

Is Ambush Marketing A Fair Game

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Ambush marketing is a means of getting maximum attention for their own profit while stealing some of their rivals' thunder. It represents a way to become blunt & perhaps even neutralize their competitor's investment. Such as when companies try to pass themselves off as official sponsors when they are not. Most of the advertisements are done during major sporting events as well as now in fashion weeks. The strategies used by the companies to promote their brands at events without paying any fees is a way of ambush marketing to reach towards consumers. It has affected several events starting from sports industry to fashion industry in a big way. A promotional tactic is designed to associate a company's products or services with a particular event to attract the attention of people who are attending the event without payment being made for an official sponsorship which diminishes the value of an official sponsorship. Research evidence indicates that this ambush activity may damage sponsors' events and even the interests of governing bodies and individual people. The marketing decision around sponsorships is really a question of whether or not the sponsorship as currently offered, is really commercially viable. Ambush marketing is clearly another tool in brand's arsenal and is a part of competitive marketing which aimed at building awareness and creating a differentiation in a competitive market place with a lot of publicity in the Indian and international marketing arena. This research paper explains how ambush marketing has become an integral part of such sponsorship and the strategies used by the ambushers to promote ambush marketing in this competitive world.

Keywords: ambush marketing, promotional tactic, strategies.

The term ambush marketing describes a wide range of marketing activities by which a business seeks to capture or leverage off the goodwill surrounding an event for which it is not a sponsor. It is a technique which involves riding on the curtails of a major event without paying sponsorship fees, especially using the events as a free promotions. This type of marketing only deals with the events which is having potential to gain utmost profit. It is used by the companies to intrude open public consciousness surrounding different kind of events related to sports, fashion or tourism industry.

At the typical events several companies pay very large fees for the exclusive marketing rights and these fees which can sometimes be in billion rupees for the major events like Olympics, Indian fashion week, Tourism conferences and even you can see in the latest upcoming event common wealth games. In return for the fees the company gets exclusive advertising space and it is sponsored to get protection from competitors.

The issue of ambush marketing highlights the growing reliance on sponsorship fees among many major sports organizations. Some people have suggested that the massive sponsorship fee compromise such events; for example, at the

Common Wealth Games, athletes are often not allowed to bring their own food and drink to the Village, so that if they are photographed or videoed, they will not undermine the sponsor of the event. In other instances, a sports team or organization may be forced to make certain concessions to meet the demands of a sponsor, raising questions about their integrity.

Thus ambush marketers avoid the cost of paying expensive sponsorship fees, while gaining the benefits of associating with the expense of advertising property at the expense of the sponsor. This renders the practice of ambush marketing as a tempting and attractive alternative to sponsorship. In ambush marketing various techniques can be used. The most basic thing is simply buying up the space billboard around an event assuring that people who attend the event are going to see the marketing which might be sneakiest, most devious and controversial form of marketing, despite all this it can be very effective. Recently ambush marketing has received a lot of publicity in Indian and International Marketing arena as its main purpose to get maximum returns on maximum marketing

Research Methodology

The research is completely based on secondary study.

Objectives

To explain the ethics of the ambush marketing

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To analyze the legal aspects of ambush marketing
To explain the strategies used by the ambushers to promote ambush marketing in this competitive world.

The Ethics of Ambush Marketing

While much of the discussion of ethics in marketing has focused on the appropriateness of using personalities as role model in marketing to children and teenagers, a far greater concern is the dramatically increasing trend towards the use of ambush marketing techniques. Debate is perpetual whether ambush marketing practices are ethical, illegal or simply smart business practice. Path of the rise in ambush marketing activity can be attributed to sponsor not being pre-emptive and failing to affect plans to maximizing the leveraging capability of their sponsorship investment. In doing so they have window of opportunity open for the ambushers. Advocates of either position argue strongly for their case, but this is usually from the perspective of being a stakeholder in the outcome. Unless a clear decision is made one way or the other, the practice of ambush marketing will continue and, from all accounts, undoubtedly increase. There appears little that event owners or sponsors can do to eliminate ambush marketing practices.

The degree to which a company agrees to "back off a bit" will to a large extent be determined by its own code of ethics, and by whether that company views ambush marketing practices as unethical or simply good business sense. Corporate sponsors and event organizers obviously regard the piggybacking of non-sponsoring companies as unethical and claim that it threatens the integrity and future of these events. In particular, corporate sponsors claim that ambush marketing tactics reduce the effectiveness of their promotional efforts and event organizers are concerned that these practices will diminish their ability to retain top paying sponsors, thus jeopardizing their ability to fund these events at all. Ambush marketing is now, for some companies, a strategic alternative to formal association through the purchase of legitimate sponsorship rights. Four ethical perspectives - utilitarianism, duty-based ethics, stakeholder analysis, and virtue ethics - can provide a framework for the debate on the ethics of ambush marketing.

The point to understand is that, in buying a sponsorship, a company buys only that specific event. In sponsoring, the company does not purchase the rights to all avenues leading to the public's awareness of a property; and neither does it buy the rights to the entire consumer mind space in which the sponsorship is one resident. (E.g. in the thematic space of football - FIFA is one resident).

Legal Aspects of Ambush Marketing

While the unauthorized use of a registered trade mark, logo, slogan, the copying of any artistic work protected by copyright or misleading the public by calling themselves official sponsors would constitute straight infringing actions under the intellectual property laws or trade practices of most countries, the legal position of ambush marketing practices is certainly unclear. Legal issues clearly arise, but the body of case law is as yet slight. Discussion often focuses on property rights, but these too can be problematic if a major sports event of popular cultural significance is concerned

Ambush marketing campaign in most cases do not use third parties' trade marks or designs. Ambush marketers refer to the event and to their own names and products in an ingenious and creative manner, so in most cases they manage to circumvent the law. This is not assisted by the fact that most countries lack adequate legal provisions to combat ambush marketing. The laws currently available in most countries to official sponsors and event organizers to stop ambush marketing are not adequate. Most jurisdictions still rely on the traditional laws of trade marks, copyright, unfair competition, trade practices and advertising to stop ambush marketers from appropriating some of the exclusivity reserved to official sponsors. These traditional forms of protection are in most cases ineffective against the creativity of ambush marketers who also know the wording of the law and are careful not to trespass it.

Today's manager or administrator does not only have to be familiar with the process of management, but also need knowledge of products and the people involved with it. They are required to have management skills as well as a feeling for the business, which includes legal aspects. All kind of sports institution or manifestation are influenced by legal aspect settings by constitutional / public law, federal civil rights, federal constitutions or contracts.

Especially the wide range of opportunities of event management and marketing always leads to potential problems which are covered by legislation. Organizers and managers are often unaware of all essential legal duties when they are preparing and drafting a marketing plan. Many of them search specialist advice from lawyers, safety experts, and others with specific expertise in the areas they are unsure about. The risks of ignoring the duties should not be underrated at first glance, to do so could lead to consequences which could leave uncalculating damages and fatal problems for the organization or marketing plan. This is the reason why the combination of sport and legislation of management have become more demanding.

Strategies for Ambush Marketing

Broadcast sponsorship of the event - By sponsoring the broadcast on television or radio, the ambusher has the opportunity to associate itself with the event to a much larger audience than the on-site audience. For example, three million spectators will attend the 2010 Commonwealth Games in Delhi, India and they will pay more attention towards marketing of the products. Moreover, the recent introduction of virtual signage (i.e. digital billboards) during particular sports telecasts provides another potential vehicle for marketers to ambush a sports property.

Sponsor subcategories within the event and exploit this investment aggressively- If a competitor has the major category sponsorship locked up, the ambusher may be able to sponsor a lesser category associated with the event and undertake intensive promotional activity to magnify the extent of its involvement.

Purchase advertising time around relays of the competitor's event - An ambusher can deny a competitor receiving the full benefits of their event or broadcast sponsorship by purchasing advertising time in the slots around television or radio relays of the event (e.g.-commercial breaks).

Engage in major non-sponsorship promotions to coincide with the event - Utilize mainstream media advertising and/or below-the-line promotions in order to achieve its marketing communications objectives during the course of the sports event.

Pourage Agreements - The sale of the products at the events is useful and high profile way for certain types of potential sponsors (usually soft drinks and fast food suppliers), to both raise their profile in association with the mega events and also to sell products.

Corporate Hospitality and Ticketing - This method consist of buying up the tickets for the event and offer hospitality packages, which are not being sanctioned by the right owners.

Forms of Ambush Marketing-

Parallel Property Ambushing- The creation or sponsorship of an event or property that is somehow related to the ambush target and competes with it for the public's attention. For instance, seven days after the Beijing Olympics ended, Nike launched an annual, one-day global running event held in cities across the world.

Incidental Ambushing - This is when consumers think that a brand is a sponsor or is associated with an event or property without any attempt on the brand's part to establish such a connection. Even if it's not intentional, this kind of ambushing can be an issue for the host organization and for other sponsors because it clutters the marketing environment.

Unintentional Ambushing - Sometimes media coverage will mention equipment or clothing used by an athlete, or a company that is providing a service in support of an event. Consumers can come away thinking that the company is an official sponsor of the event.

Speedo, for example, was mentioned frequently during the Beijing Games due to the success of swimmers wearing its LZR Racer swimsuits. In marketing studies after the Games, consumers incorrectly identified Speedo as a sponsor. Such incidents can distract rights-holders and organizers from defending sponsors against direct threats. A spokesman for Speedo, which is owned by Pentland Group PLC of the U.K. but licensed in North America to Warnaco Group Inc. of New York, says the publicity the LZR received during the games was all due to "the incredible performances" of the swimmers

Saturation Ambushing - Saturation ambushers increase their advertising and marketing

at the time of an event, but make no reference to the event itself and avoid any associative imagery or suggestion. Their goal seems to simply capitalize on the increased broadcast media attention and television audiences surrounding the event

Insurgent Ambushing - The use of surprise street-style promotions at or near an event. For example, on a major road leading to the 2008 French Open tennis tournament in Paris, sports-shoe and apparel-maker K-swiss Inc. parked a car that appeared to have been squashed by a giant K-Swiss-branded tennis ball. Across the street, a K-Swiss van distributed gifts and marketing materials highlighting the brand and its involvement with tennis.

Values Ambushing - The use of an event or property's central value or theme to imply an association with the property in the mind of the consumer. In its soccer-related advertising during the spring and summer of 2008, for example, Germany's Puma AG included the slogan "June 2008: Together Everywhere." The European soccer championships were played that month, and the tournaments own marketing was emphasizing themes of unity and anti-racism

Distractive Ambushing - Setting up a promotional presence at or near an event without making specific reference to the event itself, its imagery or themes, in order to intrude upon public consciousness and gain awareness from the event's audience.

Associative Ambushing - The use of imagery or terminology to create an allusion that an organization has links to a sporting event or property. In the summer of 2008, for example, marketing campaigns by Nike Inc. made frequent use of the number 8—a symbol of luck and fortune in China, as well as a symbol for the Games. Nike was not a sponsor of the Beijing Games.

Benefits of Ambush Marketing

Merchandising Benefits - The methods, practices, and operations used to promote and sustain certain categories of commercial activity. In the broadest sense, merchandising is any practice which contributes to the sale of products to a retail consumer. At a retail in-store level, merchandising refers to the variety of products available for sale

and the display of those products in such a way that it stimulates interest and entices customers to make a purchase, similarly in the mega events.

Legitimate Benefits - These kind of benefits are rendered by the sponsors as they are paying sponsorship fees at the lower cost.

Pricing Benefits - In ambush marketing the benefits related to pricing are quite obvious. If there are more business opportunities for the marketers and for the consumers, it increases the competition and when competition increases, price will go down

Economic Benefits - The rate of the growth in the economy has a direct impact on the level of opportunities and threats that company face, as it leads to an expansion in consumer expenditure; economic growth tends to produce a general easing of competitive pressure within an industry

Conclusion

Ambush Marketing should be understood as a marketing strategy occupying the consumer mind space for an event. What Ambush Marketing is not, is some underhanded attempt to take advantage of sponsored properties without paying the associated fees. The marketing decision around sponsorships is really a question of whether or not the sponsorship, as currently offered, is really commercially viable. Successful ambush strategies feed on ill-conceived sponsorships and inept sponsors; in that regard, Ambush Marketing is the natural result of healthy competition and has the long-range effect of making sponsored properties more valuable, not less, in that successful ambushes, over time, help to weed out inferior sponsorship propositions. Part of the rise in ambush marketing activity can be attributed to sponsors not being pre-emptive and failing to affect plans to maximize the leveraging capability of their sponsorship investment. In doing so, they leave windows of opportunity open for would-be ambushers. Ultimately, however potential sponsors need to recognize that they will never be able to control rivals action. If competitors embark on a campaign that could confuse consumers, marketers need also to recognize that any resources they might will be determined through legal systems.

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