

THE EFFECT OF EVENT MARKETING ACTIVITIES ON BRAND PROMOTIONS

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Abstract

Event marketing is a strategy marketers use to promote their brand, product, or service with an in-person or real-time engagement. These events can be online or offline and companies can participate as hosts, participants or sponsors. Marketers use both inbound and outbound event marketing strategies for promotional purposes. Event marketing is understood exclusively in the sense of a communication tool whose purpose is to disseminate a company's marketing messages by involving the target groups in experiential activities. This paper is to identify the effect of event marketing promotional activity on brand promotions. Totally 528 respondents are considered as a sample size for the study. Descriptive statistics, post hoc test and ANOVA are used to describe the samples. It is noted that the age group of the respondents have difference of opinion towards event marketing factors.

Key words: Event marketing, Promotional tool, Branding, Age group

Introduction

The event is a marketing communication activity and can be looked at as an activity with a high level of involvement. Because events involve their target group and involve it in the company and as well as the products, they give the target group an experience that appeals to all the senses. In other words, events appeal to the feeling and emotions that arise in the individual and the event-based communication because differently visible and alive. The message may therefore be able to create a stronger effect than through traditional communication channels.

The term 'event marketing' is used to describe a variety of activities, including the "marketing of events and marketing with events" (Cornwell and Maignan, 1998). The marketing of an event is not related to sponsorship, whereas marketing with events entails the promotion of sponsors through the sponsorship vehicle. The latter, marketing with events, helps to accomplish the firm's objectives through event-related Communications and experiences. A major difference between marketing with an event and many other communication methods is that events offer opportunities for personal interaction with products. Defined as "the underwriting of a special event to support corporate objectives" (Javalgi et al., 1994, p. 48), including sales, brand awareness and image enhancement (Gardner and Shuman, 1987; Gross et al., 1992), event marketing is one of the fastest growing forms of marketing communication. Compared with other industries, automobile manufacturers and healthcare firms spend more on external events, i.e., those targeting customers, prospects and vendors, than they spend on internal events, i.e., those that are designed for employees, sales teams, partners (MPI Foundation, 2004).

Increased spending on event marketing, relative to other forms of promotion, suggests there are benefits to sponsoring events. Research by Crimmons and Horn(1996) suggests that sponsorship of high profile events has the potential to be “worthmillions of dollars” to the sponsor . Furthermore, a recent survey of marketing executives at major U.S. corporations indicates that event marketing offers the greatestROI, followed by advertising, direct marketing, public relations, sales promotion andInternet advertising (MPI Foundation, 2004). While the investment to communicate via asporting event can be high, the cost may be offset by the increased amount of timecustomers are able to spend interacting with a company’s products. Hence, event marketing may be seen as a unique opportunity to integrate the firm’s other marketingcommunication activities, such as advertising, public relations and direct marketing, witha hands-on experience that may be provided by an event. In a sense, event marketingenables customers to interact with the brand.

Brandingis very essential in the contemporary marketing scene. As revealed in the literature and the introductory section, marketers increasingly use events to establish and maintain strong brands. Defined, a brand is a “distinguishing name and/or symbol intended to identify goods or services of either one seller or a group of sellers and to differentiate those goods or services from those of competitors”. In event marketing, incorporation of logos, trademarks, or package designs is a way to distinguish one’s offerings and synergistically link them to the event. Branding decisions play a critical role in establishing sustainable competitive advantage especially when combined with sponsored events. Scholars have begin to explore how firm branding strategies influence firm involvement in event and other related

marketing activities. Event marketing is considered a relatively novel marketing. In contrast to conventional communication strategies, event marketing involves the active participation of target groups in the purchase, use and choice decisions. These features have not been subjected to sophisticated empirical studies so far. In this current paper, the effect of event marketing on brand promotions will be evaluated.

Research methodology

The aim of this paper is to identify the effect of event marketing promotional activity on brand promotions. Customer's opinion is described in this study; hence this study falls under descriptive in nature. Event marketing programs refers to the traditional programmes like film, art, design, fashion, photography, advertising, sport tournaments, fairs, concerts etc.. Event marketing programmes scale has been developed by the researcher. There are 6 statements are considered for analyzing the event marketing of the television industry in the study. It is measured with five point scale where 5 stands for strongly agree, 4 for agree, 3 for neutral, 2 for disagree and 1 for strongly disagree. The samples of customers are chosen from Chennai city, Tamilnadu. Totally 600 respondents were approached. However, 528 responses are fit for the further analysis. Hence, 550 is the sample size of the study. Finally 528 respondents are considered as a sample size for the study. Descriptive statistics, post hoc test and ANOVA are used to describe the sample, to show that which are the factors that highly influenced and measure the linear association between the dependent and independent variables.

Result and analysis

Table-1: Opinion towards event marketing promotional activity based on age

Event marketing	Age	Mean	S.D	ANOVA Result		Post-hoc test
				F-value	P-value	
More effective promotional tool than advertising	Below 20	2.86	1.24	32.957	0.001*	1 vs 2,3,4
	20-30	3.06	1.10			
	30-40	3.86	0.70			
	Above 40	3.81	0.88			
Less costly than advertising	Below 20	2.89	1.15	25.816	0.001*	1 vs 2,3,4
	20-30	3.09	1.30			
	30-40	3.89	0.82			
	Above 40	3.67	0.86			
Help to generate rapid market growth	Below 20	2.92	1.24	24.983	0.001*	1 vs 2,3,4
	20-30	3.16	1.28			
	30-40	3.83	0.72			
	Above 40	3.88	0.87			
Provide the hints to future market conditions	Below 20	2.87	1.36	32.311	0.001*	1 vs 2,3,4
	20-30	3.10	1.21			
	30-40	3.87	0.86			
	Above 40	4.12	1.06			
Help to build long term customer relationship	Below 20	2.94	1.33	19.325	0.001*	1 vs 2,3,4
	20-30	3.08	1.27			
	30-40	3.53	0.84			
	Above 40	4.02	0.90			
Helps to identify gap between customer expectation and marketer perception	Below 20	2.91	1.51	22.577	0.001*	1 vs 2,3,4
	20-30	3.00	1.32			
	30-40	3.76	0.95			
	Above 40	3.98	1.01			
Event marketing creates customer loyalty	Below 20	3.02	1.31	12.723	0.001*	1, 2 vs 3,4
	20-30	3.03	1.46			
	30-40	3.52	0.78			
	Above 40	3.85	0.89			

Source: Primary data computed; * Significant @ 1% level.

Respondent's opinion towards event marketing activity based on age group is displayed in table-1. The age group are classified into four categories as followbelow 20, 20-30, 30-40 and above 40. Mean and standard deviation values are calculated for each group.

H_0 : There is no significant difference of opinion towards event marketing based on age group.

In the case of more effective promotional tool than advertising, 30-40 years age group respondents secured the mean value of 3.86, above 40 years age groups respondents secured the mean value of 3.81, followed by 20-30 years age group respondents secured 3.06 and below 20 years age group respondents secured 2.86. It is noted that there is a difference of opinion towards more effective promotional tool than advertising fromrespondents. The calculated F-value is 32.957 and the P-value is 0.001, which is significant at one percent level. Hence there is a significant difference of opinion towards more effective promotional tool than advertising fromthe respondents based on the age. It is found that the age group between 30-40 years respondentsfelt event marketing ismore effective promotional tool than advertising than other age group respondents. Followed by below 20 years age group respondents have the low level of score about more effective promotional tool than advertising than other age group respondents.

With regard to less costly than advertising, the 30-40 years age group respondents secured the mean score of 3.89, followed by the above 40 years age group respondents had the mean score of 3.67. The 20-30 age group respondents had the mean score 3.09 and below 20 years age group respondents had the mean score of

2.89. It is noted that age group of respondents have the difference of opinion towards less costly than advertising. The calculated F-value is 25.816 and the P-value is 0.001, which is significant at one percent level. Hence there is significant difference of opinion towards less costly than advertising of respondents based on the age group. It is noted that 30-40 years age group respondents are highly felt the event marketing is less costly than advertising in promotions. Followed by below 20 years age group respondents have low level of less costly than advertising.

Regarding help to generate rapid market growth, above 40 years age group respondents secured the mean value of 3.88. Followed by 30-40 years age group respondents secured 3.83, 20-30 years age group respondents secured 3.16 and below 20 years age group respondents secured 2.92. It is noted that the age group of respondents have difference of opinion towards help to generate rapid market growth based on age. The calculated F-value is 24.983 and P-value of 0.001 which is significant at one percent level. Hence there is a significant difference of opinion towards help to generate rapid market growth based on the age group. It is found that above 40 years age group respondents have the higher level of score about help to generate rapid market growth followed by below 20 years age group respondents have low level of scores about help to generate rapid market growth than other age group respondents.

In case of provide the hints to future market conditions, above 40 years age group respondents had the mean score 4.12, followed by 30-40 age group respondents scored 3.87, 20-30 age group respondents scored 3.10 and below 20 age group respondents scored 2.87, It is noted that the age group of the respondents have

difference of opinion towards provide the hints to future market conditions. The calculated F-value is 32.311 and P-value is 0.001 which is significant at one percent level. Hence there is a significant difference of opinion towards provide the hints to future market conditions based on the age group. It is found that above 40 years age group respondents has provide the higher level of rating for provide the hints to future market conditions, but, below 20 years age group respondents have low level of rating for provide the hints to future market conditions than other age groups.

For help to build long term customer relationship, above 40 years age group respondents secured the mean value of 4.02 followed by 30-40 age group respondents secured 3.53, 20-30 age group respondents secured 3.08 and below 20 age group respondents secured 2.94. It is observed that the age group have difference of opinion towards help to build long term customer relationship of respondents. The calculated F-value is 19.325 and P-value is 0.001 which is significant at one percent level. Hence there is a significant difference of opinion towards help to build long term customer relationship based on the age group. It is noted that above 40 years age group respondents have the higher level of opinion for help to build long term customer relationship. However below 20 years age group respondents have low level of opinion for help to build long term customer relationship than other age group respondents.

With regard to helps to identify gap between customer expectation and marketer perception, above 40 years age group respondents had the mean score of 3.98. Followed by 30-40 years age group respondents secured 3.76, 20-30 age group respondents scored a mean value of 3.00. Below 20 years age group

respondents scored a mean value of 2.91, it is noted that the age group have difference of opinion towards helps to identify gap between customer expectation and marketer perception of respondents. The calculated F-value is 22.577 and P-value of 0.001 which is significant at one percent level. Hence there is a significant difference of opinion towards helps to identify gap between customer expectation and marketer perception based on the age group of the respondents. It is found that above 40 years age group respondents have the higher level of opinions for helps to identify gap between customer expectation and marketer perception, but, below 20 years age group respondents having the low level of opinion for helps to identify gap between customer expectation and marketer perception than other age group respondents.

For Event marketing creates customer loyalty, above 40 years age group respondents secured the mean value of 3.85. Followed by 30-40 age group respondents secured 3.52, 20-30 age group respondents secured 3.03 and below 20 age group respondents secured a mean value of 3.02. It is noted that the age group have difference of opinion towards event marketing creates customer loyalty of respondents. The calculated F-value is 12.723 and P-value of 0.001 which is significant at one percent level. Hence there is a significant difference of opinion towards event marketing creates customer loyalty based on the age group. It is found that above 40 years age group respondents highly felt the event marketing creates customer loyalty followed by below 20 years age group respondents felt the low level of event marketing creates customer loyalty than other age group respondents.

While gone through the P-values it is found to be significant at one percent level. Hence there is significant difference of opinion towards event marketing based

on age. Further Bonferroni post hoc test is applied to find out the difference between age group and the event marketing promotional activity. From the post hoc test result it is found that below 20 years age group of the respondents are differed with other age group of respondents towards the events regards more effective promotional tool than advertising, help to generate rapid market growths, help to build long term customer relationships, less costly than advertisements, helps to identify gap between customer expectation and marketer perceptions and provide the hints to future market conditions. Whereas below 20 and 20 to 30 age group of respondents differ from age group of 30 to 40 and above 40 towards event marketing creates customer loyalty.

Conclusion

The events activities have shown that, consumers can respond either positively or negatively to the communication intents of events. The paper concluded that the age group have significant differences among the age group. The brand managers must consider the age factors to their event marketing strategy. The essence of event marketing is to constantly retain consumer's loyalty and patronage of firm's products in such a way that is novel compared to other widely used promotional activities (e.g.) advertising, sales promotion, etc). Event marketing has been proved here to be a potent element in their entire marketing communication strategy of firms.

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