



**UNIVERSITY  
OF TURKU**

Turku School of  
Economics

# **How Corporations Kill Off Sports Fans**

Examining the Threats Corporate Sponsorships Pose to Team Identification

Department of Marketing and International Business

Bachelor's thesis

Author(s):

Oili Olivia Virta

Supervisor(s):

D.Sc. Samuel Piha

9.12.2024

Turku

The originality of this thesis has been checked in accordance with the University of Turku quality assurance system using the Turnitin Originality Check service.

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**Number of pages:** 30 pages + appendices 0 pages

**Date:** 9.12.2024

The sports industry thrives on the passionate connection between fans and their favorite teams, a relationship that extends beyond the games themselves and creates lucrative opportunities for corporate sponsorships. These sponsorships aim to leverage the positive associations fans have with their teams, benefiting both sponsors and sports organizations.

However, the potential threats corporate sponsorships may pose to team identification remain underexplored. This thesis addresses this research gap by answering the following research question: *what threats can corporate sponsorships pose to team identification?* This thesis is a literature review.

Grounded in social identity theory and self-categorization theory, this study conceptualizes team identification as a vital social identity that provides individuals with self-esteem and builds inter- and intragroup relationships. When team identification fails to meet these psychological needs, its significance may diminish, or it may even be replaced. Utilizing identity threat theory and the concept of sponsor moral appropriateness, the thesis categorizes sponsorship-induced identity threats relating to self-esteem as well as intra- and intergroup perception into three types: categorization threat, distinctiveness threat, and value threat.

The findings reveal that categorization threat stems from unwanted stereotypes and associations transferred from the sponsor, primarily affecting individuals with low team identification. Distinctiveness threat arises when a sponsor simultaneously supports multiple teams, diminishing the unique value of team identification. Lastly, value threat occurs when a sponsor's negative publicity or poor corporate social responsibility practices devalue the team identification.

This research contributes to academic discussion by defining the nuanced ways corporate sponsorships influence team identification and providing practical insights for sponsors and sports organizations. This thesis also validates the importance of future research into the subject. Limitations of this study include its theoretical nature and reliance on parallel literature rather than empirical data, suggesting future research should validate these findings through qualitative or quantitative methods.

**Key words:** Team identification, Sports sponsorship, Identity threat, Sponsor moral appropriateness

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# 1 Introduction

## 1.1 Thesis topic and background

The spectatorship of sports dates back as far as sports itself, to Ancient Greece and Rome, where sports were a fundamental part of everyday life. People from different social backgrounds gathered to watch and support athletes competing in the Olympic Games as well as gladiatorial events. (Madrigal 2004, 241; Kissoudi 2005.) The motives for rejoicing in athletes' success are very different today than in Ancient Greece and Rome, as we do not need to assert physical dominance in sports to compare the strength of different peoples. However, the need to align oneself with successful individuals and communities in the context of sports is not a new phenomenon and was apparent already during this period. (Madrigal 2004, 242.)

The sponsorship of sports can also be traced back to the 5th century BC when wealthy families donated buildings and made the organization of big sporting events possible as means of building social status. The support sponsorship offered these cultural activities even became a driving force of economic and cultural development. (Kissoudi 2005.) Much like the sponsors and patrons of ancient sports, the corporate sponsors of professional sports teams today seek to build positive associations with their brand and differentiate themselves from their competition (Cornwell & Jahn 2023, 41). Because sports reach a mass audience comprised of all backgrounds and social standing, sports teams as sponsored entities are highly sought after (Abratt et al. 1987, 299).

Thus, the mass-appeal of sports allows corporations to enter new markets and appeal to new segments or target markets (O'Reilly et al. 2021, 20-21). The decision why sports teams specifically are sponsored to reach these objectives relies on the assumption that sports team fans will most likely be more susceptible to brands that support a team they support (Madrigal 2004; Plumley & Wilson 2022). Additionally, sponsors and fans are of great value to professional sports teams themselves due to the financial support and increased brand awareness they provide (Hyatt 2007). Because of the relationship between sponsors and sports teams, and the fans and sports teams, researchers have sought to prove some effective relationship exists also between the fans and the corporate sponsors of a sports team. (Madrigal 2004; Tsordia et al. 2021; Silva 2022; Mohammadi et al. 2023.)

By examining this sponsor-fan relationship, a construct called team identification has emerged in research to describe the intensity of a fan's connection to a sports team. Team identification has been found to influence how well sponsors are accepted, and how openly their products are

consumed. (Madrigal 2004, 243-244; Funk et al. 2022, 239-240.) Despite this, corporate sponsors are not welcomed with open arms or even remembered positively after several years in all cases, even when a sports team has a dedicated following. For example, the 10-year sponsorship contract of Real Madrid FC by Adidas was not received well. Instead, the fan responses were fuelled by scepticism. This originally negative backlash was rooted in the perceived insincere and commercial motivation Adidas had for sponsoring the football club. (Silva 2022.) Research does not, however, comprehensively answer what effects lead to these reactions, and if these negative feelings toward a corporate sponsor are an indicator of something else – perhaps an activated defence mechanism of threatened identification?

## 1.2 Research objectives and methodology

It is clear from research that team identification can moderate a corporate sponsor's success or failure, and that the two entities do share a relationship. Even though both entities have an impact on each other, existing research does not shed light on the implications corporate sponsorship causes from the perspective of team identification. Instead, existing research of the phenomenon almost exclusively address the relationship from the sponsor's perspective. (Peluso et al. 2019.)

A high level of team identification has proven to correlate with event attendance, media consumption, and merchandise purchase, which are all valuable sources of income to sports teams (Chiu et al. 2023). For this reason, fans become more and more important and sought after in the globalized sports industry (Foster & Hyatt 2008; Behrens & Uhrich 2018; Bodet et al. 2020), and thus it becomes increasingly important to examine how corporate sponsorships affect team identification, especially in terms of negative spillover and its identity-damaging effects.

This study will act as an academic primer by examining a possible causal relationship between corporate sponsorship and a threatened team identification. The study is conducted through a literature review with sources ranging from social identity approach classics to the most recent research in the field of sports marketing and psychology, to answer the question: *what threats can corporate sponsorships pose to team identification?*

The research question will be approached from three theoretical bases pictured below in figure 1. Team identification will be defined, and its goals and manifestation will be examined, through social identity approach literature. This includes social identity theory as well as self-categorization theory, that continues to define social identity theory's assertions in more detail. Examining the

nature of the team identification construct through this theoretical approach provides insight into how threats to self-esteem and intra- and intergroup perception are formed.

The concept of sponsor moral appropriateness is defined and utilized to distinguish threatening corporate sponsorships and their features. Finally, the conclusions and findings rely on the social identity threat theory, which is used to categorize and define the threats corporate sponsorships pose to team identification. This is done by matching aspects of sponsor moral appropriateness with the theory's causes of identity threat. These similarities are then applied in the context of the team identification construct to define how a threatened identity manifests itself, and to examine what implications the threat has on the individual, the sports team, and the sponsor.

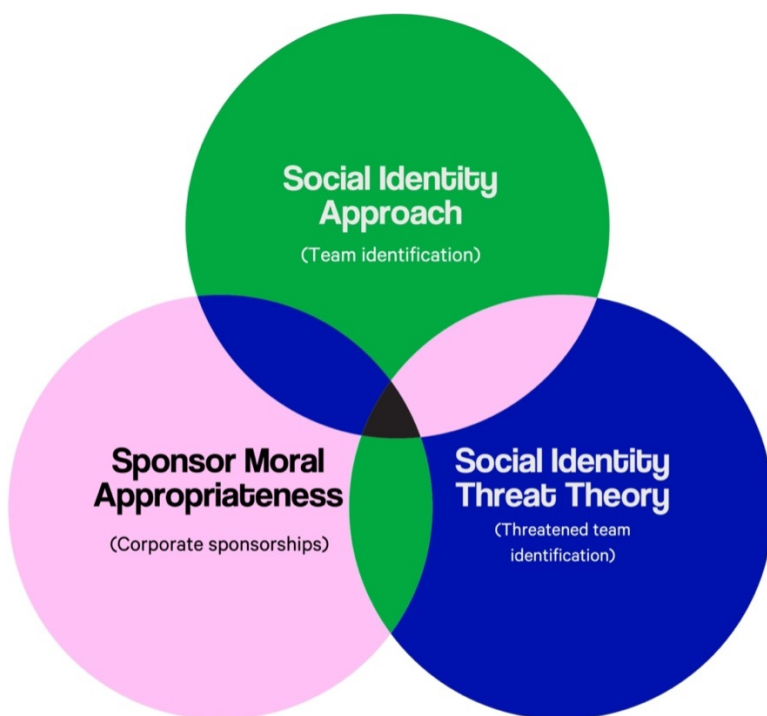


Figure 1 Diagram of the research strategy

### 1.3 Thesis structure

The thesis will first examine team identification through social identity approach in chapter two, starting with definitions (2.1), and expanding on the team identification construct (2.2). Chapter three will then proceed to cover the sponsorship of professional sports teams. First sponsoring will be defined (3.1), and then sponsor moral appropriateness is examined (3.2). The potential causal relationship between corporate sponsorship and team identification threats will be discussed in chapter 4, by classifying three different identity threat categories and examining how aspects of

sponsorship cause these threats. The findings of this research are comprised of the contents of chapter 4. Lastly, the fifth chapter will present conclusions and a summary of this study (5.1), the implications of this phenomenon for industry professionals (5.2), and finally the limitations of this study and future research opportunities (5.3). A disclaimer of thesis accessibility is also presented (5.4).

## 2 Team identification

### 2.1 Definitions

Team identification has mainly been explored academically with theoretical background in sociology or social psychology. The difference, however, is notable in the definitions drawn from these two backgrounds, as they are based either on drawing definitions from interaction with other people and its effects on behaviour (sociology), or by examining the definitive role of group membership on shared characteristics with other members (social psychology). (Hogg et al. 1995, 255; Lock & Heere 2017.) This study will present an overview of team identification focused on the latter – the perspective of social psychology. The definitions for team identification presented in this chapter are drawn from social identity approach literature.

Social identity theory suggests that one's social identity is self-conception through group membership and the significance that membership has to an individual personally (Abrams & Hogg 1990, 7). One of the most influential names in social identity approach research, Turner (Turner et al. 1979), supports the definition presented by Abrams and Hoggs by asserting that individuals identify themselves via social groups they perceive relevant. One of the most popular and widely referenced definition of team identification by Wann and Branscombe (1993) relies on these theorizations of social identity. They argue that team identification refers to the degree of attachment toward a sports team that also creates a psychological connection. This psychological connection is of special importance to this study, as it influences consumption and decision-making (Funk et al. 2022, 230).

The self-categorization theory that Turner derived from social identity theory in the 1980s, explains the formation of self-concept in more detail (Hornsey 2008). Social identity was defined as the intermediate level of a three-layered self, that can have several dimensions, meaning that a person can have multiple social identities. Which social identity then surfaces, is dependent on real-life context and always relative to the perceiver. (Turner & Reynolds 2012.) Team identification can be argued to be a form of self-categorization, as it adheres to the previous definition, and its characteristics include depersonalization. Depersonalization refers to the phenomenon when team identification becomes salient, as any other social identity would in a favourable context, and individuals see themselves and fellow group members more as representatives of a group and less as singular beings. (Madrigal 2004, 243; Hornsey 2008.)

Madrigal (2004, 243) also defines team identification as one manifestation of the many social identities of a person. He adds that it may derive simply from a geographical social identity. Even though sometimes this may be the case, as professional sports teams nowadays have fans from all over the globe, team identification does not exclusively exist as a byproduct of citizenship (Bodet et al. 2020; Chiu et al. 2023). In more recent research examining team identification, geographical factors have been cast aside as fans are categorized into local-fans and satellite-fans, of which both groups experience high levels of team identification (Behrens & Uhrich 2019; Chiu et al. 2023).

Even though geographical aspects do not necessarily define team identification, sport fan behaviour and reactions can be affected by other demographic factors such as age or gender. However, the established differences mainly concern how likely individuals will have higher or lower levels of team identification. Other distinct differences, on the other hand, have not been agreed on in literature, and current research presents contradicting findings. (Koch & Wann 2016.) Therefore, when it comes to the demographic differences of sports fans, no differences of significance have been distinguished in research at this time that need to be accounted for in the context of this study's scope and objective.

For the purposes of this study, when in future the term team identification is used, it refers to one of an individual's many social identities, that is an essential part of an individual's self-concept. It influences behaviour and decision-making and becomes salient in favourable contexts. Team identification represents a special emotional connection of varying intensity to a specific professional sports team. (Wann & Branscombe 1993; Madrigal 2004; Behrens & Uhrich 2019; Funk et al. 2022; Chiu et al. 2023.)

## **2.2 Team identification construct**

To define what constitutes a threat to social identity and thus to team identification, first the construct needs to be examined in terms of how key themes of social identity approach have been applied in the context of team identification. To do this, the following subchapters will review self-esteem as well as inter- and intragroup perceptions as moderating building blocks of the team identification construct and its main forms of manifestation.

### **2.2.1 Self-esteem**

Self-esteem has been described to be a requirement for individuals to function properly, which is also part of the reason it has been heavily researched as a behavioural motive behind for example

social comparison (Leary 2007). This is apparent in the social identity approach, which asserts that the search for positive self-esteem and promotion of self-esteem are ways to distinguish and strengthen a social identity (Jenkins 2014, 115). In addition, social identity theory claims people have a fundamental motivation for self-esteem and that self-esteem is a definite motivator of intergroup behaviour (Turner et al. 1979, 190).

Leary (2007) asserts that public self-enhancement is used to tackle this need for positive self-esteem through associations with other people. Self-enhancement refers to the actions of individuals that aim to maintain a positive image of yourself. Madrigal (2004, 243) supports this claim by stating that an individual's need for self-esteem can be satisfied through positive perceptions of the group they identify with, which also explains the role of self-esteem in the construct of team identification. For example, phenomenon such as BIRG and CORF that are apparent in the behaviour of fans are ways for individuals to both showcase and protect their self-esteem in relation to team identification (Funk et al. 2022, 240-241).

BIRG, meaning basking in reflected glory, was coined by Cialdini et al. (1976, 366) and defined as “publicly announcing one's associations with successful others”. Self-esteem can derive from BIRGing, as individuals align themselves with a winning team in the context of sports (Funk et al. 2022, 240). BIRGing is more likely and more frequent for people with high team identification, and the feelings associated are more intense. This also applies to the counter reaction, casting off reflected failure or CORF, but for people with high team identification distancing themselves from the group may even be impossible, resulting in negative psychological consequences and damaged self-esteem. (Madrigal 2004, 243-244.)

When self-esteem gained through team identification is damaged, it can lead individuals to evaluate the social identity as negative. Because of the moderating role of self-esteem in team identification, this can push people to counter these negative consequences by changing from one social group to another and redefining themselves. (Abrams & Hogg 1990, 24-25.) This ability to regulate self-presentations motivates sports fans to switch loyalties when faced with a damaged self-esteem, threatening to break down the existing team identification (Mahony et al. 1999, 47-49; Hyatt 2007).

### 2.2.2 Intra- and intergroup perceptions

An integral part of forming any social identity is for individuals to differentiate between “we” and “them” (Turner et al. 1979, 190; Abrams & Hogg 1990, 43-46; Madrigal 2004, 244; Funk et al. 2022, 232). It has even been argued that affiliation with a community is the core motive behind fan

identification and thus team identification (Wann 2006, 361). However, this inclusion cannot exist without simultaneously defining what is excluded, because humans are not able to experience similarity without a perceived difference to others (Jenkins 2014, 104-105).

This social categorization results in the formation of in-group and out-group membership (Funk et al. 2022, 232). People with high identification perceive out-group individuals as different, a “them” to the in-group “we”. The in-group is seen as a representation of self, and this juxtaposition is further supported by the frequent in-group bias that highly identified individuals experience. The same need for a positive identity that is apparent in seeking positive self-esteem through social identification is what drives people to favour their in-group in this way and accentuate intergroup differences. (Madrigal 2004, 244-245.)

This distinction is especially tangible in the context of team identification. For example, in the fans of British football, common intergroup behaviours include out-group hostility, that can in extreme cases even lead to physical violence (Newson et al. 2022). This can be explained by how team identification and the in-group/out-group separation affects how people view other individuals. Madrigal (2004, 245) concludes that due to more time spent with other in-group individuals, people develop a more comprehensive schema of their fellow group members. Meanwhile, the view on out-groups remains rather homogenous and even depersonalized.

The existence of out-group hostility and in-group bias do not mean that intragroup issues never arise. People have a psychological need to both belong to a group and to distinguish themselves from others, and this paradox of needs can negatively affect an individual’s team identification. (Funk et al. 2022, 234.) If an individual is seen to differ too much from the standards of the in-group, people with high team identification are likely to develop a negative attitude towards the deviator (Madrigal 2004, 245). As a result, these so called “black sheep” individuals can experience a feeling of isolation (Branscombe et al. 1993, 381-382; Funk et al. 2022, 234). On the other end of the spectrum, if one loses the feeling of individualism and team identification becomes overwhelmingly predominant, people may develop low self-esteem which is not favourable in terms of team identification longevity. (Funk et al. 2022, 234.)

### 3 Sponsoring

#### 3.1 Definitions

The term sponsoring has had many definitions throughout the course of history, but when talking about sports sponsoring, the most relevant definitions date as far back as the 1600s. In 1677, the term sponsor has been described as “one who enters into an engagement, makes a formal promise or pledge, on behalf of another” (Oxford English Dictionary 2023a). The International Chamber of Commerce (2014) defines sponsorship closest to this function: a commercial agreement where a sponsor contractually provides financing or other support to associate the sponsor’s image, brands, products, or services to the supported entity. In a way, the linking of brands as a show of support in the rivalry setting of sports can be connected also to the 1825 definition of a sponsor: “one who stood surety for the appearance and good faith of either party in a trial by combat” (Oxford English Dictionary 2023b).

Expanding on these definitions to understand what role sponsorship has in the marketing mix of corporations, Desbordes and Tribou (2007, 269-270) describe sponsorship as a strategic communications tool that allows the linking of a brand or corporation to a specific audience that provides commercial advantage. They continue to argue that sports sponsorship could form a stronger link with a successful team, person, or event, due to its unique discourse with consumers that differs from traditional marketing communication. Madrigal (2004, 249) expands on this definition by stating that sponsorship is used most in situations where some specific geographical or lifestyle segments want to be targeted that traditional media cannot reach as effectively.

Although sponsoring is an activity as old as ancient Greece or Rome, its role in marketing communication has solidified only during the last few decades as a multidimensional strategic tool (Kissoudi 2005; Desbordes & Tribou 2007, 269; Cornwell & Kwon 2020, 608-609). Commercial motives for sponsorship only appeared during the 19th century and became increasingly common for large corporations during the 20th century. Sponsorship activities have been motivated for example by media exposure, increased awareness, and image reasons. (Desbordes & Tribou 2007, 269.) However, motives for sponsoring do not limit to these. The objectives behind sponsoring can be divided into primary and secondary objectives, of which the primary include increasing awareness, customer loyalty, and positive perception, and the secondary relate to morale building, attracting new consumers, and supporting intermediaries. (Abratt et al. 1987.)

Something that is important to note when examining sponsorship is, that even though the term patronage is used interchangeably to a confusing extent with sponsorship in the English language, there is a distinction between the two (Meenaghan 2001). Sponsorship is strictly an advertising process in which an entity like a sports team is supported financially in part or totally by a sponsor, most often a corporation, that then gains the right to associate their name or product with the sponsored entity (Desbordes & Tribou 2007, 270). Patronage, however, includes an additional philanthropic motive, and it has two defining characteristics, which set it apart from sponsoring. In patronage, a corporation exerts its support in a field not related to its own operations. Additionally, the costs of patronage incur irrationally when compared to the goals of patronage. In sponsorship on the other hand, it is more common for corporations to have a link to the industry they are sponsoring, and the costs are defined rationally in relation to the expected sponsorship outcomes and goals. (Meenaghan 2001; Desbordes & Tribou 2007, 270.) This means sponsorship is more of a business transaction in nature, while patronage bears resemblance to altruistic charity work.

### **3.2 Sponsor moral appropriateness**

Madrigal (2004, 249) states that sponsorship agreements are made based on the assumption that positive feelings individuals have of the sponsored entity will also be associated with the sponsoring brand. Peluso et al. (2019) support this notion by describing the phenomenon as tangible especially in sport sponsorships, where positive associations with an individual's favourite sports team spill over to corporate sponsors. However, transferring associations is a two-way street, which means that sports teams risk unintentionally changing their image and causing negative spillover back to themselves if they fail to select appropriate sponsors (Desbordes & Tribou 2007, 280-281; Peluso et al. 2019).

Despite this, very little is known of how sponsorships affect the way individuals perceive the sponsored entity, meaning there is a restricted view in academia concerning the effects of the so-called reverse image transfer mechanism. The basis for understanding how sponsorships threaten team identification lies in the research concerning a sponsor's moral appropriateness, as it with team identification both have been proven to affect the inclination to support a sports team. When individuals make assumptions of a sponsor's motives, they create an opinion of the sponsor's moral appropriateness. Sponsor moral appropriateness is defined as the perceived ethics implied in a corporation's decision to sponsor a sports entity, in this case a professional sports team. It is important to note that this term is not synonymous to perceived sponsor-sponsee fit, as a

sponsorship may be considered a good fit even when seen as morally inappropriate. (Peluso et al. 2019; Weimar et al. 2020.)

When a sponsor is seen as morally inappropriate and thus negative, even when the sports team sponsored by the corporation and supported by the individual is seen as positive, negative behavioural and psychological consequences may arise (Peluso et al. 2019; Weimar et al. 2020). The consequences of damaging team identification stem from an individual's social identity feeling both negative and positive, causing a psychological imbalance. A threat to the existence of the identity can thus be formed by negative evaluations of a sponsor's moral appropriateness, as the expectations of fans are not fulfilled in regards of what the social identity is expected to provide. This can lead to negative behavioural consequences that include but are not limited to a lower show of support for the sponsored team across mediums, and even anti-brand activism. (Weimar et al. 2020.)

## 4 Findings

### 4.1 Overview

Even though it is clear from social identity literature that negative psychological consequences especially targeting self-esteem can cause a person to reevaluate their team identification, literature and research on social identity threat in general is needed to gain a comprehensive understanding of what sponsoring actions can threaten the existence of or the levels of team identification. Turner et al. (1979, 190-191) have stated that different situations can challenge the value and therefore the existence of an individual's social identity. As discussed previously, there is a variety of ways that identity can become threatened in sport settings. The previous chapter has also underlined that corporate sponsors can possibly pose threat to social identity, and to answer this study's research question, the following chapter examines what aspects of sponsorship specifically can cause threats.

Although team identification has been concluded to be a fairly stable construct, it is clear that it is not impervious to change (Wann 2006, 360). By examining the four classes of identity threat distinguished by Branscombe, Ellemers, Spears, and Doosje (1999, 36-37), the aspects of sponsoring that can pose a threat to social identity and thus to team identification can be defined. This classification scheme consists of categorization threat, distinctiveness threat, threats to the value of social identity, and acceptance threat. According to the researchers, these classes cover the contexts that most commonly pose threat to social identity. Additionally, these threats elicit different responses from low and high identifiers, but prove that no matter the level of identification, it can be threatened in a way that leads to change. Of these categories, acceptance threat falls outside the scope of this research as it focuses solely on in-group fan-on-fan relationships. (Branscombe et al. 1999, 36-37, 50-51.)

### 4.2 Corporate sponsors as threatening entities

Based on these three threat categories and existing literature concerning sponsorship, Table 1 below presents what aspects of corporate sponsorship, when deemed morally inappropriate by fans, can threaten team identification, and what the threats implicate from an individual's perspective. The affected levels of team identification are listed with the secondarily affected level in parentheses. These causal relationships categorized in the table are explained in more detail in the following subchapters.

Table 1 Classification of sponsorship-induced threats to team identification

Causes of sponsor moral inappropriateness	Induced threat	Affected identification level	Consequences for identification	Example
Sponsor stereotypes Sponsor brand associations Sponsor brand image spillover	Categorization threat	Low	Low self-esteem Incongruence of identity	<i>A sponsor's stereotypes become team identification's stereotypes, which damages self-esteem.</i>
Multiple sponsees (Co-)sponsorship of rival teams Sponsoring motives	Distinctiveness threat	High (low)	Low self-esteem Out-group animosity Self-stereotyping (Categorization threat)	<i>A corporation sponsors two rivals, which induces out-group animosity in the fans of either team targeted at the sponsor.</i>
Sponsor publicity Sponsor CSR reputation	Value threat	Low (high)	Low self-esteem (Categorization threat)	<i>Negative publicity devaluing a sponsor causes a devaluation of the sponsee's fan's team identification.</i>

#### 4.2.1 Categorization threat

Categorization threat refers to the threats stereotypical characteristics assigned through the social identity pose to one's self-esteem and arise most likely in situations involving interpersonal interaction, which are also times when team identification is most likely salient (Branscombe et al. 1999, 37). Because team identification is a tool for individuals to enhance self-esteem and communicate the self through another entity (the team), negative associations with that entity will threaten the existence of team identification (Madrigal 2004, 243; Hornsey 2008). This threat especially affects people with low team identification, because their lower level of commitment to the sports team makes their identity more fragile in interpersonal interaction, and other social identities may be preferred in team identification's place. People with high identification on the other hand accept categorization and do not perceive its meaningfulness like individuals with low team identification do. (Branscombe et al. 1999, 38-41).

Marketing communication efforts have been proven to affect the associations individuals form with brands, so based on this it can be concluded that sponsorship – as a communication tool – can threaten team identification through negative associations and spillover. (Madrigal 2004, 243;

Desbordes & Tribou 2007, 269-270.) If the sponsor is considered morally inappropriate for instance, it can cause fans to fear they will get categorized according to these new negative associations that have latched onto their team identity. These negative categorizations are even likely to multiply, as people tend to connect several stereotypes with one association that has been perceived and judged. (Branscombe et al. 1999, 38; Peluso et al. 2019.)

Categorization threat posed by the stereotypes of a sponsor is rooted in damaged self-congruence. The sponsor-related negative stereotypes associated with team identification create an incongruence of self in either the ideal or actual self because of a connection to a brand deemed inappropriate. (Peluso et al. 2019; Consiglio & van Osselaer 2022.) Categorization threat can occur through sponsor-induced incongruency even in situations where an individual is not seeking congruence through team identification. This does not mean that team identification cannot be damaged by it. Corporate sponsors can threaten team identity in the form of categorization threat, because low self-esteem can cause an individual to lower their level of team identification or even cast it off entirely. In addition, an incongruent self is likely to cause avoidance of the brand causing the lowered self-esteem and incongruence, which would by association in this case be the sports team. (Consiglio & van Osselaer 2022; Hyatt 2007; Mahony et al. 1999, 47-49.)

#### 4.2.2 Distinctiveness threat

While categorization threat focuses on undesirable associations an identity causes, distinctiveness threat focuses on what could be stated to be the opposite: a lack of distinct and recognizable social identity (Branscombe et al. 1999, 41). Enhancing one's self-image is one motive for behaviour, and consumption allows for this enhancement to happen. Team identification has a strong correlation to consumption behaviours, and much like consumption, team identification allows individuals to signal identity-relevant information mainly by creating a distinction from other people that through this distinction become the out-group. (Jenkins 2014, 104-105; Consiglio & van Osselaer 2022; Funk et al. 2022, 232.) Therefore, a way for sponsorship to form a distinctiveness threat targeting team identification, is harming the perceived difference between an individual's in-group and out-group.

An abundance of research has established a connection between an individual's negative brand associations, and the brand sponsoring a rival team of the sports team the individual supports (Davies et al. 2006, 32; Bee et al. 2021, 198; Tsordia et al. 2024). Because a sponsor of a rival is associated with the out-group, it can also be the target of animosity, and a negative interpretation of a sponsor's moral appropriateness can be made based on this (Newson et al. 2022; Tsordia et al.

2024). Regardless, corporations today sponsor multiple teams simultaneously, which are in many cases rivals. A recent study by Tsordia et al. (2024) concluded, that sponsorships are likely to be rejected and deemed unfit when one team in a rivalry enters into a sponsorship agreement with a long-standing sponsor of the rival team. This research found that negative psychological effects such as anger and a sense of betrayal were apparent in the fans of both teams in the rival setting. Therefore, it could be argued that sharing a sponsor affects the team identification of rival teams' fans negatively, as a threat to distinctiveness causes decreased self-esteem (Turner et al. 1979, 190; Consiglio & Osselaer 2022; Tsordia et al. 2024).

This is also supported by Branscombe et al. (1999, 42) who highlight that social comparisons with similar groups create a distinctiveness threat. A shared sponsor is undeniably a shared similarity between sports teams, meaning a decrease in the perceived distinctiveness of the in-group and out-group. Distinctiveness threat is relevant to both low and high identifiers. High identifiers have more intense reactions to the threat, but their reactions may create an additional categorization threat for low identifiers because the defence-mechanisms utilized to protect identity from distinctiveness threat include an increased level of self-stereotyping – the root cause for categorization threat. (Branscombe et al. 1999, 37-45.) In a way, when sponsorship creates a distinctiveness threat, it may cause further damage to team identification by expanding into other threat categories. This way both low and high team identities are negatively influenced.

Because a sponsor can be deemed morally inappropriate if the motivations behind sponsoring are seen purely as commercial and not sport or team related, the sponsoring of multiple teams simultaneously can also lead to a negative evaluation of sponsor motives in terms of sponsor appropriateness. The simultaneous sponsoring of multiple teams can therefore end up threatening team identification on many fronts: by not supporting distinctiveness and thus having a negative effect on self-esteem, as well as through a morally inappropriate perception that can further strengthen the negative psychological consequences. (Davies et al. 2006, 45-46; Peluso et al. 2019; Tsordia et al. 2024.) Distinction threat can be considered even more harmful to team identification than categorization threat, as Branscombe et al. (1999, 43) argue that for social identity, its distinctiveness is more important than its positive perception otherwise.

#### 4.2.3 Value threat

A value threat forms when the worth of team identification is called into question, and individuals need to protect their team identification's perceived value. Even though this threat forms most likely when attacked by a perceived out-group, for example in situations where negative evaluations

of an individual's identity are voiced in interaction by rival team's fans, it does not mean that sponsorship cannot threaten team identification similarly. (Branscombe et al. 1999, 46-48; George et al. 2023, 1954.) George et al. (2023, 1954) support this by asserting that symbolic threats evidently cause a significant reduction of self-esteem. Furthermore, these threats can be caused by a shift in public attitudes and even increased negative media coverage, which implicates that a sponsor's public damning can cause negative spillover in the form of value threat and its consequences.

A central theme in examining the negative publicity of a sponsoring brand and its effects on team identification through value threat is negative corporate social responsibility (CSR) publicity. CSR activities of corporations that are perceived as negative affect how individuals evaluate the ethics of a brand, and the associated brands may be susceptible to negative spillover. (Jung et al. 2024.) Drawing from this, it could be expected that the same effects persist when examining the sponsors and fans of sports teams. To support this, literature of the implications negative endorser publicity has on consumers can be examined as a parallel, as research in this field has proven that negative publicity of an endorsing party does affect the judgment of the endorsed brand. (Chien et al. 2016, 491.)

The formation of value threat through negative public image, and specifically through negative CSR actions, is further supported by Peluso et al. (2019) who state that sponsorships from ethically questionable companies can expose individuals to negative psychological consequences. However, as a high level of team identification correlates with how open an individual is to a corporate sponsor, value threat is most relevant in cases of low team identification (Silva 2022). This is supported by sponsors receiving positive associations due to in-group bias, which is more common in people with high team identification. This bias can even lead to individuals turning a blind eye to ethically questionable behaviour (Madrigal 2004, 249; Lin & Bruning 2020).

Furthermore, it's important to note that the negative stereotypes and associations that can appear because of negative publicity and CSR could then in turn also cause categorization threat. The causes of value threat do not need to induce value threat first in people with low team identification to create categorization threat, as the causes of value threat could be included in the causes of categorization threat. For example, a negative CSR reputation could be the reason for existing negative brand associations. The main difference between these two threats is therefore what exactly is threatened by sponsorship: the value of team identification, or how you are classified by others because of team identification.

## 5 Conclusions

### 5.1 Summary and conclusions

This research set out to examine the relationship between sports teams' corporate sponsors and the fans' team identification. Derived from this interest, the research question this study focused on became: *what threats can corporate sponsorships pose to team identification?* This study utilized literature review as its research method, and the answers to the question were sought by examining literature of the concepts, terminology, and theories concerning the social identity approach, team identification, sponsorships, and identity threat. By categorizing different social identity threats and examining what phenomenon cause them, this research was able to identify how corporate sponsors, and their brands can act as threatening entities, and what effects this may pose to the team identification of individual fans.

By examining the team identification construct and the purpose of social identities, it became clear that the motives behind aligning oneself with successful sports teams lies in the psychological needs for self-esteem, an in-group membership, and distinguishing oneself from out-groups. These needs are filled through identification and protected through behavioural phenomenon such as basking in reflected glory or casting off rejected failure, as well as inter- and intragroup perceptions and supporting behaviours. Team identification literature holds many definitions for the term, but a consensus between all of them is that the intensity of the construct exists with varying intensity, and it represents a unique psychological connection.

Sports teams seek to build and maintain large fan bases and high levels of team identification because this strong connection drives consumption behaviours as well, which makes team identification crucial from a financial perspective. This uniquely strong commitment team identification causes is also why sponsors select sports teams as their sponsees, seeking to gain the same commercial advantages and positive brand associations of the sports team that already exist in fans' minds. When making sponsorship agreements, the effects a corporation may have on team identification are rarely examined, and scientific research has yet to draw comprehensive conclusions of the threats companies may pose to team identification.

Team identification, although a strong construct and in many cases unwavering, is not immune from harm or threats. The threats sponsorship causes were examined through social identity threat theory, by identifying situations and phenomenon that are sponsor-induced and drawing parallels between the theory's threat-inducing factors. Clear aspects of corporate sponsors can be identified that pose

threat to team identification, and these aspects related to existing associations such as stereotypes, bad publicity, and CSR scandals, as well as the unoriginality of the sponsor (co-sponsorship situations and multiple existing sponsees). All these factors can lead to low self-esteem, indistinctiveness, and an incongruent self, which are the opposite states of being that team identification aims to achieve, thus putting its existence and intensity at risk. These negative consequences are manifestations of three different identity threats: categorization threat, distinctiveness threat, and value threat. Based on these findings, it can be concluded that corporate sponsorships do pose threats to team identification.

## **5.2 Consequences for sponsors and managerial implications**

When team identification is fractured or ceases to exist, it also causes a decrease in team loyalty. In the context of team identification and sport consumption, a loyal consumer regularly purchases not only products of the sports team but related brands, as well as spreads positive word-of-mouth of these brands. For sports teams and sponsors all these changes to team identification are harmful, as a decrease in loyalty causes behavioural change relating to consumption. (Wann 2006, 366; Biscaia et al. 2013, 298; Funk et al. 2022, 239-240.)

When a sponsor has threatened and damaged team identification through for example causing negative moral emotions in fans, the sponsor can expose itself to social transgression. Social transgression has been used in the field of marketing parallel to scandal, and it can cause long-term damage to brand associations as strong negative feelings toward a sponsoring corporation have been proven to persist. (Desmarais et al. 2021, 645, 661-662.) Therefore, from a managerial perspective, the characteristics and communication tactics of sponsors should be carefully examined when planning entering a sponsor-sponsee relationship. These factors directly affect perceived moral appropriateness and overall consumers' attitudes toward the sponsor. (Ko et al. 2017, 184; Peluso et al. 2019; Desmarais et al. 2021, 662.) By taking this precautionary step, possible threats to team identification could be avoided thus providing opportunity for fruitful collaborations from the perspective of all parties (the sponsor, the sports team, and the fans).

Biscaia et al. (2013, 297-298) state that sustaining a large fanbase of high identifying fans will make a sports team increasingly attractive to sponsors. Drawing on this it could be concluded, that consequently, a decrease in the level of team identification and a loss of identified fans harm the attractiveness of a sports team in the eyes of sponsoring corporations. This conclusion is also supported by Plumley and Wilson (2022, 142) who assert that the "unrivalled brand loyalty" in the sports sector is the main reason sponsors and other investors find it attractive. If a sponsor has

caused negative consequences for a sports team's fans' team identification and thus to loyalty, finding a new sponsor can be more difficult as the value a sports team has now decreased in the eyes of corporations. This can even harm the viability of some sports teams, as sponsorship has been deemed a key source of funding and resources, that also allows sports teams to expand awareness. This, however, should not be interpreted to mean that any sponsor is better than no sponsor at all, as fans are also an incredibly important source of income for sports teams, and if team identification is damaged by corporate sponsors, the sports team may find itself in similar financial issues as it could when without a sponsor.

### **5.3 Limitations and future research**

The results of this study could be challenged as the conclusions are derived from parallel existing research, and no real-world data or empirical studies have yet addressed this specific causal relationship. However, the analysis does form an understanding of to what extent do sponsorships threaten team identification, and this study has proven that executing research of the phenomenon has basis. This study should be considered an academic conversation starter, that outlines new avenues of research possibilities in the context of team identification and sponsorship, but not alone considered ironclad proof of the nature of their relationship.

Another aspect relating to the scope of this study that – if different – could shift the conclusions when examining sponsorship threats of team identification, is the examined sectors of the sports industry. Most of the research examined in this study and existing research altogether relate to football or American football, which means a great deal of the sports industry is left out of the picture. It could be argued that differences between sports do exist, as the fanbases of different sports have varying levels of intensity in spectator behaviour. Therefore, the findings of this study as well as other existing research into team identification should be examined critically and should not be applied to all sport without consideration.

As established, many gaps in literature exist when it comes to team identification and sponsorship, as well as a threatened team identification specifically. Based on this and the finding of this study, it can be concluded that even though this study hasn't provided new empirical results to back up its conclusions, a clear connection between a threatened team identification and corporate sponsors has been established, which calls for future research into the phenomenon.

## **5.4 Accessibility**

This document has been checked for accessibility issues. All pictures, including decorative images such as the university's logo on the cover page have an alternative description. The table presented in this thesis on page eighteen has been created in the document itself and can be interpreted by an automated document reader. The coloration of all figures is accessible to people with partial visual impairments such as colour blindness, and there are no accessibility issues in the text itself. This includes the cover page, table of contents, all headings, captions, and the body text.



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