

Ambush marketing

[Business](#), [Marketing](#)



The NFL has more than 20 sponsors, who together pay more than \$100 million in sponsorship fees. Anheuser-Busch shared official NFL beer status with Miller up until last year when Coors signed a five-year pact that gives it an exclusive beer sponsorship. As with some NFL sponsorships, Coors signed a complex pact that set out side deals on how much advertising it will run on networks televising league games. Over the five years, Coors will pay an estimated \$300 million in sponsorship fees, TV advertising and promotional marketing (Murphy, 2004).

This year the Super Bowl is in Houston, Texas and Coors has paid a large amount of money hopping to effectively market their product to gain revenues from its competition. Anheuser-Busch will be holding Bud Bowl events in Houston during Super Bowl week. Such events are ambush marketing but more specifically could be classified as a specific type of ambush marketing called guerrilla marketing. After the many years Anheuser-Busch has been an official sponsor of the NFL, do they feel the marketing approach to this years up coming Super Bowl is fair?

In most cases where sports sponsorships are involved there are numerous stakeholders. I am going to focus on the stakeholders in regards to this specific event, the Super Bowl. The primary stakeholders are the event itself (Super Bowl), the sponsoring companies (Coors), the event sponsor (NFL), the athletes and the fans (at the event - Super Bowl). The indirect stakeholders are the agents of the athletes, the fans (listening or watching), and the ambushing companies (like Anheuser-Busch). Finally the secondary stakeholders are the activist groups, society at large, the media, and other sports marketers.

They are represented graphically in Figure 1. My focus is primarily going to be on the primary stakeholders including the indirect stakeholders. The secondary stakeholders can play important roles in adding pressures to Anheuser-Busch's situation, but not enough to describe their importance in this short paper. The Event Sponsor (NFL) The NFL is one of the four primary stakeholders, but the most active in trying to prevent ambush marketing from occurring. The NFL has a major interest in how their name and event is used in marketing efforts.

" The growth of commercial sponsorship has been perhaps the most striking development in marketing communications over the last two decades" (O'Sullivan and Murphy, 1998, p349). The NFL sells the right to use their trademark and event to promote product. How is the NFL affected by Anheuser-Busch's Bud Bowl event plans during the Super Bowl? The NFL has a legal right to prevent the unauthorized use of its trademark or any reference to its events. However, this is where things get gray in regards to whether ambush marketing is unethical.

The NFL has outlined the rules and regulations around what its official sponsors can do relating to marketing. The problem is if Anheuser-Busch respects the boundaries of the agreement and dances on the skirt of what it can do, the NFL would have a difficult time stopping Anheuser-Busch's ambush marketing campaign. Often times the NFL also has hesitations about taking an ambush marketer like Anheuser-Busch to court because it could harm future dealings between each other. If Anheuser-Busch does not like

what the NFL does, it may not offer the kind of money the NFL would like to see the next time bidding for sponsorship is open.

It is too hard to say what the NFL would win or lose in relation to the decision that Anheuser-Busch makes in regards to what it will do. What the NFL would lose is credibility and a possible decreased value of the sponsorship. The NFL is the most power of all the stakeholders but not enough power to stop ambush marketing. As ambush marketing becomes more and more widespread - and acceptable - the biggest losers will be the events themselves. Organizations like the NFL will lose millions in revenue from corporate sponsorship.

As brand marketers increasingly view "official" sponsorship as equivalent to flushing wads of cash down a bottomless toilet, organizers will become more and more strapped for the means with which to host the events (Sauer, 2002 par 13). Sponsoring Company (Coors) Coors has paid three hundred million dollars for an exclusive sponsorship in relation to the NFL. They do not want Anheuser-Busch or any other vendor advertising messing up their investment. But what can Coors do about the situation? Not much. As Curthoys and Kendall noted:

The law as it stands seems unable to accommodate the concerns of official corporate sponsors. There is no limit to human ingenuity. As such, ambush marketing as the margins will arguably always occur (Curthoys and Kendall 2002 par 78). As a competitor of Anheuser-Busch, with a lot of money invested, Coors is taking a gamble that the official sponsorship will yield better results than if they would have, like years past, participated as a non-

sponsor. For those finding themselves on the working end of an ambush marketing campaign, the real question is one of ethics. Is ambush marketing an ethical business practice?

The ambush marketing cases that get the most press are those involving heavyweight brands with massive resources, such as Coors, Anheuser-Busch, and Miller. If Coors was not the official sponsor would they be one of the ambush marketers? Athletes and the Agents of the Athletes Although I did not classify the agents in the same stakeholder categories as the athletes, they go hand in hand. The only difference being is the agent works as a representative of the athlete. The athletes are medium in which many ambush marketers use to get around the not being an official sponsor.

If Anheuser-Busch uses an athlete, they may put them in a plain jersey with no reference to the NFL, but they are still getting association to the NFL through the players name and popularity. In most cases athletes act in the best interest of themselves. If a company wants an athlete to represent their product, the athlete earns a large paycheck. In regards to our scenario, the athletes would want to be concerned with not associating with an ambush marketing campaign that was deemed very unethical. They then would be associated with the controversy making them less attractive for work in the advertising field in the future.

The only power athletes have over any of the stakeholders is over Anheuser-Busch. The athlete has the option to turn down a job that they feel is unethical. All Fans (At event, listening, or watching) The fans buy the tickets of the Super Bowl owned by the NFL. Then fans listen to the Super Bowl on

the radio and watch the Super Bowl on the television. It is that same captive audience that all companies buying official sponsorship desire. Without the fans, this issue would not be an ethical debate. The power they hold is the ability to put the event out of business.

If the fans lose interest, there will be no one to purchase tickets. On the contrary, the fans need to be protected from fraud and deceit. It is the NFL responsibility to try and uphold the name and reputation of the Super Bowl so fans remain happy. Part of that is making sure any advertising in reference to the NFL or the Super Bowl is monitored to be legitimate and an authorized form business. Ambushing Companies (Anheuser-Busch) Ambush marketing describes a company's intentional efforts to weaken - or ambush - its competitor's "official" sponsorship.

It does this by engaging in promotions or advertising that trade off the event or property's goodwill and reputation, and that seeks to confuse the buying public as to which company really holds official sponsorship rights" (Mckelvey, 1994, p20). Is Anheuser-Busch really doing damage to Coors advertising efforts? Research evidence based on tracking data suggests that official sponsors regularly fail to get the level of benefit they might have anticipated (Crimmins and Horn, 1996). Non-sponsors frequently score surprisingly well on both recall and recognition test where respondents are asked to identify the sponsor of an event.

One question I have is if being a sponsor is not as beneficial as would be expected, why doesn't everyone do ambush marketing and no one pay the money for official sponsorship? Anheuser-Busch has a real interest in taking

the attention away from fans of the competing products like Coors. If Anheuser-Busch did not effectively campaign against Coors, their revenues would decline. Anheuser-Busch has a lot of power against Coors and the NFL in its hand protected by the law, so long as they do not disregard any laws they should be allowed to compete for business.

Ambush marketing although not always ethical, is not against the law. The activity by Anheuser-Busch may be viewed as ethical if they do not intentionally mislead consumers into thinking they are the sponsors of the Super Bowl. Coors set down specific guidelines about the advertising media restriction and if Anheuser-Busch follows these rules, the stakeholder analysis would say that Coors and the event owner have not been harmed by these actions. Furthermore, Anheuser-Busch has built up the Bud Bowl over many years of effective advertising. They have in essence built an event that the fans recognize and have come to expect.

I would think that it would be a good argument on Anheuser-Busch's case if the NFL and Coors tried to prevent them from advertising at the same time as the Super Bowl. In effect Anheuser-Busch has built a reputation for itself in regards to the use of the Bud Bowl for its marketing so should be allowed to advertise it.

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