Sponsorship within eSports: Examining the Sponsorship Relationship Quality Constructs

Xen Chalmet
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Author: Xen Chalmet

Supervisor: Peter Zackariasson

Abstract

Little research has been conducted towards eSports, and even less in examining the relationship between eSport entities and sponsorship. Sponsorship within eSports has seen a vast increase in recent years, bringing a whole new dimension to the notion of professional gaming. However, entities within eSports are not yet accustomed to this interest of corporate brands, and consequently have limited knowledge on how to maintain such relationships. This study aims to give valuable insights in how sponsorship relations within eSports are handled and maintained through identifying what is mostly valued within eSports sponsorship. This study therefore examines the effects of trust and commitment upon the levels of satisfaction gained within the sponsorship relationship from a consumer perspective, in order to give eSport sponsorship managers a better understanding of sponsorship relationships. Based on in-depth interviews with managers and players active within eSports, this paper claims that trust is key to building long-lasting sponsorship relations within eSports, and that trust has direct influences on the levels of commitment and satisfaction noticed within eSports.

Keywords: eSports, Electronic Sports, Sponsorship, Relationship, Trust, Commitment, Satisfaction

Introduction

Sponsorship has been around for an extensive period of time in a variety of forms (sports, exhibitions, cultural gatherings, etc). In recent decades, an increase in sports sponsorship has been noticed (Bennett, 1999, Kearney 2015), with current modern competitive sports such as football and ice hockey being sponsored by various sources (government, brands, private persons, ...). This might be due to the crucial role sports play in modern culture (Jonasson & Thiborg, 2010). While sponsorship within the traditional sports has been extensively researched (Bennett 1999, Meenaghan et al, 1999, Meenaghan et al, 2013a) and with the current emphasis within the field of sponsorship laying on the measurability of sponsorship in comparison to traditional marketing tools (Bennett, 1999, Meenaghan, 2001, Meenaghan et al, 2013b, Kourovskaja et al, 2013), less attention has been given towards sponsorship within new modern sports. One of such sports is the so-called Electronical Sports, also known as eSports, which take place almost entirely in a virtual setting (Jonasson & Thiborg, 2010, Jin, 2010, Taylor, 2012). To define what eSports are, we rely on the definition stated by Wagner (2007), which has been extensively cited by other researchers (Jin, 2010, Seo, 2013). eSports are, as defined by Wagner (2007), “an area of sport activities in which people develop and train mental or physical abilities in the use of information and communication technologies”.

The traditional definition of modern sport, as stated by Jonasson & Thiborg (2010), involves three key
parameters: (1) it is physical, (2) it is competitive and (3) it is an institutionalized activity. Sport in general is seen as something that contributes to society, and as such has a strong legitimacy in modern culture (Jonasson & Thiborg, 2010). When applying these parameters to new rising sports, such as eSports, this definition becomes challenged in certain areas. In modern society, gaming as a whole is still being frowned upon and not openly accepted as a “sport” (Jin, 2010), but rather as a “waste of time and potential” by parents and adults across the world (Jin, 2010). Even in media, it is discredited as being the “carrier of violent behavior” and has been blamed for the rising violent behavior in youths (Jonasson & Thiborg, 2010). Nonetheless, through the birth of competitive play within the gaming community by the convergence of Internet and gaming, it was not long later when organizations organized official matches and tournaments (Jin, 2010). Through such organization, leagues were established that mimicked popular sport leagues (such as the NFL): professional gaming was handled as a sport, and consequently it had been named eSports or Electronic Sports (Jonasson & Thiborg, 2010, Jin 2010). Players made teams with other players to compete against other teams on national and international levels (Taylor, 2012), competing in tournaments with prizes well over a million dollars (eSport Earnings, 2015). With such high amounts of capital involved in the industry, the sport rapidly became a spectator sport with hosted events and broadcasts (national TV-networks in Korea, online streams in Western countries, with eSports being broadcasted on ESPN2) (Jin, 2010, Blizzard Entertainment, 2015d). This subsequently attracted attention from corporate brands, which gained a presence through the means of sponsorship (IEG, 2014). Currently, numerous teams across numerous games active in eSports are being sponsored by a multitude of brands (Fortune, 2014, IEG, 2014), ranging from computer hardware brands such as Razer (Razer, 2015) to the sports drink RedBull (Redbull, 2015), giving them brand exposure to the ever growing audience found within eSports. This has seen the rise of professional gamers, or gamers who make their living with playing video games (Jin, 2010).

In the scope of this paper, eSports will be treated as a modern competitive sport within the virtual environment (Jin, 2010, Jonasson & Thiborg, 2010, Taylor, 2012) and therefore regards sponsorship within this industry to be along the line of sports sponsorship of teams, events and players (Bennett, 1999, Meenaghan et al, 1999). Previous research within eSports and online gaming has taken several different discourses, with most of them coming from the cultural studies perspective (Jin, 2010, Taylor, 2012), the socio-economic meaning of online games (Taylor, 2007, Taylor 2012), Sport defining (Jonasson & Thiborg, 2010, Seo, 2013), and socio-political studies (Jin, 2010). Sponsorship within eSports has been fairly untouched, with mainly IEG indicating trends of sponsorship within eSports (IEG, 2014). The main focus of this study lays on examining the interaction between sponsors and sponsored within the eSports industry. This will be done through examining four key relationship quality constructs, as established by Walter et al (2003): Trust, commitment, economic and noneconomic satisfaction. An attempt will be made to verify these four constructs and to illustrate their effects upon the sponsorship relationships within eSports. This research therefore seeks to provide strategic guidance to eSport entities for future sponsorship interactions and relationship building efforts within eSports. Data was collected through in-depth interviews with management
personnel at eSport teams and individual players sponsored by brands to gain a better understanding of the communication process between sponsors and sponsored from the position of the sponsored entity.

The paper begins with an introduction into eSports and sponsorship. Following, the conceptual model of sponsorship relationship quality as constructed by Farrelly et al (2004) is proposed for understanding sponsorship relations within eSports. This model will subsequently be utilized to analyze how sponsorship relations are handled within eSports. A discussion of the results, along with potential implications will conclude the paper.

What is eSports?

The act of playing video games is not the same as being an active participant within eSports. Gaming is a much more than solely eSports. People can have numerous reasons as to why they play video games: for the story, for role-playing purposes, to emerge themselves in a different world, to pass time, etc (Taylor, 2012, Seo, 2013). eSports however is defined by Wagner (2007) as quoted by Jin (2010) and Yuri Seo (2013) “an area of sport activities in which people develop and train mental or physical abilities in the use of information and communication technologies” and Oxford, as quoted by Jin (2010), defines eSports as “a computer game played in professional competitions, especially when it is watched by fans and broadcast on the Internet or on television”. While gaming is more of a leisure activity, it is possible to make a living through eSports (Jonasson & Thiborg, 2010, Taylor 2012, Seo 2013). In 2008, there was a LAN (Local Area Network) event in Sweden where the total prize money was 200,000 SEK (Jonasson & Thiborg, 2010). In current eSport competitions, prizes can go into million dollar marks, depending on the event (eSport Earnings, 2015). Due to such prize money, players commit themselves to train to compete in both national and international events (Jin, 2010, Seo, 2013).

For a video game to be considered an eSport, there has to be a competitive edge (Jin, 2010, Seo, 2013). There must be a way of judging the outcome of a match in a judgmental manner, such as an ultimate score gained, a defeat of the opponent, etc (Seo, 2013). There are numerous ways, and every game handles the scoring differently. Cause of this competitive aspect that has to be fulfilled, mainly FPS (First Person Shooters) and RTS (Real-Time Strategy) games have been the most popular eSports (Jin, 2010, Seo, 2013). Currently, the most broadcasted eSport games are: League of Legends (a RTS), Counterstrike (a FPS), Dota 2 (a RTS), Starcraft 2 (a RTS) and Heartstone (a card game) (Twitch.tv, 2015).

The Rise of E-Sports

Two key elements are considered to be the prime catalysts for the origin of eSports (Seo, 2013). The first is said to be the cultural acceptance and rise in popularity of video games, while the second is the launching of the worldwide web in 1989 (Jonasson & Thiborg, 2010, Jin, 2010, Seo, 2013, TeamLiquid, 2015). However, depending on the definition of eSports utilized, early traces of eSports can be found back to the year 1981, in which Atari held the first recorded electronic championship in gaming (Electronic Games Magazine, 1982) and in which the company Twin Galaxies, founded in 1981, kept track of high scores on arcade games (Jin, 2010). Wagner (2007) believes that the growth of eSports is associated with the developments of the culture of eSports within Western and Asian countries. Here is where we can find a distinct difference

In Europe and North America, the main emphasis for competitive gaming lay on the FPS (First Person Shooter) games that were released in the 90s’, such as Medal of Honor and Quake (Seo, 2013). Within FPS games, the main objective would be for two teams to combat each other in various game modes, where you play a character with the sole objective to ultimately kill as many of the enemy team as possible. Within such FPS games, you’d find teams of players (“Clans”) who would compete against each other in international rankings, tournaments, leagues, etc. (Seo, 2013). One of such leagues was the Cyberathlete Professional League, which was modeled after major professional leagues in the US (Welch, 2002, as cited from Seo, 2013). In the current eSport community within Europe and North America, this specialization can still be seen by the most popular games broadcasted in the EU (Twitch.tv, 2015). One of the most popular current eSport games is Counterstrike, which has been around for over 10 years but still has one of the biggest player bases in the world, which has a higher European spectatorship and activity base.

In Asia however, the RTS (Real-Time Strategy) games were the leading force in the development of eSports (Jin, 2010, Seo, 2013). This was mostly due to the popular game called Starcraft, which was designed by gaming publisher Blizzard Entertainment in 1998 (Jin, 2010, Seo, 2013, Blizzard Entertainment, 2015). Blizzard eventually ended up dominating the whole Asian eSports market through their RTS games (Jin, 2010, Seo, 2013). It became so popular, that through the years Korean television channels would broadcast competitive gaming events (Seo, 2013), which ultimately increased the popularity of competitive gaming within Korea and made successful top tier players become celebrities (Wagner, 2007, Jin, 2010). This lead to the creation of the Korean eSports Association (KeSPA) in 2000, which was approved by the Korean Ministry of Culture the same year (Taylor, 2012, Seo, 2013). The establishment of KeSPA led to an international chain reaction, creating eSport associations in numerous countries and the establishment of the International eSports Federation in 2008 (Thiborg, 2009 as cited by Seo, 2013).

The “boom” of eSports

While eSports has been growing continuously, in the last couple of years it has seen exponential growth and with it indicated huge marketing potential. Leagues such as the Electronic Sports League, founded in 2000, have seen increased popularity in the last couple of years. As cited by Seo (2013), the Electronic Sports League (ESL) had more than 3.6 million unique registered accounts in 2012 in Europe, while in 2015 it has over 5.1 million unique registered accounts in Europe (ESL, 2015). This results in a growth rate of 41.6% over the period of three years and gaining almost half their users in that same timeframe.

The rise of professional gaming is another phenomenon witnessed in recent years. Professional gaming here is defined as “players who practice eSports as a form of work and earn their living from it” (Adamus, 2012, as quoted by Seo, 2013). There are different forms of professional gaming. On streaming platforms, such as Twitch.tv, there are gamers whom live broadcast every day for at least normal working hours, and rely on advertisements revenue, corporate sponsorship and viewer donations to have an income (Twitch, 2015a). While this is not a pure form of eSports, it remains relevant as 90% of these streamers have a relation to the eSport community (either being a member of a team, presenter, enthusiast, analyst, etc). There are also gamers whom
play on the competitive level, in teams or solo, in a high variety of tournaments. These types of high-end competitive gamers are mostly sponsored by a multitude of brands, which make it capable for them to train continuously within their game (Seo, 2013, Twitch, 2015a, Twitch, 2015b).

With this exponential growth, both online (in active viewers and participants) as offline (events, championships, leagues,...), the market potential for competitive gaming has substantially grown with it in both the Western and Asian markets as broadcasting of the matches and players has increased (Jin, 2010, Seo, 2013). It is noticed within the industry that teams and individual players are more often getting sponsored by a multitude of brands (as noticed on Twitch.tv). Brands can be active within the computer industry, but this is not a requirement ( Fortune, 2014). For instance, Red Bull is an avid sponsor of eSports and has it’s own eSport subsection on it’s official website where it promotes eSports but also supplies an update interactive website with the latest news within eSports (Red Bull, 2015).

The game industry itself has not been unaffected by this either. Game publishers are orienting games in the development stage towards an eSport setting (such as Blizzard Entertainment with Heroes of the Storm, Hearthstone and Overwatch (Blizzard Entertainment 2015b)). Heroes of the Storm, such as League of Legends, Heroes of Newerth and many others, are games that can only be played in an online setting and requires a player to log in to his or her account before being able to play. With this increasing tendency to make online games that support eSports, the game publishers themselves promote their games through organizing their own events (Taylor, 2012). Blizzard Entertainment has its well-known BlizzCon, a yearly convention for enthusiasts of the Blizzard franchise (Blizzard Entertainment, 2015c) with other brands now following this line of thought and organizing their own events, such as the LCS of League of Legends. We can therefore state that eSports is not going to go anywhere soon, with the backing of corporations, an active community, active athletes and game publishers (Taylor, 2012)

League of Legends

While the eSports industry has a multitude of different games and even more teams within each game, the interviewed groups within this article will be limited to one popular eSport game: League of Legends. League of Legends is a “fast-paced, competitive online game that blends the speed and intensity of an RTS (Real Time Strategy) with RPG (Role-Playing) elements” (League of Legends, 2015a). It is furthermore completely free to play, and relies on micro-transactions to generate revenue (League of Legends, 2015). The main action is the combating of two teams, where the goal is to destroy the enemy’s Nexus (main base) first. Riot Games, the game publisher of League of Legends, keeps the game updated with new champions, visual improvements, seasonal changes in gameplay, etc (League of Legends, 2015b). In 2014, Riot Games released limited customer figures: 27 million players daily, 7.5 million simultaneously at peak times and over 67 million players monthly (WSJ.D, 2015). These numbers indicate a staggering participation base, which accumulated 624 million dollars in 2013, making League of Legends become the second-largest game of its kind (WSJ.D, 2015).

With League of Legends having become such a big force within eSports, Riot Games themselves have made it their goal to support eSports to their best
ability. On the official website, players can find guidance, but also rules which have to be followed (League of Legends, 2015). On an international scale, Riot Games has set up or supports a multitude of different leagues and tournaments (League of Legends, 2015b) The League of Legends Championship Series (LCS) is hosted by Riot Games themselves, and consists of ten professional teams on each continent combating each other to be named the best team for their area (North America and Europe only have the LCS currently) (New York Times, 2014, League of Legends, 2015b). However, more regional competitions are hosted in Asian countries such as in South Korea, Japan and China. Riot Games themselves provide the funding for these tournaments completely, both event costs and prize money, and does not rely on sponsors for the events (New York Times, 2014). Furthermore, Riot Games takes care of the broadcasting in a sport like atmosphere with hosts, real-time analysis, playbacks and commentary, which continues throughout the matches (Twitch, 2015c).

**Sponsorship**

*Defining Sponsorship*

Sponsorship can take on many different forms, within many different industries (Bennett, 1999) Therefore, in order to differentiate into what is sponsorship and what isn’t, a definition first has to be established. IEG, a professional authority in sponsorship (measurement, research and consulting), has defined sponsorship as the activity of paying a fee/cash to a property (such as a non-profit, sports, entertainment event or organization) and in return expect access to the economical potential associated with that property (IEG, 2015). Another definition is provided by Roger Bennett (1999); he defines sponsorship as “an important tool of marketing communication that seeks to achieve favorable publicity for a company and/or its brands within a certain target audience via the support of an activity not directly linked to the company's normal business”.

Both definitions touch on different important facets. The first definition formulated by IEG limits itself to sponsorship through contributions with cash, while the definition of Bennett (1999) merely defines sponsorship as "support of an activity", giving the potential to include other ways of contribution such as physical and service goods. However, both these definitions state different outcomes for sponsorship: on one side the gaining of favorable publicity while on the other hand the access to economical potential associated with the sponsored entity. While one limits itself to the gaining of publicity, the other does not limit the potential positive outcomes of sponsorship to publicity. The definition set up by IEG also offers room for the inclusion of brand association and generated likeability through this association, which is highly common in sponsorship (Meenaghan et al, 1999, Meenaghan, 2013a, Meenaghan et al, 2013b). This study therefore combines the two aforementioned definitions, and defines sponsorship as the support of an activity/property not directly associated with the company, with the aim of generating favorable publicity and gaining access to the economical potential associated with that activity.

Sponsorship can have different aims as to why it is undertaken (Bennett, 1999). While it first and foremost is an indirect form of promotion, it might have positive side effects for the brand. These can be: improve the company sales, an enhanced corporate image, reach a particular segment of the population, attract and retain potential employees, etc (Bennett, 1999). Sponsorship can create the perception that the sponsored brand is used commonly by other
supporters (Bennett, 1999). This can subsequently elevate the desirability of the products of the sponsor, as supporters of, for instance a football club, want to be included in the close community surrounding that particular club, and will therefore go to great lengths to attain that "perfect fit" with the community they want to be part of (Bennett, 1999).

Sponsors have a wide variety of activities or events to choose from, which they could sponsor. Basically anything can be sponsored: sports, artistic events, fundraisers, tournaments, TV-shows, social gathering events, etc. The list is endless. However, of all sponsorship forms, the most popular seems to be within sports, which generated the subdivision of Sport Sponsorship (Bennett, 1999, Meenaghan et al, 2013a, IEG, 2015).

**Sport Sponsorship**

The sports industry is an industry that grows each passing year (Kearney, 2015). The popularity of individual sports varies over the years, but the industry maintains growth. Kearney (2015) states that sporting events held in 2014 were worth close to 80 billion dollars, with the global sports industry generating as much as 700 billion dollars yearly. Furthermore, the sport sponsorship market is estimated to be worth around 50 billion dollars per year (Kearney, 2015). These numbers indicate the cheer size and importance of sponsorship within sports. It is now commonplace to find sponsors in any sport and in any team on some level. Even your local football youth team is likely to have a sponsor of sorts. Sports sponsorship is a part of sport marketing as it “... aims to use sports as a marketing tool to create and communicate brand values and associations which companies can use to market their own products and services” (Meenaghan et al, 1999).

But how did sports sponsorship become such an alluring aspect for brands? Sport is one of few phenomena that can cross through demographics and cultural boundaries. Lipstyle (1977), as quoted by Meenaghan et al (1999), states "sports cuts right through the differences of age, education, language, gender, and social and economic status". When adding the high visibility and extensive coverage by both written press and media (Bennett, 1999), the whole world is within reach when sponsoring popular sports events such as the FIFA (Fédération Internationale de Football Association) World Cup or the Olympics. Sports therefore offer a great medium for brands to communicate their own brand values on a worldwide scale (Meenaghan et al, 1999, Kearney, 2015). It is therefore no surprise that throughout the years, sports marketing as a whole has been on the rise with sport sponsorship leading the way. To illustrate, Kearney (2015) shows that from 1983 to 2015, the value of NFL (National Football League) broadcasting rights has increased nearly 12 fold (from 420 million dollars to 4.95 billion dollars) and this trend is seen across all sports on all platforms. In contemporary society, sports are a key cultural aspect (Bennett, 1999, Meenaghan et al, 1999, Jonasson & Thiborg, 2010, Jin, 2010, Meenaghan 2013b) and commercial brands have elevated sports into a commercial event with a global reach. For a brand, it's now more important to make the right choice on which sport, team, event or athlete to sponsor in order to reach the correct target audience and to gain the correct associated values to your brand image (Bennett, 1999, Meenaghan et al, 1999, Kearney, 2015).

While the global reach of sports is an important factor in choosing sport sponsorship, other facets of sports should not be neglected. The power of association found within sponsorship is
just as important. Brands seek association with values found within sports, as these values add to their brand image (Bennett, 1999, Meenaghan et al, 1999). For instance, a brand can associate itself with more abstract values such as freedom, clarity and serenity as proven by Meenaghan et al (2013a). Meenaghan et al (2013a) analyzed how the O2 brand, a telecom operator, elevates its brand image through sponsorship of sports in Ireland. O2 at the time decided to launch its brand in Ireland with a marketing mix highly reliant on sponsorship (Meenaghan et al, 2013a). O2 had chosen to sponsor the number one national sport in Ireland: Rugby (Rugby was one of two sponsored activities, the other being an event stadium). While O2 as a telecom provider had no direct relation between their products and the sport, it instead associated itself with the values that the sport represented rather than forming a link between characteristics (Adidas as an outfit sponsor, Red Bull as a sports drink sponsor, etc. In the end, O2 was able to successfully change the business landscape of telecom providers and through its sponsorship gained a leadership position within the domestic market (Meenaghan et al, 2013a).

Another prime example is Samsung and their sponsorship of a variety of sports (Kearney, 2015). Samsung had almost no recognition as a sponsor among European football clubs in 2005, but in 2010 it was the best-known European football sponsor among telecommunication suppliers through its sponsorship of a national team, team naming, stadium banners and their sponsorship of the football club Chelsea (Kearney, 2015). These case studies show the extensive effects of successful sponsorship of popular sports, through which a brand can elevate its market position, even in high competitive markets.

When the financial crisis hit the advertising market, a high emphasis was laid on the measurability of marketing activities (Meenaghan et al, 2013b, Kourovskaia et al, 2013). The first few years after, sponsorship saw low growth percentage, but lately has seen exponential growth. The IEG report from 2013 indicated this by projecting a growth of 4.2% on global sponsorship spending between the years of 2012 and 2013 (IEG, 2013). The report furthermore projects a decline in growth of the traditional advertising and sales promotions, with sponsorship gaining that capital from the traditional marketing tools (IEG, 2013).

There is however an increased importance of measurability within sponsorship, with which it has difficulties with. “How do you measure the return on investment of sponsorship?”, “How do you know if your sponsorship is effective?”, “What does sponsorship bring in raw data to indicate a growth in sales?”. It is first and foremost important to state that sponsorship cannot be measured the same way as traditional marketing is measured and therefore has gained a higher importance in academic research (Meenaghan, 2001, Kourovskaia et al, 2013, Meenaghan et al, 2013b, Meenaghan, 2013c). As quoted from Meenaghan et al (2013b):

Sponsorship is talking about the wrong stuff and some of the stories are juvenile. It’s trying to compete with traditional media with the old-fashioned metrics, and it’s going to lose.

Kevin Roberts, CEO, Worldwide of Saatchi & Saatchi

There are a couple of methods utilized within the corporate environment to measure the effectiveness of sponsorship, such as Media Exposure Analysis (MEA), which measures publicity rather than what the sponsorship gets (counting seconds of exposure) which is often used in correspondence with
Equivalent Advertising Value (EAV). Two other methods are the Sponsorship Awareness Measurement (SAM), which refers to the awareness of spectators that a brand sponsors an event or team, and Sponsorship and Brand Impact Measurement (SBIM), which measures sponsorship in the form of what impact it has on the brand image, emotional engagement with the brand, and potential purchasing intent (Bennett, 1999, Kourovskaia et al, 2013, Meenaghan et al, 2013b, Meenaghan, 2013c). All these aforementioned measurement methods focus on different aspects of the interaction between brand and consumers, but do not individually provide a thorough analysis of the outcome of sponsorship. The main difficulty with assessing the success of sponsorship is that sponsorship gives both long term and short term benefits and in various forms (Bennett, 1999, Kourovskaia et al, 2013), therefore it might take extensive amounts of time before the actual benefit of sponsorship is apparent (Bennett, 1999, Meenaghan et al, 2013a). Kourovskaia et al (2013) also indicates that sponsorship is rarely used alone, and therefore the data gained from sponsorship measurement can be influenced by other marketing activities, and vice versa. The O2 case study conducted by Meenaghan et al (2013a) further strengthens the statement that sponsorship can indirectly support other marketing activities.

Sponsorship however also brings its’ risks and downsides. Kearney (2015) states that sponsorship might bring a negative aspect to certain sports. More criticism is being redirected to the vast capital that some teams are amassing through various means, which then gives them an unfair advantage towards their competitors (Bennett, 1999, Kearney, 2015). To illustrate this, within the Premier League, the top ten teams have a far bigger financial budget than the newcomers in the league. This bigger budget allows them to build a better team composition, better training facilities, hire more staff, etc. due to the fact that brands want to be associated with these top teams and will pay heavily for it (Bennett, 1999).

**Commitment, trust and satisfaction in the sponsorship relationship**

Sponsorship, following Bennett (1999), Farrally et al (2004) and Meenaghan et al (2013a), can be seen as a long term investment of a brand into an event, team, … to gain a positive economic return. With such long-term investments, communication between both parties can be extensive, and this is where relationship management becomes important. Few researchers have recognized the fact that sponsorship can be seen as a business-to-business relationship (Farrally et al, 2004), in which the constructs of trust, commitment, economic and noneconomic satisfaction come into perspective. These constructs, as identified by Walter et al (2003), are of high importance within a relationship as they indicate how the interaction between the two parties is conducted. Commitment and trust are both key factors, which play a huge role in any relationship if the aim of the relation is to be positive (Morgan & Hunt, 1994, Farrelly et al, 2004).

Commitment is defined by Farrelly et al (2004, p212), "... a willingness of the parties in the sponsorship relationship to make short-term investments in an effort to realize long-term benefits from the relationship" and defined by Walter et al (2003, p160) "... a kind of lasting intention to build and maintain a long-term relationship". In the scope of this study, the definition offered by Walter et al (2003) shall define commitment. Therefore, commitment can be seen as an indication of willingness of the sponsor
and sponsored to maintain the relationship.

Trust is one of the most examined and confirmed constructs within relationship marketing research (Walter et al, 2003). Trust includes, as concluded by Walter et al (2003, p161), “the belief, attitude or expectation of a party that the relationship partner’s behavior or its outcomes will be for the trusting party’s own benefit”. Trust has been claimed to be the “cornerstone of strategic partnership” (Spekman, 1988, as quoted by Farrally et al, 2004 p 212). Trust can be seen as critical within a sponsorship relationship as it warrants the exchange of sensitive information and the reassurance of validity and success of the sponsorship (Farrally et al, 2004). Furthermore, when a higher degree of trust between both parties is found, new opportunities can arise for the relationship to evolve (Farrally et al, 2004).

Satisfaction has seen much research in the field of relationship research. Selnes (1998, as concluded by Farrally et al, 2004) states that satisfaction is the representation of the overall evaluation, feeling or attitude one party has about the relationship or the other party within the relationship.

Fig. 1. Conceptual model of sponsorship relationship quality, as devised by Farrally et al (2004).
relationship, which binds them to their sponsored entity (Farrally et al, 2004). However, satisfaction can be divided into two types, as discussed by Farrally et al (2004): the economic satisfaction and the noneconomic satisfaction. The economic satisfaction entails the positive response to economic rewards following the relationship, while noneconomic satisfaction entails the positive response to the interactions with the other party, such as fulfilling, gratifying and comfortable (Geyskens et al, 1999 as concluded by Farrally et al, 2004).

Farrally et al's conceptual model of sponsorship relationship quality, as seen below, will be utilized to gauge the importance of trust and commitment upon satisfaction within the industry of eSports. This model was utilized and validated by Farrally et al (2004) with a case study into the AFL (Australian Football League) sponsors. The aim through this model is to find if the above-mentioned constructs of trust, commitment and satisfaction are present within eSport sponsorship relations and have an effect on the relations within the eSport industry.

**Method**

To gain an as accurate insight as possible into sponsorship within eSports, open in-depth interviews were held with both professional gaming teams and individual players actively sponsored on an individual basis. Therefore, the method of data collection will be ethnographic research (Spradley, 1979, Crang & Cook, 2007). However, netnographic aspects are used, as the teams were monitored for viability towards the study through virtual observation (Kozinets, 2002). Both research methods are highly similar, with the main difference being where they are conducted (a physical vs. a virtual environment) (Eriksson & Kovalainen, 2008). Netnographic research was highly necessary due to the geographical dispersion of eSport teams on a global scale, with most countries barely having one sponsored team active within eSports.

Teams and individual players were questioned about various elements of sponsorship within eSports, both on a personal and business level. The interviews were conducted in the period of April to May 2015, during which the LCS Spring Split (a part of the LCS) took place. The teams and players selected had to possess distinct characteristics in order to be relevant to this study. Prior to approach, the characteristics to be checked were: (1) activity within the League of Legends eSport scene, (2) is the team/player sponsored by a multitude of brands, (3) how active is the team/player and (4) how successful is the team/player both regionally and internationally. These parameters were measured through existing electronic material: visiting the teams’ individual homepages on the Internet, monitoring live-broadcasts of the individual players and personal observation of the teams. Through these parameters, the potential teams and players were severely limited but simultaneously the relevancy of potential data was elevated as it guaranteed active involvement within eSports, making the results trustworthy.

While enforcing these four criteria, fifteen different teams were selected and ten individual players. Contact was established through e-mail with an enquiry to conduct an interview with a manager or sponsorship representative from an eSport team, or the individual player. If the answer was positive, a date was established on which we could conduct the interview, either in person, on the Internet or through telephone (Skype was used for most interviews). Prior to the interviews, two interviews were conducted with a test person, in
orderto assess the questions asked and limit potential yes/no answers. Of the twenty-five entities approached, eight had answered positively and interview dates were set up.

The interview was divided in a number of themes, which aided in structuring the interview and gaining a clear oversight for the needed data. This method is highly similar to the usage of a checklist by which to steer the interview (Craig & Cook, 2007). Through this method, a higher chance of meeting the objectives of the interviews is realized (Craig & Cook, 2007). Consequently, six different themes were established: Intro, Gaming, eSports, Sponsorship, Personal Attitude and Verification. All questions within this interview were open-ended, and therefore qualitative questions (Spradley, 1979, Crang & Cook, 2007). The interview was not limited to these pre-made questions and guidelines, as given answers could initiate additional follow-up questions, as proposed by Crang & Cook (2007). The intro had introduction questions, which were used to lighten the atmosphere and to open up the conversation (Spradley, 1979, Crang & Cook, 2007). This was followed by questions concerning their gaming history, through which interviewee’s were aimed to become emotionally involved with the interview. This was followed up with questions concerning eSports, such as how he/she became involved in eSports; the direction the industry was heading, etc. This would lead into questions about the sponsorship within eSports, both of teams, events and individuals and the potential effect they had noticed, both on the industry and on themselves. To follow-up, the personal opinion was asked on how he or she felt about these developments with sponsorship and the industry. To conclude the interview, a series of questions were asked to check the trustworthiness of earlier answers, in the form of yes/no questions with an occasional wrong summarization to test the truthfulness of the answers as a means to identify potential “answers given that the interviewer wants to hear” (Spradley, 1979, Crang & Cook, 2007). If these questions were answered wrongfully, the new answer would be recorded. No interview was performed the same, as depending on the answer, additional questions were asked to go further in detail of potential interesting facts. The average length of an interview was 42 minutes, with the shortest being 30 minutes and the longest 54.

At the end of the data gathering, a total of eight interviews were realized: four teams and four individual players. After careful analysis of all the interviews, two were deleted as they indicated incorrect information after personal research or had insufficient information given during the interview concerning the key questions. The remaining interviews were then scripted, encoded, categorized and manually compared. Due to the sensitivity of the information, NDA’s were signed, through which all identification data towards the team and their players has to be rendered anonymous and no direct relation to their organization can be released. Therefore, teams and players alike have been mixed and renamed “Group A, B, C, D, E, F” and are thus represented as such. Further, answers might have been altered in the form of me/us to be more coherent over the different groups, while maintaining the core message of their statements.

Analysis

Trust and Commitment

The relationship between trust and commitment was found to have a strong correlation, both in past and present interactions between sponsor and sponsored. At the start of eSports sponsorship, multiple groups noted a reluctance and lack of trust within the
potential of the industry, and in them as an entity. As Group C stated,

“... At the start, we had to verify that there was an active reason to sponsor. They wanted to see what it would bring them, and if anyone would even notice them sponsoring us”. (Group C)

Similar statements were given by Group A, B and D, where the main emphasis lay on the validity of the sport, rather than on the entity. Group C stated that at the start of seeking sponsors (when none were present), it was much harder than when they had already gained sponsors. This is in line with comments of group A and E, whom both stated that the first sponsor was the hardest, but once sponsored, others were more willing to discuss a potential sponsorship. Nearly all groups (except group F) stated differences in time in terms of commitment from the sponsors’ end throughout the years.

“At the start, it was hard to communicate and set up correct goals. They expected a lot, and we did not know how to fulfill the expectations... this was then joined with inconsistencies in sponsor material; stating we demanded to much for what they gained, even though it was in the contract.” (Group D)

“I’m not saying we did not have problems, but in general the sponsors always lived up to what they promised.” (Group C)

Group A had found similar problems as group D, leading to the eventual discontinuation of sponsorship between the two parties. However, both group A and D stated that, as time passed by, sponsors became more committed to the relationship. As group D said,

“While we had problems, in the last 2-3 years we have seen a shift of action. Sponsors are more keen on fulfilling their end of the deal, and asking less in return” (Group D)

When questioned about new trends or demands seen within the industry, multiple groups stated that brands are aiming to become the sole sponsor of a team. This trend has been seen in Korea, where brands such as SK Telecom have a multitude of teams under their direct management (SK Telecom, 2015). Brands themselves have web pages, such as found on the Razer website (Razer, 2015), where they require to be the sole sponsor before negotiations about sponsorship start. When asked about this increase of commitment towards sponsorship, Group D answered the following:

“It might be because eSports has grown massively over the past 3 years, or it might be cause of the higher degree of sponsors in eSports. I’m not sure. I do know that more than ever we have people visiting our website, interacting with us on social media and purchasing goods from our web store”. (Group D)

Other groups questioned as to why eSports saw such an increase in sponsorship willingness gave similar thoughts: the increase in popularity, the higher amount of spectators, the fans of the groups and the growth of the industry. Farrally et al (2004)’s study concluded that a strong relationship was present between trust and commitment concerning sponsorship within the Australian Football League. This relationship was seen within the eSports

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setting to a lesser degree, but was present. Data indicated that when the trust level was low, the commitment of the sponsor tended to be low simultaneously; at the start of sponsorship within eSports, groups has issues getting their sponsors to commit and adhere to the contract. However, this was not the case for each sponsor in that timeframe, and in current interactions between the sponsored and sponsor, the levels of trust and commitment are perceived to be elevated extensively. Therefore, a parallel relationship between trust and commitment seems to be the case: When trust is positively affected, commitment is positively affected within eSport sponsorship.

Trust and Satisfaction

Trust was found to have a positive impact on both the economic and noneconomic satisfaction within the relationship, which is in line with earlier studies by Morgan and Hunt (1994) and Farrally et al (2004). However, our data indicated a stronger positive effect on the noneconomic satisfaction than on the economic satisfaction. This is to be considered reasonable, since noneconomic satisfaction is measured through interaction between the two parties, which entails trustworthiness, integrity, etc, which are key components of the aspect of trust (Farrally et al, 2004). Each group experienced the noneconomic satisfaction differently, with the general consensus found to be positive. Two groups indicated that there were sponsor relationships that were purely handled in a business-to-business setting, in which the only contact done was professional. One group mentioned the relationship to be

“... a pure business relationship, without any personal aspect between the two parties.” (Group A)

“We see it as they need us, and we need them.” (Group D)

Other groups indicated that their contact person at the sponsor would “ease-up” after a while, and communication took a more relaxed and friendly tone. In one particular case, as group B mentioned, the entire first meeting was in a casual atmosphere. This was further supported by Group F;

“... at the start the first communication was quite stressful. But over time, it became more casual and friendly oriented.” (Group F)

Each group stated that for a healthy sponsorship relationship to be realized, it was important to always be honest and respect the other party. One group believed that through correct acting, the sponsors felt at ease, which increased their desire to interact with the groups on a continuous basis while another stated that through acting responsibly, sponsors want to contribute more and become a bigger part of the organization.

Commitment and Satisfaction

The relation between commitment and satisfaction was found to be highly correlated. When commitment to uphold the contract was low from the sponsors' end, the groups experienced low economic satisfaction.

“It was not always easy to deal with our sponsors. At the start it was hard to get them to commit. They wanted their brand name to be shown, but did not give much back for it. It wasn’t until we proved the viewer statistics we were given more credit...” (Group A)
However, recently the groups, as mentioned earlier, have noticed a change in commitment levels from the sponsors’ end. This resulted in a higher degree of economical satisfaction for the groups. Economically, the groups highly valued the aid the sponsors gave to the groups in various forms, going from equipment to sponsoring expenses made on events.

“Each sponsor contributes in a different way, one contributes through providing equipment while another does so in the form of cash. ... It depends on the sponsor.” (Group C)

“One of the sponsors will give a monetary sum depending on various requirements, and how well those have been fulfilled. Another sponsor instead sponsors product which they want to be seen by the audience on our streams.” (Group E)

Group F, which is a relative new group in the field of eSports, stated,

“Sponsors play a huge role in enabling us to become stronger. They aid us into becoming better, and in turn we enable them to reach an audience interested in their stuff. I see it as a positive business deal for both” (Group F)

Economic and Noneconomic Satisfaction

No data indicated a direct relationship between these two constructs. However, few comments made by interviewed groups indicate a potential positive relationship between the two, in which noneconomic satisfaction increased the economic satisfaction.

“The longer we work together with a sponsor, the better the relationship becomes and the more we gain as a group out of the sponsorship.” (Group A)

“One of our sponsors stated at the start it would only limit its sponsorship to x and y, but as time progressed, z was also included. This has happened a couple of times now, where our relationship expands as we expand and our relationship becomes better. (Group E)

We can therefore argue that such a relationship is plausible to exist, but concrete evidence of such a relationship was unfound.

Discussion and Implications

While eSports is a relatively new industry booming with potential, much research has not been done on sponsorship within eSports. Games such as League of Legends and the tournaments they organize have an extensive reach. For instance, The 2014 World Championships of League of Legends, hosted by Riot Games, which was broadcasted in 19 languages, had the following view count: 288 million viewers over a 15 day period, 27 million unique viewers for the final and a peak of 11 million concurrent viewers (On Gamers, 2014). This could provide unlimited market potential for sponsors to invest in a continuously growing spectator sport.
The results gained from this research therefore aims to illustrate how teams and players experience sponsorship within eSports, to aid future business interactions between eSport entities and corporate brands.

The degree of trust in particular was found to be of most importance to all the groups. Trust was deemed to be the most necessary to build up a long-lasting relationship, in which both parties would be able to work to their full potential. The issue of trust noticed by the groups at first was towards the validity and trustworthiness of both the industry and the group itself, which faded consequently over time. Various degrees of mistrust were noticed, depending on the situation in which the group found itself (the presence of sponsors, communication, the state of the industry, etc.). Trust can be the antecedent for a long-lasting business relationship, where not the economic satisfaction but the noneconomic satisfaction is of importance. Trust can therefore be seen as the most necessary construct, due the current emphasis on the returns of sponsorship investments by both researched and corporate brands (Meenaghan, 2001, Kourovskaia et al, 2013, Meenaghan et al, 2013b, Meenaghan, 2013c). Trust is consequently the primary base for building a sponsorship relationship between the sponsor and eSport entity. Entities within eSports can utilize this newfound importance of trust to build stronger long-term relationships with their sponsors, start new sponsor contracts with a better understanding what makes the relationship work, and as such attain higher goals. Trust can act as the gateway for more long lasting sponsor contracts, through which the group as a whole can grow.

Commitment was found to be of differentiating degrees throughout the years with a direct influence from trust being present. Results indicate that when sponsorship was a new phenomenon within eSports, the contracts, requirements and desires were not easily met by both sponsor and sponsored. Differences were found in the aspect of time and at which stage a sponsor came on board. Here the degree of experience by the sponsored in handling sponsorship negotiations could have had a direct impact on the level of commitment and trust from the sponsor. Questioned groups stated that perhaps the changes witnessed within eSports might have changed the brands in becoming more willing to sponsor without wanting to see direct results. As mentioned, eSports has seen incredible growth, and with it the rise of spectators (Taylor, 2007, Jin, 2010). The increase of commitment, and perhaps indirectly the degree of satisfaction, could be a direct consequence of this increased popularity as a higher degree of brand exposure is possible. Groups moreover noticed a change in requirements set by sponsors in comparison to earlier interactions. This could furthermore trigger a change of business conduct within eSports. eSports is, as defined earlier, “…a computer game played in professional competitions…” (Jin, 2010). The method of conducting business can therefore be inherently different in comparison to the sponsorship of athletes active in golf, a more established sport with distinct values accredited. Interviewed parties indicated a change in conduct by the corporate brands, where business settings gained a more casual approach and contracts gaining more situation specific requirements. This can have major implications in how contracts are devised, how communication between the parties is maintained and how sponsorship is measured within eSports.

Satisfaction, both non-economic and economic, was found to be directly influenced by the levels of trust and
commitment present, but no direct relation among the two was found. Each group stated that without the sponsorship of corporate brands, their group would not be able to be as active within the eSport scene. True, tournament winnings and individual donations given by the community to individual player aid the groups, but corporate brands have changed the landscape of eSports. Multiple groups stated that through sponsorship, they could focus more on their group and gain a new level of professionalism. This raises the question in how sponsorship can alter the inherent nature of eSports, and which effect is has in the evolution of eSports into a spectator sport. However, the dimension of non-economic satisfaction was shown to be of most importance to the sponsored groups of both satisfaction constructs. Many groups voiced concerns at the start of sponsorship enquiries, as they feared a strong influence and domination of corporate brands on their group. While some groups experienced this, current trends indicate a less aggressive stance of corporate brands on the groups in current interactions. This could indicate a change of attitude towards corporate sponsorship within eSports, where brands adapt themselves to the characteristics of the industry. Results indicate that trust plays a direct role in how non-economic satisfaction is perceived, as when the levels of trust in both the groups and industry increased, so did the contracts become more versatile and less requiring, followed by a perceived higher non-economic satisfaction thanks to easier communications between the two parties.

The legitimacy and importance of sponsorship within eSports was found to be increasing. Data indicated that sponsorship contributed highly in the autonomous running of groups, and that sponsorship aided in leveraging eSports to become a real sport. Nonetheless, capital investment and popularity is increasing, and so increases the importance of the industry. Furthermore, results indicated a growth of sponsorship among the teams within eSports. This implies that, through corporate sponsorship, eSports has the potential to grow even further, gaining a bigger audience and establish itself as a true sport. Currently, eSports is already seen as a spectator sport (Jin, 2010), and has athletes making their career within eSports (Jin, 2010, Seo, 2013), but has not yet been defined a sport by modern standards (Jonasson & Thiborg, 2010). Sponsorship can aid in the legitimizing of eSports as a sport, as capital investment has been highly on the rise, with sport brands such as Red Bull actively investing in the future of eSports (IEG, 2014, Red Bull, 2015).

Limitations and future research

The first limitation is the method utilized to gather data. A similar quantitative study could further reaffirm the conclusions made within this field of research, and could provide better understanding of how each construct correlates with each other. This quantitative study could encompass a higher variety of groups active within sponsorship, giving a higher chance of generalization possible towards the whole industry. This qualitative study used six different groups to base it claims of. Thanks to the relatively young age of eSports, the current presence of teams and the high similarity of answers given, this sample size still offers a representing glance into how sponsorship is conducted within eSports. However, generalization of the results towards other industries might not be so easily realized due to the uniqueness of eSports and how business might be conducted within this new phenomenon from this study alone. This study can serve as an indication as to how
Sponsorship interactions are handled within the industry as a whole, as many sponsors from the interviewed groups are sponsoring a multitude of other eSport entities. Nonetheless, additional research is needed to gain more comprehensive insights into how sponsorship is conducted within eSport, both from the perspective of the sponsor and the consumer.

Second, this study gathered data from only one side of the sponsorship relationship, which was the consumers’ perspective. While this gave us an understanding as to the effects of sponsorship on the industry, it did not give us insight into the decision process and reasons of sponsorship from the sponsors end. Data did not indicate how the sponsor views the relationship, and what the sponsor values most. Therefore, a study investigating both the sponsor and sponsored perspective could provide much needed insight in how both parties perceive the sponsorship relation. Olkkonen (2001, p14), as concluded by Farrally et al (2004, p217), states that such dyadic studies are needed to gain a more in-depth picture of sponsorship relations in both a social and economic context. Such dyadic studies could improve how sponsorship relations are explained, and how actions of both sponsor and sponsored can be related to each other. Farrally et al (2004) provides the example that dyadic studies within sponsorship research could help us “... to understand whether a lack of sport entity involvement is widespread, and if so, the reasons for their reluctance”. Therefore, through dyadic research, insights and reasons for behavior within eSport sponsorship could be provided.

Lastly, this study provides a momentarily snapshot of relationships concerning sponsorship within the eSport industry. eSport is still evolving (Taylor, 2012), and so is sponsorship within eSport. While data gathered gave an accurate representation of how groups manage sponsorship relations at the time, this does not give any representation of future methods. Interviewed groups stated that business interactions have changed rapidly, and subsequently they have seen extensive changes within the industry, both on economical, popularity, social, sponsor, and spectator scales concerning eSport. Data indicated that sponsorship could have a direct effect on the evolution of eSport. Future research is therefore warranted into sponsorship within eSport, and what the short- and long-term effects are of sponsorship on eSport and vice versa. As Farrelly et al (2004) proposed, longitudinal studies of sponsorship relations could give a better representation of evolutions witnessed within the industry and would allow us to better understand the interconnectedness between both sponsor and sponsored. Following, longitudinal studies can therefore help us to determine if sponsorship aided in shaping the eSport landscape, and if there is an influence of sponsorship is on eSport or if eSport has an influence on how sponsorship is conducted within the industry.

Conclusion
This study aimed to examine the relationship constructs active within the sponsorship relations in the eSport industry, and to subsequently offer a guiding tool for future managers to improve their business relations. A qualitative study of 6 in-depth interviews was used to gain the data necessary to establish connections between the constructs of trust, commitment, economic and noneconomic satisfaction. The data indicated a high importance of trust, which had direct positive influence on the levels of commitment and noneconomic satisfaction, with commitment having a higher direct impact on economic satisfaction.
The managerial implications from this study recommend managers active within eSports to adapt their business position to a trustworthy approach, where the main reassurance for sponsors is the level of trust provided by the entities within eSports. It is therefore imperative to increase their trustworthiness as an entity. While trends and situational parameters are potentially at play, eSport managers can use the newfound knowledge within this study to guide their future endeavors, and potentially set new standards for the industry.

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