



Event sponsorship and ambush marketing: Lessons from the Beijing Olympics

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Abstract Sponsorship of large sporting and cultural events has become a major marketing communication tool, particularly when firms obtain exclusive rights and garner the hype associated with this honor. Concomitantly, ambush marketing—defined as attempts by competitors to exploit the event—has also increased in prominence. This article outlines what is known as the *Li Ning affair*, whereby major Olympic sponsor Adidas was ambushed by lesser-known Chinese sportswear company Li Ning, whose namesake founder was the most decorated Chinese Olympian and who lit the Olympic flame at the 2008 Beijing Olympiad. Data collected immediately following the closing of the Beijing Games isolates what we call the *Li Ning effect*—or, being incorrectly identified as an official sponsor—and the positive effects this has on measures of brand attitude and recommendation likelihood. As presented herein, seven lessons about ambush marketing can be derived from the Li Ning affair, which sponsors and those considering sponsorship opportunity might wish to learn.

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1. You don't always get what you pay for

Sponsorship is big business. Major international sporting events—such as the Summer and Winter Olympic Games, and the World Soccer Cup—command sponsor

fees running into the hundreds of millions of dollars, via which each global sponsor acquires marketing rights to the all-inclusive use of the event, its images, and logos. Worldwide sponsorship generated \$663 million in revenue for the 2001–2004 Salt Lake City/Athens Olympic cycle. This total was easily exceeded by the Torino/Beijing cycle, in which revenues jumped 31% to \$866 million; 11 multinational sponsors paid an average of \$72 million each. More remarkably, these numbers represent only the fees for sponsorship rights; sponsors still had to pay for the advertising itself. Subsequent estimates placed total

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