Gender Effects in Sponsor Decision-Making: Investigating Sponsor Loyalty in Title Sponsorships

Jonathan A. Jensen, University of North Carolina at Chapel Hill
Connor Leeson, University of North Carolina at Chapel Hill

Marketing - Sponsorship (Professional Sport)  
Abstract 2021-241

20-minute oral presentation (including questions)  
Mode: Asynchronous

Session: Live Q&A for Marketing 2 (Asynchronous)  
Saturday June 5, 2021, 1:40 PM - 2:40 PM

Over the past several years the issue of gender equity has entered the forefront of the sport industry, spotlighting issues such as equal pay for female athletes and female representation among executives, officials, and coaches. While men and women receive equal prize money for the tennis grand slams, members of the highly successful U.S. women’s national soccer team were forced to sue in an attempt to receive the same pay as the men’s team (McCormick, 2020).

Over the past several years, numerous corporate sponsors have gotten involved in efforts to help level the playing field. In 2019, the maker of LUNA nutrition bars allocated funds to each female on the World Cup roster equal to the difference between what the U.S. Soccer Federation pays members of the men’s and women’s national teams for qualifying for the FIFA World Cup (Tannenwald, 2019). Global Olympic Games sponsor Visa pledged as part of a new sponsorship of U.S. Soccer to provide at least 50% towards the women’s team and other marketing initiatives, such as a presenting sponsorship of the SheBelieves Cup (Beer, 2019). In response, Visa was honored as “Sports Sponsor of the Year” at the 2020 Sports Business Awards (Keith, 2020).

While the issue of gender equity has been elevated, it is yet unknown whether sponsors are equally loyal towards events featuring male or female competitors, and if sponsors feel they are receiving equal returns from their investments across both types of events. One of the challenges of answering such a research question is the necessity of longitudinal data, and a statistical model robust enough to handle censored observations (i.e., sponsorships that have ended, as well as those that are currently ongoing).

To investigate this research question, we applied a proportional hazards model to a longitudinal dataset that includes all event title sponsorships of Professional Golf Association (PGA) and Ladies Professional Golf Association (LPGA) events dating back 85 years, a total of 428 sponsorships across 2,705 observations.

After controlling for economic conditions in the home country of the sponsor decision-maker, the sponsor’s product category, the location of the sponsorship decision-maker, and various brand-related variables, results suggest that sponsors of women’s-only events are 47.4% more likely to exit the sponsorship in any given year (z = 3.34, p = .001).

From a historical perspective, these results demonstrate the potential for gender bias in sponsor decision-making, spanning more than 400 individual sponsorships of events held in 18 countries around the world.

To understand if these effects are generalizable to other sports, data from Association of Tennis Professionals (ATP) and Women’s Tennis Association (WTA) events are currently being compiled and a pooled sample will be constructed. In addition, data is being analyzed to determine how this effect has varied over time. These are other results will be discussed.