

# Misbehaving brand ambassadors can hurt your brand

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The sports celebrity a company sponsors becomes 'the face' of that company, which is fine - until that celebrity gets into the news for all the wrong reasons.



Kaajal Nagindas: When a brand associates itself with an athlete, it must consider the benefits and risks posed by such association.

Major brands like adidas, Nike, Pepsi, and Coca-Cola spend millions of dollars each year in sport sponsorships. What benefits do these brands receive for their money? An increase in sales and stock returns.

Sponsorship of a sports celebrity is based on the belief that the consumer's impression of the sports star will be transferred to the sponsoring brand. Major brands therefore associate themselves with a celebrity in the hope that the favourable brand image of the celebrity will rub off onto their image. Sponsorships create trustworthiness for the brand as many athletes are perceived as role models and because consumers trust them, they are more willing to buy products associated with them.

## The benefits...

For any brand, it is an excellent method of increasing brand awareness by aligning itself to a team or a player. The following are some of the benefits:

- Sports offer continuous advertising opportunities;
- The fan base is a ready database to target;
- Fans of a specific team are loyal and extend their loyalty to the team sponsors;
- It creates brand awareness and develops a brand preference in the marketplace;

- Creates positive PR.

Naturally, a sport sponsorship not only benefits the company, it has a major impact on the sports players themselves. It has monetary and marketing benefits. Having sponsorship funding allows athletes to focus more on their training and reduce the stress that comes with finding funds to train. Without sponsors, many of the individual athletes would be forced to work full-time jobs, which would result in an inadequate amount of time to train. In addition thereto, the player becomes "the face of" the particular brand.

When a brand aligns itself to an athlete, the favourable and unfavourable associations with that athlete are transferred to the brand. Do brands continue to sponsor the player when the player no longer portrays the image of the company brand? The following are examples of conduct that have impacted the brand sponsor.

## **And the negatives...**

After Oscar Pistorius allegedly murdered his girlfriend, Nike and Oakley terminated their sponsorship deals with him, presumably as they did not want their brand to be associated with an alleged murderer. Coca-Cola ended their sponsorship with Wayne Rooney after his foul-mouthed rant into a television camera after completing a hat trick at the Premier league and when he allegedly cheated on his pregnant wife with a prostitute. Coca-Cola is the brand that dominates the beverage market and they did not want Rooney's inappropriate behaviour to tarnish their reputation. After it was revealed that Lance Armstrong made use of performance-enhancing drugs, Nike terminated their contract with him. Nike is perceived as an elite sports performance brand and they did not want to be associated with a person who cheated in order to achieve his success in sport. This displays instances where bad behaviour on the part of a sports star resulted in sponsors terminating their contract, as they no longer wished to be associated with such an individual.

On the other hand, Nike continued their partnership with Tiger Woods even after his alleged infidelity. It was believed that Tiger Woods did not commit a crime and although he cheated, he did not cheat to achieve his success in golf. After Suárez's biting incident at the 2014 World Cup in Brazil, adidas distanced themselves from the sports star as they reviewed the sponsorship with the player. They stated that they had no intention of using Suárez in any of the additional marketing activities during the 2014 World Cup. However, adidas has decided to continue their partnership with Suárez as he is considered to be the best striker in the world. adidas confirms that they do not condone Suarez's behaviour and he will be reminded of the high standards expected by players sponsored by them. It appears that adidas obtains more benefits by sponsoring Suárez then by terminating the deal and therefore, they have decided to stick by him.

## **Consider the risks as well as the benefits**

When a brand associates itself with an athlete, it has to consider the benefits and risks posed by such association and make a determination whether these benefits outweigh the possible risks to the brand image. The most prominent risk that the brand may encounter is misconduct on the part of the athlete. As seen above, brands react differently to the misconduct of athletes and it would appear that when the misconduct tarnishes the brand image, the brand reserves its right to terminate their sponsorship.

Ultimately, it is up to the brand owner to align their brand image with their sponsored athletes.

## **ABOUT THE AUTHOR**

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