

## **THE IMPACT OF SPONSORSHIP ON PAKISTANI SPORTS GROWTH**

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### **ABSTRACT:**

*This research explores the impact of sponsorship on sports development in Pakistan, focusing on infrastructure, strategies, and global trends. It highlights the role of sponsorship in enhancing brand visibility, customer engagement, and competitiveness. Successful sponsorships in the PSL, Kabaddi, and Cricket are analyzed, showcasing how media and digital technologies amplify brand exposure. The study emphasizes the importance of financial donations, infrastructure support, and athlete performance incentives through sponsorship.*

*The research identifies a positive link between sponsorship and sports growth, suggesting government involvement to attract more sponsors. Empirical evidence highlights the mutual benefits for both sports and corporate entities, with media acting as a critical mediator. A mixed-methodology approach, using surveys and interviews, ensures credible data collection and analysis.*

*Overall, the findings offer insights into the challenges faced by sponsors, athletes, and brands, providing recommendations for improving sponsorship strategies to enhance sports development in Pakistan. The study underscores sponsorship's pivotal role in sports and society's well-being.*

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### **INTRODUCTION:**

Sports have long been a cornerstone of human society, reflecting cultural identity and fostering social cohesion. In Pakistan, sports, especially cricket, are not just physical activities but integral to national pride and unity (Khan 2014). The evolution of sports in Pakistan, from the colonial era to modern times, highlights its growing importance. Despite progress, challenges like political instability, inadequate infrastructure, and limited financial resources persist (Boer 2003).

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### **Importance of Sports in Society:**

Engaging in sports offers numerous benefits beyond physical health. Participation is linked to better cardiovascular health, muscle and bone strength, and coordination (Lee and Ross 2012). Mentally, sports like cricket, football, and hockey stimulate strategic thinking, quick decision-making, and resilience (Lagae 2007).

Sports also play a significant role in social integration by breaking barriers of race, religion, and socio-economic status (Jobber 2007). In Pakistan, sports have provided platforms for youth development, gender equality, and community engagement (George 2012). Successful athletes inspire younger generations to dream big and pursue excellence (Andreff and Szymanski 2006).

### **Sponsorship in Sports:**

Sports sponsorship has shifted from being viewed as philanthropy to a strategic marketing tool, benefitting both sponsors and sports organizations (Dees 2007). Sponsors gain visibility and association with positive sports values, while organizations receive essential financial support (Baylis 2020).

In Pakistan, corporate sponsorship is vital for sports organizations, allowing them to host events, train athletes, and improve facilities (Meenaghan 2001). Sponsorships often include media rights and branding opportunities, forming symbiotic relationships that drive sports growth (Santomier 2008).

### **Sponsorship's Impact on Sports Development:**

Sponsorship impacts sports development in financial, infrastructural, and social dimensions. Financially, sponsorship funds tournaments, equipment, and athlete support, crucial in Pakistan where government funding is limited (Farooqi 2019). Sponsorship also enhances infrastructure. By building and maintaining facilities, sponsors enable athletes to train at higher

levels and promote grassroots participation (Masterman 2007). Socially, sponsorship drives inclusivity by supporting community programs and underprivileged talent (Van Ours 2015). Supporting women's sports also promotes gender equality and empowers female athletes (Emmett 2011).

### **Current State of Sports Sponsorship in Pakistan:**

In Pakistan, cricket dominates sponsorships. Major corporations like HBL, PepsiCo, and PTCL back cricket leagues, especially the Pakistan Super League (PSL), which has attracted substantial sponsorships, elevating its profile globally (Khan, S. 2014). Other sports, such as football and hockey, are slowly gaining sponsorship. Football leagues are attracting youth-oriented brands, while traditional sports like kabaddi are seeing local business support (George 2012).

However, disparities in sponsorship distribution across different sports remain. Less popular sports struggle to attract sponsorship, creating developmental imbalances (Dees 2007). The heavy reliance on a few major sponsors poses a risk, as withdrawal could severely affect sports programs' sustainability (Santomier 2008).

## **LITERATURE REVIEW:**

### **Evolution of Sports and Sponsorship:**

Though formalized only recently, sponsorship is closely linked with the history of sports. Early patrons, such as Roman emperors funding chariot races, foreshadowed modern sponsorships (Mullin, Daniel, & Macdonald, 2010). The rise of professional sports in the 19th century gave businesses a platform to leverage athletics for brand promotion (Arendt & Rocks, 2010).

### **Early Instances of Sports Sponsorship:**

The first documented sports sponsorship occurred in 1889, when a British soap company sponsored a cycling race (Millington & McIntosh, 2008). Cigarette companies became major sponsors in the early 20th century, further establishing the connection between sports and brand marketing (Pope, 2001). The advent of television in the mid-20th century transformed sponsorships as companies sought national exposure through televised sports (Fortuna & Ritchie, 1993).

### **Global Trends in Sports Sponsorship:**

Today, sports sponsorship is a multi-billion-dollar industry. Global brands align with major sporting events and teams (Pringle, 2007). The rise of digital media and data analytics has further refined sponsorship strategies, allowing for targeted ads and audience engagement (Shank & Lyberger Jr., 2011).

### **Overview of Sports in Pakistan:**

Pakistan has a rich sporting history, with cricket being the most popular sport (Khan, 2012). However, limited resources and infrastructure hinder the development of other sports (Ganjera & Hess, 2019).

### **Major Sports and Sponsorship Deals:**

Cricket is the primary beneficiary of sponsorship in Pakistan, with the Pakistan Super League (PSL) drawing significant investments from local and international companies (Qureshi et al., 2018). Hockey and football also see sponsorship deals, though on a smaller scale (Memon & Soomro, 2014).

### **Case Studies of Successful Sponsorships in Pakistan:**

The partnership between the Pakistan Cricket Board (PCB) and HBL Bank illustrates a successful sponsorship. HBL's title sponsorship of the PSL has enhanced brand recognition and generated revenue for the PCB (Aziz & Khan, 2017).

### **Financial Impact on Sports Organizations:**

Sponsorship is vital for sports organizations, helping them cover operational costs, invest in player development, and organize events (Premuzic & Caroli, 2015). Research by Kavussano et al. (2013) shows a positive correlation between sponsorship revenue and the performance of sports organizations.

### **Sponsorship and Athlete Performance:**

Sponsorship provides better training facilities, coaching, and player compensation, potentially improving athlete performance (Funk & James, 2010). Performance-based bonuses also incentivize athletes (Cornwell, Pruitt, & Clark, 2004).

### **Sponsorship and Sports Infrastructure Development:**

Sponsorships can fund stadiums, training centers, and grassroots programs (Mullin et al., 2010). Strategic partnerships between sponsors and sports bodies can support long-term infrastructure development (Bauman & Chandler, 2009).

### **Challenges Faced by Sponsors and Sponsees:**

Sponsors face challenges in measuring return on investment (ROI), which requires clear metrics and effective brand activation strategies (Gunn & Wann, 2001). Sports organizations struggle with securing long-term sponsorships and avoiding over-reliance on a single sponsor (Millington & McIntosh, 2008).

### **Opportunities for Growth and Improvement:**

Digital media offers new ways for sponsors to engage with fans. Social media platforms and interactive content can enhance the sponsorship experience (Tse & Gustafsson, 2009). Additionally, supporting lesser-known sports presents marketing opportunities and financial benefits for both parties.

### **Role of Government and Policy Recommendations:**

Government intervention can boost sports sponsorships by offering tax breaks and incentives for corporate sponsorships (Houlihan, 2008). Clear regulations regarding sponsorship deals ensure transparency and protect both sponsors and sports organizations (Bauman & Chandler, 2009).

### **Benefits of Sports Sponsorship:**

Sponsorship is crucial for the survival of many sports events and organizations. Companies sponsor athletes, events, and teams, allowing them to wear branded merchandise, broadcast events, and secure media rights (Mark A Dodds, 2015). Logos are prominently displayed, and events gain TV coverage, increasing advertising revenue and exposure, which boosts the popularity of local sports and drives economic growth. Fans, while indifferent to sponsor logos, desire their teams to win.

Sponsorship affects every aspect of a team's operation, from ticket prices to media rights. It boosts the visibility of teams and athletes, allowing them to gain recognition and confidence. Many teams integrate sponsorship into social media strategies, with examples like the Minnesota Vikings' "Touchdown Tracker" on Instagram, sponsored by FedEx. Star athletes like Kobe Bryant and Rafael Nadal use social media to enhance their brand image, thanks to sponsorship.

Sponsorship elevates the profile of the sports industry, provides funds for resources and coaching, and allows athletes to earn regular income. It also helps athletes explore media roles or other jobs. Moreover, sponsorship encourages sports participation by disabled individuals and supports rule changes in certain sports, such as football's multi-ball system, to keep audiences engaged.

### **Drawbacks of Sports Sponsorships:**

While beneficial, sponsorship has drawbacks. TV's influence has increased advertisements, eroding traditional sports styles. In some cases, sponsorship is believed to distract players or lower international performance due to over-compensation. Advertisements during match intervals can annoy viewers, decreasing interest in the sport. Moreover, TV advertisements control many major sports leagues, affecting overall performance.

### **METHODOLOGY:**

#### **Study Design:**

This research used a mixed-methods approach, combining quantitative and qualitative analyses to examine the impact of sponsorship on sports development in Pakistan. A descriptive survey and questionnaire-based interviews were used to collect data from stakeholders, including athletes, company representatives, sports authorities, and media personnel. This methodological triangulation ensures the findings' validity and reliability.

#### **Study Population and Sample Size:**

##### **Participants Included:**

- Active and retired players
- Employees of sponsored companies
- Sports authorities (Federation, Association, Sports Boards)
- Media employees (print and electronic)
- Sports audience

A non-probability convenience sampling technique was employed. The total sample size included:

- 35 higher authority members from federations
- 27 company and media representatives
- 110 sports audience members
- 163 players (active and retired)
- 23 media personnel

**Data Collection Tools:**

1. Questionnaires: Structured, close-ended questionnaires collected quantitative data.
2. Interviews: Semi-structured interviews provided qualitative insights.
3. Observations: Observational data during sports events supported the findings.
4. Discussion Groups: Focus groups with stakeholders validated preliminary results.

**Questionnaire Design:**

A five-point Likert scale was used for responses, ranging from "strongly disagree" to "strongly agree."

**Data Analysis:**

Quantitative data were analyzed using correlation and regression analysis. Qualitative data were transcribed, coded, and thematically analyzed.

**Ethical Considerations:**

Ethical practices followed The University of Lahore guidelines, including informed consent, confidentiality, and the freedom to withdraw.

**RESULTS:**

The chapter on results presents a comprehensive analysis of the influence of sponsorship on sports development in Pakistan, based on both quantitative and qualitative data. Key findings revolve around various aspects of sponsorship and its role in enhancing sports infrastructure, fostering talent, shaping policies, and driving economic growth in the country. The thematic analysis reveals insights into the impact and challenges of sponsorship within the Pakistani sports landscape, covering diverse themes related to the administration of sports sponsorship, political influences, and the effects of sponsorship on sports development.

A critical theme identified was the status of sports sponsorship. It was found that 27.27% of respondents were actively engaged in sports sponsorship, with varying degrees of involvement. A recurring issue highlighted was the challenges administrators face in securing sponsorships, with 32.73% of respondents pointing to obstacles like financial constraints, ineffective marketing strategies, and lack of sponsor interest.

One of the most significant findings relates to the influence of politics on sports sponsorship, where 36.36% of respondents noted the impact of political factors on the scope and effectiveness of sponsorship efforts. These political influences include government policies, regulations, and the overall political climate, which often affect the availability and scope of sponsorship opportunities.

Another crucial theme is the relationship between sports sponsorship and sports development. A majority (30.91%) of respondents recognized that there is a strong connection between sponsorship and sports development. Sponsorship, in particular, has been identified as a key driver for enhancing sports infrastructure and providing the necessary financial and material support to athletes, teams, and events. This relationship was underscored by the role of sponsorship in raising the profile of sports, providing exposure, and drawing in more resources to support the growth of various sports disciplines.

The Pakistan Super League (PSL) emerged as a focal point of analysis, with 29.09% of respondents indicating that the PSL plays a pivotal role in sports sponsorship. The league's ability to attract significant sponsorship and the subsequent financial benefits have helped boost both its visibility and that of sports in general within Pakistan. However, the analysis also pointed to areas for improvement in how sponsorship deals are managed and the integration of sponsors into the league's operations.

Regarding the efficiency of sports clubs, 27.27% of respondents believed that sponsorship incentives positively impact the operational efficiency of sports clubs. Financial stability, enhanced

resources, and branding opportunities provided by sponsors were seen as factors that contribute to the improved performance of clubs.

One area of concern identified in the thematic analysis was the ethical implications of sponsorship. While sponsorship has the potential to drive positive outcomes in sports development, concerns were raised about commercialization, conflicts of interest, and the potential for sponsors to unduly influence the direction of sports initiatives. A balanced approach is recommended to mitigate these concerns, ensuring that the integrity of sports is preserved while maximizing the benefits of sponsorship.

Finally, the chapter addresses the role of media in attracting sponsors. Media coverage plays a crucial role in showcasing sports events and athletes, which in turn draws the attention of sponsors. The visibility and exposure provided by media outlets are essential for promoting sponsorship opportunities and creating a favorable environment for sponsorship engagement.

In conclusion, the analysis shows that sponsorship has a profound impact on sports development in Pakistan. While it provides much-needed financial and material support, challenges remain in terms of securing sponsorships, navigating political influences, and ensuring ethical practices. The findings underscore the need for strategic improvements in sponsorship policies and practices to further enhance the development of sports in the country.

## **DISCUSSION:**

This research highlights the crucial role of sponsorship in the growth and progress of sports in Pakistan. Sponsorship provides essential financial support, enabling the organization of events, infrastructure development, and training programs. This funding significantly boosts player motivation and team performance, aligning with global trends where sponsorship is a key driver of sports development.

Positive impacts include enhanced brand visibility and sales for sponsors, fostering a mutually beneficial relationship. However, potential negatives such as over-commercialization require careful management. To enhance effectiveness and sustainability, it is recommended to establish clear guidelines to balance commercial interests with sports integrity, encourage long-term partnerships, and promote transparency.

Overall, the findings underscore sponsorship's transformative role in sports development in Pakistan, highlighting the need for strategic collaboration among stakeholders to maximize benefits and ensure a thriving sports environment.

### **CONCLUSION:**

Sports sponsorship plays a significant role in fostering sports development in Pakistan. By providing financial resources and brand exposure, sponsorships contribute to improved infrastructure, athlete performance, and overall growth of the sporting landscape. However, challenges exist in measuring ROI, securing long-term partnerships, and ensuring transparency. Addressing these challenges and leveraging the opportunities presented by digital media and government support can unlock the full potential of sports sponsorship in propelling Pakistan's sporting future.

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