our study a minimum amount of responsibility was attributed to the sponsor. SCCT suggests that defensive responses (vs. accommodative responses) work best when the accused party has no control whatsoever over the causes of the crisis, as is the case, for instance, when the crisis situation is the result of a natural disaster. Thus, in the low-responsibility crisis situation described in our experimental stimuli, an apology might not have been perceived as illogical and inappropriate because a certain level of responsibility was attributed to the sponsor. This might have been different had we described a crisis situation where one can completely rule out the possibility that the sponsor is responsible for the crisis.

4. Discussion and implications

4.1. Discussion

Scandals erupting around sport sponsorship properties such as events, governing bodies or professional athletes are widely prevalent. Thus, despite their general attractiveness as partners for corporate sponsors, sports properties may at times become liabilities to the sponsors with which they are linked. However, the extant literature focuses almost exclusively on the upside of sport sponsorship for sponsoring brands. The present study differs from previous research by examining how sponsors can protect their image when the sponsored property is surrounded by a negative event, a situation that is referred to as a sponsorship crisis. Messner/Reinhard (2012) suggest that people expect a reaction from sponsors in a sponsorship crisis and show empirically that withdrawal from a controversial sponsorship can insulate the sponsor brand from negative image effects. We extend these findings by demonstrating that offering a communicative response to a crisis can also be a useful strategy for sponsors to protect their image. In our study, an apology produced the same level of attitude toward the sponsoring brand as a control condition in which a sponsorship crisis was absent even when high amounts of crisis responsibility were attributed to the sponsor. This finding indicates that an apologetic response may fully compensate for the reputational damage of a sponsorship crisis. A communicative response should therefore be taken into account before a withdrawal from a controversial sponsorship is considered. An apologetic and a denying response were equally effective in protecting the image in the case of low crisis responsibility. Note that this finding should not be misinterpreted in the way that the sponsor’s response is irrelevant. The contrary is the case because, as our results show, offering no comment to a sponsorship crisis is an inferior strategy independent of the sponsor’s crisis responsibility. This finding supports the view that people expect corporate sponsors to show their reaction when the sponsored property is involved in a negative incident. Possibly, any response other than remaining silent signals that the sponsor takes the situation seriously and is interested in resolving the negative issues surrounding the property. Although a no-comment strategy does not formally accept responsibility, saying nothing may be perceived as an admission of guilt (Ferrin et al. 2007). In addition, while an apology also accepts responsibility, it differs from a no-comment strategy because an apology signals the intent to avoid future transgressions (Kim et al. 2004) and provides an expression of remorse (e.g. Tomlinson/Dineen/Lewicki 2004). However, these considerations might only hold true for the specific responsibility manipulation used in our study, in which the description of the sponsor’s responsibility was somewhat ambiguous. As discussed above, when less ambiguous information about the sponsor’s responsibility for the crisis is present, the effects of specific responses might deviate from our findings. More
specifically, a denial might outperform an apology in cases where the sponsor is unambiguously innocent. In addition, the no-comment strategy might also be acceptable in this case. However, a slightly ambiguous description of the sponsor’s responsibility is likely a realistic representation of real-world sponsorship crises. In contrast to other corporate crises, a sponsorship crisis always involves a third party, i.e. the sponsored property. Therefore, there might always be some ambiguity regarding the responsibility of the sponsor as the responsibility might, at least to some extent, be shifted away from the sponsor.

4.2. Limitations and future research

This research has some limitations that offer a fertile ground for future studies. The experimental methodology is a strength of our research, however, as with any experimental study that uses a student sample, questions persist with respect to the generalizability of the findings. Considering the theory-testing nature of our research, we deemed the use of a student sample a suitable approach. Future studies should, however, attempt to replicate our research with more heterogeneous samples to examine the validity of our results. Other factors that limit the generalizability of our findings include the focus on only one sponsor brand, one sponsored property and one specific type of sponsorship crisis. These limitations offer rich opportunities for future research studies examining the way factors relating to the sponsor brand (e.g. good vs. bad reputation), the sponsored property (e.g. high vs. low number of previous transgressions) and the type of sponsorship crisis (e.g. high vs. low influence of the crisis on the sporting contest) affect the results of this study. For example, previous research shows that brand reputation is an important determinant of brand perception in crisis situations (e.g. Messner/Reinhard 2012; Yoon/Gürhan-Canli/Schwarz 2006). Messner/Reinhard (2012) reveal that only brands with a good reputation benefit from a withdrawal from a controversial sponsorship, whereas a withdrawal has negative effects on brand perception for brands with a bad reputation. Similarly, a specific communicative response may also generally be perceived as less appropriate when it is offered by a sponsor with a bad reputation compared to a sponsor with a good reputation. In addition, the type of sponsorship crisis may affect the efficacy of the sponsor’s crisis response. For example, anecdotal evidence suggests differences between on-field and off-field transgressions of athletes (Wilson/Stavros/Westberg 2008). Off-field transgressions are usually of greater concern for sponsors because they violate social conventions and are therefore perceived as more severe as compared to on-field transgressions (Westberg/Stavros/Wilson 2011). In addition, while a communicative response might be sufficient to prevent negative image effects when the crisis is not directly related to the sporting contest, a crisis that directly affects the integrity of the sport might require a response strategy that includes some sort of corrective action (Benoit 1997). The examination of the effects that such differences between different types of crisis have on the efficacy of specific crisis response strategies is an important task for future research activities.

In our experimental study, we compared the effects of three potential communicative responses to a sponsorship crisis. An interesting extension of our work would be to manipulate not only the type of response but also the way in which the response is given. For example, previous research shows that the effectiveness of an apology is influenced by its empathetic content, its intensity and its timing (Roschk/Kaiser 2013). Thus, manipulating these factors in an experimental study would provide additional knowledge of how an apologetic response should be given. In addition, it would be interesting to examine whether or not the detrimental effects of a no-comment strategy can be prevented by providing a short explanation about why the company does not comment on the incident.

Another interesting avenue for future research is the examination of how communicative responses and other reactions to a sponsorship crisis work in combination. Previous research on sponsorship withdrawal could be extended by investigating whether the effects of the exit can be enhanced by an accompanying communicative response. It seems possible that the perceived sincerity of a withdrawal can be increased by providing a statement about the reasons for the exit. It may also be interesting to examine the efficacy of combining a communicative response with some kind of corrective action (Benoit 1997; Dutta/Pullig 2011). For example, a sponsor may apologise for its involvement in the corruptive practices of a sport governing body and additionally initiate an anti-corruption program to prevent future incidents.

4.3. Managerial implications

This study offers important implications for corporate sponsors that face a sponsorship crisis. The broadest managerial implication of our study is that offering a communicative response can help sponsors to protect their brand image in a crisis situation. A key consideration for sponsors should be selecting a suitable response strategy. In line with SCCT, our findings indicate that people’s attributions of crisis responsibility need to be taken into account when selecting a response to a sponsorship crisis. In the case of high attributions of responsibility, sponsors should offer an apologetic response. In the case of low attributions of responsibility, our results suggest that apology and denial result in the same level of brand attitude. Despite these findings, a denial seems to be the superior strategy when sponsor responsibility is low because unlike a denial, an apology always includes an admission of responsibility and therefore results in at least a minimum degree of self-incrimination (Ferrin et al. 2007). To avoid this potentially harmful effect of an apology, sponsors should consider a defensive response strategy when their responsibility for the crisis is per-
ceived as low. Another implication of our study is that sponsors should avoid a no-comment response strategy when facing a sponsorship crisis. This implication is particularly important considering that responding with reticence is what many real world sponsors do when the sponsored property receives negative publicity.

Appendix

Stimuli used in the experimental study

Control condition: No sponsorship crisis

"After hosting the Olympic Games in 1908 and 1948, London has recently become the first city in the world to host the Olympic Games for a third time. The world’s largest sports event caused a boost to the city’s economy, traffic and tourism. [...] Olympic sponsors have tried to benefit from the Games in terms of positive image effects. GE’s CEO Thomas Clark states: ‘We are proud to be a part of this magnificent event. The Olympic Games provide a perfect platform for us to transport our values to a global audience.’ The 302 different events reached an estimated attendance of ten million live spectators and a TV audience of approximately four billion people worldwide.”

Sponsorship crisis

"After hosting the Olympic Games in 1908 and 1948, London has recently become the first city in the world to host the Olympic Games for a third time. [...] A number of critical voices have detracted from the general enthusiasm about the event. Only 13 hours after the Olympic flame extinguished, the female shot put gold medallist had to return her medal due to the usage of performance-enhancing substances. [...] Chaotic doping tests, match fixing in the Badminton competition and a doubtful bidding process gave the 2012 London Games a questionable image. [...] The London Olympic Games are a continuation of previous scandals in the International Olympic Committee. The governing body has repeatedly attracted negative news due to sloppy doping tests and questionable practices in the bidding processes. As a result, the Olympic values of respect, friendship and performance are increasingly losing their meaning.”

High sponsor responsibility

“Long-term sponsors like General Electric play a highly questionable role in these practices. The influential sponsor has detailed knowledge about the IOC’s corrupt practices and doubtful moral standards. Due to concern about the own image, GE has not taken any actions against the practices in the past.”

Low sponsor responsibility

“The IOC acts completely beyond the control of top sponsors like General Electric. Long-term partner GE is not given any insight into IOC’s practices. Consequently, the sponsor often only knows from news reports about the IOC’s corrupt practices. Except for backing out of the sponsorship contract, GE has hardly any chance to take action against the IOC’s practices.”

Response strategy – denial

“The sponsors’ reactions to the negative publicity are under scrutiny. TOP sponsor GE stated that there is no connection whatsoever between the IOC’s practices and the company GE and its corporate ethics. The IOC is solely responsible for its behaviour and is urged to reconcile what happened.”

Response strategy – apology

“The sponsors’ reactions to the negative publicity are under scrutiny. TOP sponsor GE stated that the company is part of the Olympic Games and therefore feels responsible for the issues around the IOC. GE feels deeply sorry for what happened and admits the company has not been critical enough with respect to the IOC’s behaviour in the past.”

Response strategy – no comment

“The sponsors’ reactions to the negative publicity are under scrutiny. TOP sponsor GE did not comment on the situation.”

References


Keywords

Sponsorship, Corruption, Communication, Sponsor Behaviour, Sport Consumer Behaviour