Studying the Obstacles of attracting Sponsors at Martial Arts Federation (with an emphasis on Ring Arts)

1Tooraj Ali Onsory, 2Seyed Emad Hosseini, 3Morteza Dousti

1MS student of Sport Management, Ayatollah Amoli Islamic Azad University of Research and Sciences.
2Department of Physical Education, Assistant professor of Behesht University, Tehran, Iran.
3Department of Physical Education, Assistant professor of Mazandaran University, Sari, Iran.

ABSTRACT

The present study examined the obstacles of attracting sponsors at Martial Arts Federation. Objective: The validated questionnaire of factors regarding sponsors’ support was applied to examine each of the five factors including economic, social and cultural, managerial and organizational, government’s legal and credit, and finally media and spectators’ factors. Sample of the study consisted of martial arts including 88 martial (ring) styles covered by Martial Arts Federation and its top personnel. Results: A head, an assistant, and a deputy as well as 10 individuals of personnel as top expert at martial (ring) arts were selected. Based on Morgan’s table, 162 people were randomly selected among 280. Kolmogorov-Smirnov test, one-sample t-test, and ANOVA using SPSS were applied to conduct inferential analysis. Results indicated that there was significant relationship between all factors and obstacles of attracting sponsors. Freedman test results showed that legal-credit factor was ranked higher compared to other factors. Managerial-organizational factor was ranked as the second, communicative-environmental factor as the third, media-spectators as the fourth, Conclusion: and economic-social as the least. Hence, results imply that to attract and use companies for sport sponsorship, obstacles must be removed and opportunities (such as government and officials’ support, reduction of tax, provision of appropriate media cover in terms of videos, news, printing, and introducing the products and services of companies) must be provided for the development of martial arts.

INTRODUCTION

In recent age, sport plays a critical role in the production and consumption of sport goods and services and economic development of different societies as an economic sector. Now, it is taken to be among the key factors influencing national economic growth and one of the earnings industries in 21st century. Sport is of phenomena having dominant impact on modern society. No other aspect of social issues has been given such significance by media (VanHerden & Plessis, 2003). At international level, sport is ranked as 11th among different major industries. Sport industry includes sectors such as sport goods, marketing, supervising the execution and sponsorship, professional sports, sport clothing, sport media, and recreational sports growing every year. In recent markets, companies seek for new methods for their marketing activities. They make attempt to distinguish themselves from their rivals and increase their market share. And, it costs them a lot. One of the methods is sport sponsorship through which companies seek for the accomplishment of various objectives by supporting the events or sport clubs. Sport has turned from a mere exercise into an industry, widespread economic factor, and even a political weapon since years ago (Shojaei, 2011). Professional sport as sport for earning income has become the main part of the sport industry (Detailed Studies of Physical Exercises Organization, 2003). Professional sport plays a key role in daily life of many people. It is covered by press and electronic media more than other sport categories by presenting the highest level of skills (Ehsani, 2003). Sport industry includes sectors such as sport goods, marketing, supervising the execution and sponsorship, professional sports, sport clothing, sport media, and recreational sports growing every year (Andorf, 2007; Ehsani et al, 2008; Izadi, 2004). One of the ways to provide adequate budget for sport activities especially championship activities is to attract private companies and plants investment in sport industry (Ehsani et al, 2008; Tondnevis & Gahsemi, 2007; Miangan, 2001; Smith, 2008). Sport sponsorship can be one of the valuable
methods for reaching a new market and keeping customers’ stock. Sport sponsorship can increase sales, change interests, raise awareness, and make permanent relationship with customers. Today, companies prefer to use sport sponsorship as an international language. Especially in popular sports with global and national spectators, it moves beyond the barrier of language and culture (Ehsani et al., 2009).

Today, companies prefer to use sport sponsorship as an international language. Especially in popular sports with global and national spectators, it moves beyond the barrier of language and culture (Aighia, 2002). Sport sponsorship is a method used by a company to support a cultural, social or athletic event and to achieve the integrated marketing components of the company (Stotlar, 2009). The importance of sponsors in making income in sport sector is placed after the privilege of live TV show whose value has been over $170million in Olympics like Mc Donald, Kodak, Visa, Adidas, and Coca cola companies. The correlation between sport sponsorship and other plans is among the most advanced points in commercial communications. Individuals’ interest in a product can be influenced by advertisement. Previous research examined the advertisement view via media (TV and internet) and realized that consumers’ view toward advertisements has become increasingly negative. In this regard, Pouyan developed a theoretical pattern through which he proved that sport can create positive view toward advertisements due to its particular nature (Pouyan, 2010). Based on production size, global investment in sport sponsorship advanced to US $24.4billion in 2002 from US $500million in 1982, and probably will reach US $28billion in 2004. It is anticipated that the strong growth be continued in recent years (Orili, 2005). Predictions indicated that sport sponsorship will be increased to %8.5 in 2010 (Iverson & Johnson, 2004; Segion et al., 2005).

Sport, teams, and professional athletes are sponsored in three ways: nationally (athletic- and non-athletic-commercial companies), financially (by sport spectators), and sponsorship resulted from TV and mass media broadcasting rights. Sponsors provide most of the teams and great championships costs intending to get back a multiple of those costs. That is why, today, sponsors play the key role in organizing and administering big and small competitions. The more they spend, the more it will be fruitful. And, it will lead to the enhancement of their credits in global positions and economic considerations. Thank to sport, they will be more famous and have further earnings from non-athletic fields (Shojaei, 2011).

In recent decades, most governments – even in some developed countries – have faced budget deficit. To cope with such problem, they have delegated the management of some governmental sectors to private sector. Sport investments are also no exception. Accordingly, it is required to make attempt to progress in championship arenas and contribute to resolve the financial problems of sport teams as well as the provision of a context for companies to compete and exploit sponsorship advantages (Yazdani, 2010). However, Meenaghan (2001) demonstrated three advantages for sponsorship which do not exist in media advertisements:

1. Sponsors can be considered as benevolent by customers.
2. Sponsorship works indirectly and subtly.
3. Sponsorship can be covered in media advertisements.

Beside the advantages of sponsorship as marketing tool, companies can use tax exempts resulted from sponsorship which are as follow: based on tax rules and Article 188 of the Fourth Plan of Economic, Social, and Cultural Development of Islamic Republic of Iran Law, deposits spent by real and legal persons to establish, complete the development and equipment of sport spaces, sites, and gyms, and provide sport services will be notified to the headquarters of economic affairs and treasury by the application and provision of documents – if applied – and after the approval of the headquarters of physical exercises of provinces and the Organization of Physical Exercises (the acts of Board of Ministries, 2005). Sport sponsorship can be one of the valuable methods for reaching a new market and keeping customers’ stock. Sport sponsorship can increase sales, change interests, raise awareness, and make permanent relationship with customers. Today, companies prefer to use sport sponsorship as an international language. Especially in popular sports with global and national spectators, it moves beyond the barrier of language and culture (Ehsani et al., 2009).

Methodology:

Since participants’ opinions were used in this study, research method was of descriptive-survey type. Objective wise, it was an applied research and done as a field study. Sample of the study consisted of martial arts including 88 martial (ring) styles covered by Martial Arts Federation and its top personnel. A head, an assistant, and a deputy as well as 10 individuals of personnel as top expert at martial (ring) arts were selected. Based on Morgan’s table, 162 people were randomly selected among 280. Accordingly, among martial (ring) art styles, officials with great background of martial (ring) arts adapted to the sample size were randomly selected.

In this study, validated questionnaire was used. The first part consisted of general questions such as age, gender, education, and work background. The second part consisted of factors related to sponsors’ sponsorship on five factors: economic, social and cultural, managerial and organizational, government’s legal and credit, and finally media and spectators factors. Total questions (n=40) were scored based on 5-grade Likrit scale including very much, much, medium, a little, very little. To determine the validity of questionnaire, content validity was
applied. To confirm the validity, the questionnaire was submitted to eight sport management elites. Reliability of the instrument was measured by Cronbach’s alpha as 0.83 using SPSS18.

Data Collection Procedure:
Data collection was carried out by field survey. Forty eight questionnaires were filled out in face-to-face form and by referring to the federation and having conversations with styles officials and personnel including the chairman. Eighty five ones were filled out by referring to the styles head’s gyms and sixty ones by referring to the styles offices and in technical committee of each style. Seven questionnaires were distributed by email and followed to gain final results.

Data Analysis Techniques:
Here, descriptive statistics indices (including percent, mean, standard deviation, table and diagrams) were applied. For inferential analysis of data, Kolmogorov-Smirnov test, one-sample t-test, and ANOVA were used.

Results:

Table 1: One-sample t-test results

<table>
<thead>
<tr>
<th>%95 confidence interval</th>
<th>Research hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper limit Lower limit</td>
<td>P value</td>
</tr>
<tr>
<td>3.314 3.137</td>
<td>0.001</td>
</tr>
<tr>
<td>3.407 3.244</td>
<td>0.001</td>
</tr>
<tr>
<td>3.407 3.333</td>
<td>0.001</td>
</tr>
<tr>
<td>3.373 3.516</td>
<td>0.001</td>
</tr>
<tr>
<td>3.291 3.123</td>
<td>0.001</td>
</tr>
</tbody>
</table>

From managers’ point of view, managerial and organizational factors are the obstacles of martial arts sponsors:
As seen in Table (1), level of significance is 0.001 which is below error level (0.05). Besides, lower and upper limits of confidence interval are bigger than 0 (positive) and mean is gained bigger than 3. As a result, we can be sure (r=%95) that managerial and organizational factors are the obstacles of martial arts sponsors.

From managers’ point of view, communicative-environmental factors are the obstacles of martial arts sponsors:
As seen in Table (1), level of significance is 0.001 which is below error level (0.05). Besides, lower and upper limits of confidence interval are bigger than 0 (positive) and mean is gained bigger than 3. As a result, we can be sure (r=%95) that communicative-environmental factors are the obstacles of martial arts sponsors.

From managers’ point of view, economic-social factors are the obstacles of martial arts sponsors:
As seen in Table (1), level of significance is 0.001 which is below error level (0.05). Besides, lower and upper limits of confidence interval are bigger than 0 (positive) and mean is gained bigger than 3. As a result, we can be sure (r=%95) that economic-social factors are the obstacles of martial arts sponsors.

From managers’ point of view, legal-credit factors are the obstacles of martial arts sponsors:
As seen in Table (1), level of significance is 0.001 which is below error level (0.05). Besides, lower and upper limits of confidence interval are bigger than 0 (positive) and mean is gained bigger than 3. As a result, we can be sure (r=%95) that legal-credit factors are the obstacles of martial arts sponsors.

From managers’ point of view, media-spectator factors are the obstacles of martial arts sponsors:
As seen in Table (1), level of significance is 0.001 which is below error level (0.05). Besides, lower and upper limits of confidence interval are bigger than 0 (positive) and mean is gained bigger than 3. As a result, we can be sure (r=%95) that media-spectator factors are the obstacles of martial arts sponsors.

The Effect of Gender:
Independent two-sample t-test was applied to measure the significance of mean scores difference (based on gender) for each of the five aspects regarding sponsors obstacles.
To measure the significance of respondents’ opinions based on their education, again ANOVA was used. This is because here there are more than two independent groups. Regarding the results of Table 4 and $P > \alpha$, H0 cannot be rejected. As a result, the mean scores of respondents’ views based on education have no significant difference in five different groups.

### Table 3: ANOVA results for age

<table>
<thead>
<tr>
<th>Sig. level</th>
<th>F</th>
<th>Mean Square</th>
<th>df</th>
<th>Sum squares</th>
<th>Between-group</th>
<th>Managerial-organizational factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.149</td>
<td>1.714</td>
<td>0.618</td>
<td>4</td>
<td>2.474</td>
<td>Inter-group</td>
<td></td>
</tr>
<tr>
<td>0.176</td>
<td>1.606</td>
<td>0.341</td>
<td>157</td>
<td>53.483</td>
<td>Inter-group</td>
<td>Communicative-environmental factors</td>
</tr>
<tr>
<td>0.161</td>
<td>1.665</td>
<td>0.538</td>
<td>4</td>
<td>2.151</td>
<td>Inter-group</td>
<td>Economic-social factors</td>
</tr>
<tr>
<td>0.428</td>
<td>0.966</td>
<td>0.466</td>
<td>4</td>
<td>1.864</td>
<td>Inter-group</td>
<td>Legal-credit factors</td>
</tr>
<tr>
<td>0.815</td>
<td>0.390</td>
<td>0.127</td>
<td>4</td>
<td>0.508</td>
<td>Inter-group</td>
<td>Media-spectator factors</td>
</tr>
</tbody>
</table>

### Table 4: ANOVA results for reviewing respondents’ views based on education

<table>
<thead>
<tr>
<th>Sig. level</th>
<th>F</th>
<th>Mean Square</th>
<th>df</th>
<th>Sum squares</th>
<th>Between-group</th>
<th>Managerial-organizational factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.249</td>
<td>1.344</td>
<td>0.488</td>
<td>5</td>
<td>2.441</td>
<td>Inter-group</td>
<td></td>
</tr>
<tr>
<td>0.890</td>
<td>0.337</td>
<td>0.333</td>
<td>156</td>
<td>55.076</td>
<td>Inter-group</td>
<td>Communicative-environmental factors</td>
</tr>
<tr>
<td>0.617</td>
<td>0.710</td>
<td>0.235</td>
<td>5</td>
<td>1.176</td>
<td>Inter-group</td>
<td>Economic-social factors</td>
</tr>
<tr>
<td>0.390</td>
<td>1.050</td>
<td>0.508</td>
<td>5</td>
<td>2.528</td>
<td>Inter-group</td>
<td>Legal-credit factors</td>
</tr>
<tr>
<td>0.986</td>
<td>0.185</td>
<td>0.061</td>
<td>5</td>
<td>0.305</td>
<td>Inter-group</td>
<td>Media-spectator factors</td>
</tr>
</tbody>
</table>

The test was also taken at confidence level %95. Hence, if the significance level of the test be bigger than error level ($\alpha=0.05$), H0 will not be rejected. Based on independent two-sample t-test results in Table 2 at $\alpha=0.05$.
The Effect of Respondents’ Work Background:

To measure the significance of respondents’ opinions based on their work background, again ANOVA was used. This is because here there are more than two independent groups. Regarding the results of Table 4 and P>α, H0 cannot be rejected. As a result, the mean scores of respondents’ views based on work background have no significant difference in five different groups.

Table 5: ANOVA results for reviewing respondents’ views based on work background

<table>
<thead>
<tr>
<th>Sig. level</th>
<th>F</th>
<th>Mean Square</th>
<th>df</th>
<th>Sum squares</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0.588</td>
<td>0.707</td>
<td>0.262</td>
<td>4</td>
<td>1.046</td>
<td>Between-group managerial-organizational factors</td>
<td></td>
</tr>
<tr>
<td>0.370</td>
<td>0.157</td>
<td>58.062</td>
<td>59.108</td>
<td>Inter-group Communicative-environmental factors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.988</td>
<td>0.081</td>
<td>0.029</td>
<td>4</td>
<td>0.114</td>
<td>Between-group Economic-social factors</td>
<td></td>
</tr>
<tr>
<td>0.354</td>
<td>0.157</td>
<td>55.557</td>
<td>55.557</td>
<td>Inter-group Legal-credit factors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.161</td>
<td></td>
<td></td>
<td>157</td>
<td></td>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

Discussion and Conclusion:

Results and Discussion on Hypotheses Testing

From managers’ point of view, managerial and organizational factors are the obstacles of martial arts sponsors.

As expected, the relationship between these two variables was approved. And, participants considered managerial and organizational factors to be relevant to the obstacles of martial arts sponsorship. Now, it can be said that organizations managers can act as the supporters of martial arts sponsorship by the appropriate execution of planning and paying further attention to martial arts. Since managers have reviewed marketing areas in a more scientific way, it can affect the identification of suitable strategies.

These results are in accordance with the results of studies by Banar (2010), Elahi (2009), Jamshidian and Mozafari (2010), Wile (2009), and Westberg et al (2011) all of whom have considered managerial factors as the key factors affecting the attraction of martial arts sponsors.

From managers’ point of view, communicative-environmental factors are the obstacles of martial arts sponsors:

As expected, the relationship between these two variables was approved. And, participants considered communicative-environmental factors to be relevant to the obstacles of martial arts sponsorship. Now, it can be said that communicative-environmental factors are among the key factors affecting the attraction of martial arts sponsors, martial arts managers must make appropriate use of them to attract martial arts sponsors via paying attention to press and mass media as well as creating suitable environment.

These results are in accordance with the results of studies by Banar (2010), Abuderda (2006), Elahi et al (2009), Klavson and Lambrich (2006), Kimberli et al (2006), and Tomasini (2004) all of whom have considered communicative-environmental factors as the key factors affecting the attraction of martial arts sponsors.

From managers’ point of view, economic-social factors are the obstacles of martial arts sponsors:

As expected, the relationship between these two variables was approved. And, participants considered economic-social factors to be relevant to the obstacles of martial arts sponsorship. Now, it can be said that economic factors such as prices instability, financial crises and costs as well as social factors such as the issue that martial arts are not known as professional and money making sports like football must be taken by martial arts managers among the key factors affecting the attraction of martial arts sponsors.

These results are in accordance with the results of studies by Rachel Sagapula et al (2012), Westberg et al (2011), Lici (2009), Tomasini (2004) and Rajabi (2009) all of whom have considered economic-social factors as the key factors affecting the attraction of martial arts sponsors.

From managers’ point of view, legal-credit factors are the obstacles of martial arts sponsors:

As expected, the relationship between these two variables was approved. And, participants considered legal-credit factors to be relevant to the obstacles of martial arts sponsorship. Now, it can be said that factors such as non-exploiting the advantages of tax exempts, legal regulations to secure staking context, TV
broadcasting right, facilities and conveniences must be taken into account to reduce the obstacles of attracting martial arts sponsors.

These results are in accordance with the results of studies by Elahi et al (2009) all of whom have considered legal-credit factors as the key factors affecting the attraction of martial arts sponsors.

From managers’ point of view, media-spectator factors are the obstacles of martial arts sponsors:

As expected, the relationship between these two variables was approved. And, participants considered media-spectator factors to be relevant to the obstacles of martial arts sponsorship. Now, it can be said that media (e.g. TV and radio) advertisements are among the activities to accomplish commercial objectives and indeed they are one of the direct components of marketing.

These results are in accordance with the results of studies by Kimberli et al (2006), Rajabi (2009), Abaszadeh (2009), and Banar (2010) all of whom have considered media-spectator factors as the key factors affecting the attraction of martial arts sponsors.

Describing total priority of different variables regarding the attraction of sponsors at Martial Arts Federation showed that following variables were the five major obstacles of sport sponsorship: the lack of legal-credit factors, managerial-organizational factors (such as lack of managers and officials and respective federations’ attention to and support for sponsors and national and provincial authorities’ narrow view toward sport sponsorship), communicative-environmental factors (such as lack of suitable media coverage including visual, and press-print coverage for sport events and competitions, lack of attention to proper and clear broadcast of advertising brands of the sponsors by media), media-spectators, and economic-social factors. Reviewing variables indicate that legal-credit factors are ranked as having the prime importance among variables.

In general, since companies’ sponsorship for martial arts has not been given adequate attention in Iran and they have not taken advantage of it yet, and regarding the lack of government’s support, and copy right and advertisement culture in the country, the expansion of obstacles on sport sponsorship by companies seems logical. Hence, based on results, it seems that actions must be taken to develop martial arts by attracting and using companies as sport sponsors via removing obstacles and providing suitable opportunities such as government and officials’ support, taxes reduction, provision of proper media cover in visual and press-print terms as well as introducing companies’ products and services. And, since legal-credit factor is taken to be the most important factor for attracting sponsors, government can play a vital role in the same regard by enacting supportive rules for supporting companies when necessary and at the time of crises and by endowing special privileges, considering economic advantages for sponsors like reducing tax costs or tax exemptions for these companies, informing them from sport taxation law, providing low return loans and opportunities for long term cooperation between government and companies.

REFERENCES

Abaszadeh, M.R., 2009. Studying the effectiveness structures of sport sponsorship and the theoretical relationships between them among football fans in Iran, MS thesis of Trade Management, Islamic Azad University of Rasht.


Rajabi, M., 2009. The underlying reasons of private manufacturing companies for championship sport in Isfahan, MS thesis of physical exercises, majoring at management, Mazandaran University.


The enactments of Board of Ministries, 2005. The executive code of Article 169 authorized by the third plan of economic, social and cultural development of IRI, the subject of Article 118 of the fourth plan of economic, social and cultural development of IRI, the Collection of Tax Regulations


Yazdani, A.A., 2010. Obstacles of sport sponsorship by (both public and private) companies in North Khorasan Province, MS thesis of physical exercises, Non-profit University of North Iran.