

SPONSORING ESPORTS STRATEGIES: BRAND IMAGE AND ATTRACTION SPONSORS

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Abstract

Purpose - The article analyses different sponsorship strategies of professional sports teams and sponsors from Germany and Spain. Since sport is still a young industry, companies are increasingly interested in it, especially since it is growing rapidly, both at the professional and spectator levels. Because very little research has been done so far, the article is based on interviews with experts from the professional sports industry. These people are the most knowledgeable about the industry and place a high value on the interviews conducted. The authors attempt to better understand the current situation of sponsorship within the industry. **Design** - This research follows the interpretivism approach with a qualitative method of collecting primary data. On this basis, an inductive approach was used, to investigate the interpretations of the people with whom the interview was conducted. The chosen research strategy consequently was based on expert interviews. **Findings** - The interviews it became clear that there is one main problem that all teams have to face and that still discourages companies to join the industry, a lack of trust and knowledge. A governing body or federation could possibly solve that problem. Nevertheless, there are other important results stated in this paper that could also lead to a better understanding of the industry and situation at hand. **Value** - The provision of theoretical evidence on possible new sponsorship strategies for electronic sports teams.

Keywords: marketing, sponsorship, professional teams, expert interviews, electronic sports

1. INTRODUCTION

1.1 Esports

Esports are a form of sport where the game is facilitated by electronic systems, being competitive and organized in leagues and tournaments (Taylor, 2012). Esports are organized video game

competitions that face world-class players with cash prizes (Morris, 2013), which are increasingly receiving recognition from the media as a sport. (Funk *et al.*, 2018)

Over the last years, esports has grown rapidly in terms of spectators and revenue. While the total audience grew from 335 million in 2017 to 395 million in 2018, the projected audience for 2019 is over 450 million people. The revenue of the industry was around \$900 million in 2018 and it is projected to be above \$1 billion in 2019 (Pannekeet, 2019). Due to the continuous growth of the esports industry, which is not expected to slow down in the near future, more and more brands are joining the industry, even though some may have a lack of knowledge and trust. Even broadcasters are creating special channels to be part of the industry and do not want to miss out on the growth of it (Beacham, 2018).

1.2 Brand Image

“The perceptions and beliefs held by consumers, as reflected in the associations held in consumer memory” (Kotler and Keller, 2012, p. 745). Other authors define brand image with a different wording, but the meaning is the same. According to this definition the brand image exists in the mind of the customer. Due to this reason it can be difficult for a brand to change the brand image of customers in case the company is associated with a bad image. If customers have a positive picture of the company and associate it with unique and sympathetic features, their brand image will be positive as well (Kotler and Armstrong, 2017).

Keller (2013) stated that brand image consists of two different aspects, namely brand attributes and brand benefits. The product is generally portrayed by the brand attributes, whereas brand benefits include already existing personal values and experience from the customer. Therefore, the brand benefits can be interpreted as the more effective way to build a strong brand image. Consumer can build brand beliefs and a brand image via personal experiences, online reviews, general information, from word of mouth or by assumptions made about the brand itself (Keller, 2013).

1.3 Sponsorship

Seguin *et al.*, (2005) compare various different ways to define and separate sponsorship objectives, but regardless how the objectives are divided, they still remain similar. The authors state that no matter how they are divided, whether into corporate or brand related objectives, or corporate, marketing and media related objectives, the following objectives should be included in the sponsorship objectives: brand and sales promotion, increase corporate awareness, influence and improve corporate image as well as corporate perception, reach target markets, maximize cost efficiency, build and increase customer relationships and employee motivations, as well as surpass competition (Seguin *et al.*, 2005).

According to Shank (2009) there are two categories of sponsorship objectives that a company has to take into account when it comes to choosing a sponsor. The sponsorship objectives are divided into direct and indirect ones. Direct sponsorship objectives concentrate on increasing interest in the company as well as the products and therefore, simply on increasing sales. Indirect objectives consist of increase awareness, achieve the same level and outperform the competition, expand to new target markets, build relationships with consumers as well as building the company's brand image (Shank, 2009).

Bruhn (2010) divided the sponsorship objectives into psychological and economic objectives. To reach those psychological objectives a chain of success has to be set in motion, whereas preliminary psychological goals have to be implemented beforehand. Increasing level of awareness, image profiling as well as customer loyalty and satisfaction fall under psychological objectives. Whereas monetary economic variables like profit or turnover and costs are considered economic objectives. Those economic objectives have the advantage of being easier to measure and are more quantifiable than the psychological ones (Bruhn, 2010).

All those definitions describe similar objectives. While one author divides them according to how they can improve sales, on a direct or indirect level, another author separates them into psychological and economic objectives. Therefore, the literature is not conclusive about how to separate them, but the overall objectives of sponsorship remain similar no matter which author is cited.

2. METHOD

In order to achieve the research objectives, this research is based on primary data, collected through interviews. Since there is not much secondary data regarding the topic of this research, this kind of data could not be included. The research method used for this research is based on the Research Onion, shown in and was designed by Saunders, Lewis and Thornhill (2009) to outline the layers of the research process.

Therefore, this research follows the interpretivism approach with a qualitative method of collecting primary data. On this basis, an inductive approach was used, to investigate the interpretations of the people with whom the interview was conducted. The chosen research strategy consequently was based on expert interviews

2.1 Research Design

This study investigates the strategies of esports teams to affect their own brand image and how they can attract sponsors. Therefore, collecting primary data from both sides, the teams as well as the sponsors, has been done through expert interviews, which means that this data is based on opinions. Those expert interviews were conducted between June and August 2019. The collected data is not standardized and has to be classified before it can be analyzed. Taking in consideration that qualitative data is based on gathering non-standardized data, this approach was chosen due to its suitability with the research objectives and the qualitative approach used in this research.

The interviewed sponsors (table 1) include an audio company, an e-commerce company, an office furniture company, and a computer technological company. As for the esports teams (table 2), there were four professional teams from Germany and two professional teams from Spain interviewed.

The interviews were conducted in person. The length of the interview varied between 20 minutes up to 45 minutes, depending on how much the person was allowed to talk about.

The main ethical concern while conducting this research was the approval of the participants who were interviewed for the purpose of this work. Therefore, the importance of the correct use of the collected data was verified before the interviews were held. The participants were guaranteed that the collected data will be confidential and only be used as part of this research.

Therefore, this research follows the interpretivism approach with a qualitative method of collecting primary data. On this basis, an inductive approach was used, to investigate the interpretations of the people with whom the interview was conducted. The chosen research strategy consequently was based on expert interviews.

Table 1. Sponsors

Sponsors	Characteristics	Interview with
Audio company	An audio company that operates worldwide, with more than 2.700 employees and a turnover of over €700 million in 2018. They specialize in the design and production of a wide range of high-end products for the professional and business use. The company sponsors a wide range of different aspects within the esports industry, like teams, tournaments and many more	Product Manager
e-commerce company	The company has more than 800 employees and a turnover of over €480 million in 2018. They sell computer, smartphones, notebooks, tablets as well as equipment to upgrade the hardware of a computer, through their own website. They have their own esports team, which they sponsor.	Project Manager Esports
Office furniture company	A company that is specialized on office furniture and is based in Spain. They sell chairs, desks, lockers, and other kind of furniture for an office. The company has less than ten employees and a turnover of less than one million euro.	Director of Marketing
Computer technological company	A computer technological company, with more than 40 employees. They distribute products from specially designed computer cases over high end gaming equipment up to memory solutions. The company is involved in esports through sponsoring an esports team	Product and Marketing Director

Table 2. Esports Teams

Teams	Characteristics	Interview with
Spanish esports team (A)	Founded in 2017; participates in League of Legends, CS:GO, Clash Royal, FIFA.	Cofounder and CCO
Spanish esports team (B)	Founded in 2017; participates in League of Legends, CS:GO, Clash Royal, FIFA, Rainbow Six.	Chief Revenue Officer
German esports team (C)	Founded in 2018; participates in League of Legends.	Marketing and Public Relations Manager

German esports team (D)	Founded in 2009; participates in League of Legends, Overwatch, DOTA 2, FIFA, Rainbow Six, Clash Royal.	Cofounder and COO
German esports team (E)	Founded in 2013; participates in PUBG, DOTA 2, Rainbow Six, FIFA, Hearthstone.	Managing Director
German esports team (F)	Founded in the 90s; participates in League of Legends, Rainbow Six, FIFA, Hearthstone.	CEO

Note: CS:GO: Counter Strike Global Offensive; CCO: Chief Communication Officer; PUBG: PlayerUnknown's Battlegrounds; CEO: Chief Executive Officer

2.2 Data Collection

The data for this research was collected through expert interviews, as stated above. Those kinds of questionnaires fall under the category of a structured interview, which refers to a questionnaire conducted face to face, where the interviewer guides through the whole interview (Saunders *et al.*, 2009). The interview consists of eleven questions, which are aiming for the same objective, but therefore are similar for esports teams and sponsors, but not identical. For the esports teams, the questionnaire includes three questions that aim to investigate the brand image, the other eight questions concern the sponsorship topic. As for the questionnaire for the sponsors, all eleven questions concern the sponsorship topic. Both questionnaires aim to answer the research questions of this research.

2.3 Data Analysis

The collected data from the conducted expert interviews will be summarized into shorter versions of the original ones, because the original answers are too long to be compared. Therefore, the main aspects of the answers are summarized so that they can be compared with the others. Afterwards the answers are categorized according to the respective answer and group they belong to. Therefore, this research follows two types of the qualitative analysis processes to sort all interviews according to the answers given.

For the sponsors, the first group of questions concerns the history of the sponsor within the esports industry, which includes questions one to three. The second group of questions, respectively answers concerns the important factors for a sponsorship, more specifically the goals of a sponsorship, criteria for a sponsorship and factors for a successful sponsorship.

For the esports team, the first group of questions includes the first three questions and generally analyzes the importance of a brand image in the esports industry. Questions four and five for the second group, which investigates the criteria for a sponsorship and the current to attract sponsors. The third group concerns the definition for a successful sponsorship as well as the factors and challenges for it.

The other questions, for the sponsors and the esports teams, could not be sorted in appropriate groups. Nevertheless, they are important for the research and are analyzed in the results as well. While they are not grouped, the respective answers given by the interviewee are compared with the other answers given. Therefore, the main aspects can be investigated and noted.

Table.3 Questions

Questions for the esports teams	Questions for the sponsors
How important is the brand image in esports of the industry in general?	Are you currently involved in any esports sponsorships? Why or why not?
Do you think it is easy to affect the image of the club through sponsorships?	When did your company decide to sponsor esports?
Do you think a player can have an impact on the image of the club?	Was there a specific event or reason for the decision to start sponsoring in the esports industry?
What are the most important factors and the major challenges for a successful sponsorship in esports?	Do you think it is important for your company to be involved in esports as a sponsor? Why or why not?
What is your current strategy to attract sponsors?	What are the objectives you want to achieve with sponsoring esports?
Is it difficult to attract new sponsors?	According to what criteria are you choosing who to sponsor in the esports industry?
What benefits do you offer to sponsors?	What are the most important factors for a successful sponsorship in esports? What are the major problems/challenges that might occur?
How you define the success of a sponsorship?	Are you currently involved in any traditional sports sponsorship? Why or why not?
What are the most important factors for a successful sponsorship in esports?	How do you measure the effectiveness of a sponsoring? Does it differ from traditional sponsorship?
What actions do you do to activate a sponsorship?	How do you define the success of a sponsorship?
How do you measure the effectiveness of a sponsorship?	Do you consider sponsoring a university that has an esports team / department? Why or why not?

3. RESULTS

3.1 Interview Results with Sponsors

The results presented in the following section have been grouped according to the topic they are important for. They state the answers given by the sponsors to the eleven questions asked during the interview. As mentioned above, the four companies include an audio company, an e-commerce company, an office furniture company, and a computer technological company.

Table 4. Comparative analysis of the sponsors esports history

Questions	Audio company	e-commerce company	Computer technology	Office furniture
(1)	Reaching gaming and esports community	Team owner	Strengthen brand awareness, increase media reach	Currently not, due to low ROI, low branding level and little professionalization
(2)	Started around 2015	2003	Started in 2009	Started around 2017
(3)	Reach gaming and esports community, stay in touch with them	Establish own team, create a novelty	Part of the industry, therefore logical to be a sponsor	No specific reason, tried to build brand reputation

Note: ROI: Return on investment

Question (4), which aimed at the importance for the sponsor to be part of the esports sector, got the same response from all four sponsors. For all of them it is important to be in the industry, only the reasons slightly differ between them. Sponsor (a) highlights that esports is a great industry to be in, to stay in touch with younger generations, Sponsor (b) sees that esports has become very professional, whereas Sponsor (c) states that it is important to be represented in this area, and for Sponsor (d) it is important, but the esports sector needs more visibility.

The next three questions investigate (5) the goals that should be achieved with the sponsorship, (6) the criteria for choosing who to sponsor and (7-a) the factors that determine a successful sponsorship as well as (7-b) the main challenges with it. Whereas the goals are similar, the criteria and success factors differ between the sponsors, which can be seen in table 5.

Table 5. Comparative analysis of the sponsors goals, criteria and success factors

Questions	Audio company	e-commerce company	Computer technology	Office furniture
(5)	Exposure and brand awareness, grab the attention of young people	Generate reach and advertising	Increase brand awareness in the media, and sales in the long-term	Build brand reputation and increase sales
(6)	Target audience	Game and reach of the esports Team	Image of the Player and Club, Media reach and invested capital	Ranking in the league and number of followers
(7-a)	The identity of the sponsor and the esports team have	Reach of the esports Team and target	Balance between invested capital and media reach	Notoriety of the esports Team and media

	to match	audience		importance
(7-b)	Not a good structure in the industry, no quantifiable matrix for measurements	To use the hype at the right moment	Balance between invested capital and media reach	Lack of professionalism and the poor management of the sponsor

The next question (8) was conducted to get to know if the sponsor also is active in traditional sports or not. This was done to have a baseline for question (9), where the sponsor was asked how they measure the effectiveness of a sponsorship and whether or not it is different from traditional sports sponsorship. Since only one sponsor (c), was sponsoring traditional sports as well, the comparison of esports measurements and traditional sports was not performed. The results for question (9) show that sponsor (a) and (c) have nearly the same measurements for the effectiveness, as well as (b) and (d). For sponsor (a) and (c) the ROI is one measurement, but not the most important one. In addition, those two attach great importance to the gained attention, new business and media contacts, increase in turnover, increase in brand awareness as well as increase number of followers on social media. Sponsor (b) and (d) focus on the ROI in branding and sales primarily.

Question (10) investigates how the sponsors define success of a sponsorship. Compared to question (7-a), which investigates the factors for a successful sponsorship, question (10) researches what has to be done so the sponsor can say that the sponsorship was successful. Sponsor (a) states that a successful sponsorship starts with building a good relationship and building a network. Important for them is also to be nice to each other when doing business and have respect for what each other is doing. Since the market has not matured yet, they do not focus too much on the ROI, but appreciate it when the team or player stays in touch even when they don't work together anymore. Sponsor (b) defines the success of a sponsorship on an increase of turnover by using and advertising the sponsor's products. Sponsor (c) highlights that a successful sponsorship increases business and media clients, increases brand awareness as well as an increase on turnover. Sponsor (d) explained that success comes from good management of the sponsor's brand and the ability to generate a positive ROI.

The final question (11) checks if the sponsor has considered to be involved with a university that has an esports team before or not. For sponsor (a), (c) and (d) sponsoring a university may be an option at one time. They state that it may be an interesting concept, especially considering the growth of universities involved in esports. In addition, they also say that it depends on the involvement and the kind of sponsorship. Sponsor (b) clarified that they are currently not interested in sponsoring any other project.

3.2 Interview Results with Esports Teams

Like the interview for the sponsors, the interview for the teams includes eleven questions and the full interview questions. This section will state the interview answers that were given by the esports teams and show whether they go together or differ. As stated above, the six esports teams come from Germany and Spain, of which four are from Germany and two from Spain. In the following section they will be referred to as (A), (B), (C), (D), (E), and (F).

Question (I), (II) and (III) analyze the image in some way. (I) investigates the importance of the brand image in esports, (II) researched the affect of a sponsorship on the esports teams brand image and (III) examined the impact of a esports gamer on the teams image. The following table 6.

Table 6. Comparative analysis of brand image according to question (I) to (III)

Teams	Question I	Question II	Question III
(A)	Brand image is key; esports asset that wants to get sponsored needs to fit the sponsoring brand in terms of image, values, etc.	Absolutely; esports asset is inheriting part of the sponsoring brands values; due to market dynamics and audience perception	Image of the player affect the image of the club; Will be more and more important in the future
(B)	Brand image is a strategic factor; Taking care of every detail in the brand communication is fundamental	Very important that there should be harmony between club and sponsor, otherwise difficult to transfer values and synergy through the sponsorship	Personal brand and good fan base is fundamental for the player; Can influence the clubs image, but the club must always prevail
(C)	The own brand image is highly important due to fan loyalty, credibility or reach; For sponsors it depends on endemic (attention in esports) or non-endemic (attention from general public)	Can be very positive, especially for smaller clubs; Can only be negative if the sponsors image is bad, but even such an image can be used strategically to increase both images	Gamers are in most cases better known then clubs, can trigger a domino effect to get other players as well (want to play together with one specific gamer); Negative only if the player does something bad in public
(D)	Very important; esports thrives on emotions, it lives from its fan culture	Esports is not different from traditional sports; Image can be improved through sponsorship	The players represent the esports clubs, therefore good influence factor on brand image
(E)	8 or 9 on a scale to 10, definitely very important; esports, the youth and all gamers attach incredible value to the	Can be highly positive if done correctly, if done poorly it can harm the club; It needs creative, digital approaches and	Player always have an impact on the brand image; New players or teams increase growth, strengthen brand image and may attract new investors

	brand image	sustainable storytelling
(F)	Quite important; Constant exchange with esports enthusiasts, which can be simplified through a strong brand with certain characteristics	Can have an impact; The sponsor has its own image which he transfers to the club and vice versa; The sponsor also has a fan base which increases range

The next two questions investigate the approach of getting sponsors. Whereas (IV) aims at how the esports teams chooses a sponsor, (V) researches what the current strategy of the respective esports team is to attract sponsors. The results of those questions vary between the teams, which can be seen in table 7 that shows the different answers of the six teams.

Table 7. Comparative analysis of criteria and strategy to attract sponsors

Teams	Question IV	Question V
(A)	Fit of positioning, brand equity potential, value for both audiences, value contribution not just economic, but entertainment and others as well	Proactive: Looking for target brands Reactive: Being a relevant brand
(B)	Essential to detect which brand is interested in the esports environment and prepare an ad hoc proposal	Constant contact with brands, through meetings at fairs and presentations; Sometimes cold acquisition
(C)	Size of the company, personal contact, corporate values, reason for entering esports, public image, endemic / non-endemic, interest in long-term partnership	Depends on size of the company, personal contact, corporate values, reason for entering esports, public image, endemic, non-endemic, interest in long-term partnership, suitable products for the young target group
(D)	The sponsor chooses who to support; Open to all sponsors if the service is beneficial for the club; Non-dependent on which brand	Small part of cold acquisition; Mostly brands come to us; Try to increase interest from sponsors through a good brand image and good media coverage
(E)	Looking at the German market, for companies with a German footprint; Highly interested in non-endemics; Looking to solve the Needs of the sponsor; Offer added value by connecting different sponsors with each other	Make the first approach towards the sponsor; Offer them help and added values; Build up that value step by step; Creating some kind of learning
(F)	Have a plan and know what brand	Have a plan and know what brand from

from which sector could fit; Approach the brand and see if a shared idea for the sponsorship can be created	which sector could fit; Approach the brand and see if a shared idea for the sponsorship can be created; Offer added value for both sides
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One esports team gave the example of having an automobile manufacturer, a smartphone manufacturer and a hotel chain as sponsoring partner, and the possibilities of such a mix. Through a joined communication strategy, activations, events, and meetings, these three sponsors do not only benefit on the esports team, they can also build their own network through new partnership in-between them as well. Therefore, the esports team give a special added value not only to the three current sponsors, but can also offer this value to potential new sponsors.

Question (VI) deals with the challenges and difficulties that occur when trying to get new sponsors. Esports team (A) explains the reason that it is challenging to attract them as a lack of knowledge and trust from the potential sponsor in the esports team and also in the esports industry. Team (B) characterizes it with several levels that must be taken into consideration. The team has to know its own strategy and positioning in the world of esports. Some brands want credibility, other notoriety, others base their key performance indicators (KPI's) on impact on social networks, for others esports is a way to contact increasingly dispersed target groups. Team (C) describes it as highly difficult to convince a company of sponsoring esports. The team has to convince the sponsor and make the entry attractive, which can start by explaining what esports is and go up to explain in depth how the target audience can be reached through the sponsorship. Team (D) agrees that it is difficult and challenging. Therefore, they hold back and are not aggressively searching for new sponsors. They wait for the sponsor to make the first move, since this makes things easier, because the sponsor is already interested in the esports business. The next team, (E), also agrees that it is difficult, because most companies are not capable of seeing the value that esports can offer to them. Team (F), admits that it is hard work. According to them, even though esports is certainly an extremely exciting environment, sponsorships are not yet self-running.

The question (VII) aims at investigating the benefits the respective esports team offers to the sponsors. Sponsors involved with team (A) benefit from a measure proposal beyond traditional sponsorship, along with esports influencer, fitted content to the sponsor and experiential marketing. Team (B) offers an activation plan with several legs that is worked out hand in hand with team and sponsor. They provide an organic integration into the teams content and social networks and offer multiple possibilities like constant activities in tournaments, development of new talent, and championship creations. Team (C) offers sponsors placement in a new, very difficult to reach young target group, complete in-house marketing solutions, positive results, years of experience in the field of gaming and esports, direct and personal contact and support, joint innovative concepts, flexibility and all-day availability. The approach of team (D) starts by placing the brand on the jersey or the website and social media channels. In addition, they offer content marketing and storytelling specifically for the sponsor, and the sponsor can book and use the teams players for events and meetings and offer for example beat-the-pro sessions. The unique selling point of team (E) is the German market and the high impact they have on it. They also offer a specialist regional strategy with teams in different cities. Their communication quality highly benefits from a sponsorship with a media company and gives them the opportunity to attract sponsors through this partnership. All

campaigns that they create are specially designed for the respective sponsor. As for sponsors of team (F) they benefit from an authentic, flexible and precise environment. In addition the team includes the brand into their mix, so that they can reach the target audience that was unreachable with the sponsorship.

The next two questions are summed up together in table 8 Whereas question (VIII) asks about how each esports club defines the success of a sponsorship, question (IX) is divided into two parts. The first part of the question (IX-a) investigates the most important factors for a successful sponsorship and the second part (IX-b) names the major challenges that can occur.

Table 8. Comparative analysis of definition of success and the important factors and challenges for a successful sponsorship

Teams	Question VIII	Question IX-a	Question IX-b
(A)	A good margin and repetition define a successful sponsorship	Proactively manage expectations; Flexibility; Balanced relationship	Fail to meet target criteria; Lack of flexibility; Lack of understanding; Wrong expectations
(B)	A good partnership lies in the credibility of what has been achieved; The brand needs clear objectives and the club has to be able to carry them out	A good strategy is key, since there are several ways for a sponsor to enter the esports industry.	Depends on the strategy of the brand and if the chosen club is capable of carrying out those strategies
(C)	A sponsoring is successful when the goals set by both sides are more than fulfilled and both side have benefited from the sponsoring	Longevity and flexibility are the most important factors; esports changes rapidly, players switch teams, new games appear, new leagues are founded, the clubs have to adapt fast and have to be flexible	Longevity and flexibility are the major problems as well; If a team does not adapt to the new rosters, games, or leagues, it will be difficult to keep up with the other teams
(D)	It is successful when the agreed service are delivered, the financial amount is transferred, or when the gear is delivered; In addition the personal level is important, when the relationship and	Since esports is still a very young business, the expectations of the sponsor have to be clear; Both partners have to be flexible as well; It has to be clear that it is difficult to measure the success of a sponsorship	esports is a challenging, complicated area; There has to be a transfer of know-how from the esports team to the sponsor; They have to work together all the way and be clear that it is not only

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	collaboration were good, it was a good sponsorship		some kind of brand placement, but much more work and activations
(E)	A successful sponsoring goes along with a very happy sponsor; Since esports is still a new territory, the risk of scaring the sponsor away is still high; Some teams are just looking for fast money from a sponsorship, which can backfire on the whole industry	First step a needs analysis; Second step ensure that they can be reached; Third step is to deliver those actions to the sponsor, which means good contact with them, visit them, invite them, lot of relationship management	There are no federations that pay money for success or TV rights to the clubs; There is always competition, changing rosters, lineups, problem that occur, sporting success and failure that have to be considered
(F)	There is no general answer to this question; Every sponsorship is different from the other; Some can be measured by KPI's, others by emotions; The success pays off in the long term and not ad hoc	A good concept with the esports community in the center is key; There has to be added value for the sponsor; The implementation of the concepts must be put into practice	Don't trust in the concept all the time, it may need to be changed at some point; The esports market is still changing, where one year is to short to observe changes; Without trust it will fail

Question (X) was asked to research the actions done by the esports club to activate the sponsorship. Team (A) activates them through content, events and giveaways. The second Spanish team (B) starts by integrating the brand into their content, followed by a social media plan as well as actions with fans, like viewing parties or meet and greets with the new sponsor. esports offers a wide range of options to activate a sponsorship. The approach of team (C) includes joint press work, social media postings and actions on all platforms, production of videos with the sponsor, integration of the sponsor into the content plan and merchandise placement. Team (D) follows another approach. They organize events in cooperation with the sponsor, like co-branded tournaments. Another concept is organizing side events at a convention where they showcase the esports team or some players. For team (E) it always depends on what the sponsor wants. For example, one sponsor, who comes from traditional sports sponsoring, is satisfied with jersey advertising and active collaboration. For another sponsor it is important that there is a deep integration on the product side. The third partner focuses on social media communication and the associated KPI's. Another partner wants the complete package. The next partner is media intensive and is interested in a lot of moving pictures, a certain amount of clips and content with their own storytelling. The fourth German team (F) explains that there are no limits and the market is always changing, sometimes strong, sometimes only in nuances,

but it is very dynamic. The teams have to react to it all the time, which makes it hard to give a general answer to the question.

The last question of the interview, question (XI), investigates how the clubs measure the effectiveness of a sponsorship. For team (A) it is measured by metrics that depend on the objectives defined by the sponsor. Team (B) has a similar approach. According to them there are several indicators, but it depends on the initial objectives set in the sponsorship strategy. In addition, they look at two of those indicators, the notoriety in the territory and some KPI's. A balance between those two is a key to success. The measurements of an effective sponsorship for team (C) are reporting's, comparison of the goals to be achieved from the sponsoring contract and the happiness of the sponsor about the joint campaigns. Team (D) admits that it is highly difficult to measure the effectiveness of sponsorships, specially in the world of esports. There are currently not enough hard factors to measure it. The number of range, like social media reach, reach through Twitter, attendance numbers of events, or number of media reports, are known and can therefore be measured. The next team (E) has different KPI's to measure the effectiveness. Depending on the sponsor they offer them monthly, quarterly, half-year or yearly reporting's with those KPI's like overall range of the brand, through social media or the communication. Second aspects are the press reporting's through which they know the impact they generate through various newspapers and other media. The third aspect is an estimated value which is based on the number of audience at a tournament or on Twitch, since they can not collect accurate numbers. The fourth aspect are the individual performances, no matter if it is a video production, a dedicated campaign, or an on-site activation at events. Which of those aspects are used for the sponsor is individual and varies between all of them. The last team (F) uses simple KPI's as a baseline. Due to the fact that esports is highly emotional, the usage of only hard factors is not wise and the requirements vary from sponsor to sponsor. Therefore, a general answer can not be given for this as well.

4. DISCUSSION

4.1 Brand image in esports

All esports teams that have been interviewed can see the importance of the brand image. They all rate it as very important, right down to an important strategic factor or even referred to it as a key to collaborate with sponsors. Since esports is a highly emotional sport that needs a strong fan culture, a poorly managed brand image has direct effect on the perception of the team and can reflect on the cooperation with partners and sponsors. The sponsors need to see the fit in terms of brand image and brand values to consider a cooperation with the respective team. Bruhn (2010) mentions the importance of a fit between the sponsor and the team as well. According to him, there are three relevant image dimensions that have to be taken into account when considering a sponsorship, namely the image of the sports entity, the image of the sponsored person and the image of the sports type. For esports those would break down to the team, player and genre the team competes in. Within those dimension there has to be a fit between sponsor and the respective second party.

In addition to the image of the brand, the players image needs to be in line with it as well. The players are brand ambassadors for the esports club. When they don't have the same values and a similar brand image, it can have an impact on current and future sponsorship agreements. For example, a player behaves badly in public. The behavior does not only fall back on the esports team,

but also falls back on the respective sponsor. Such bad behavior can therefore, in the worst case, lead to a cancelation of the sponsorship contract. Another way how a player can have a negative influence on the brand image is, when the player can be called a mercenary, a player who plays for the team that pays the most and changes teams if he gets paid more somewhere else. That kind of player may have a positive impact on the teams results, but the fan community may not agree with the clubs opinion. Therefore, the image of the esports team should always be more important than the one of a player.

A sponsorship can have a positive impact on the brand image as well as on the sponsors image, when it is done correctly. A good synergy between the sponsor and the team is the key to transfer common values and image to the target audience. If there is no harmony between the two partners, this transfer can not happen. Therefore, it needs creative approaches as well as a good storytelling to be able to manage this value transfer, which goes both ways. Not only does the brand image of the sponsor improve the image of the esports team, especially when a big, well known brand starts sponsoring a smaller team, but it also goes the other way. An esports team, with its younger audience can improve the image of the sponsor as well. A sponsorship agreement should always be beneficial for both sides and not be limited to just help the sponsor or the team. To do so, they need to have a similar image from the start, since it is harder if it does not match beforehand. When a sponsor with a positive, charming, trustworthy image starts sponsoring a team that has positioned itself as “the bad guys”, it may not be the best way to transfer the values of both sides. The impact of failure and bad management regarding the brand image was also pointed out by Kotler and Keller (2012) before. They conclude that failures and a miss managed approach of strengthening the brand image can conversely weaken it instead.

4.2 Sponsorship objectives of esports sponsors

Bruhn (2010) states three main strategic factors for a sponsoring. Those three strategies are the awareness strategy, the proliferation strategy and the target group development strategy. During the interviews the overall objective of the interviewed sponsors was to increase the range of awareness, especially in the target group of the younger generations. One key factor that was named is the brand awareness or brand reputation. The aim of the sponsors therefore reflects back to the brand image. They try to increase their brand image in the mind of the target audience. It is difficult for companies to reach the young generation, the “millennials”, since they do not watch television in traditional means and are thus not exposed to this traditional way of advertisement. The esports industry offers the possibility to connect with this generation and expose them to advertisement by the sponsors. In the long-term this can increase the sales for the company as well. The first step and biggest objective nevertheless is to get the attention of the customers. Esports offers various ways to connect with the target group. Not only through placing the logo on the team jersey or provide the needed equipment, it is also possible by sponsoring an own team and be included in the team name, or by sponsoring an esports event. Which way is best for the sponsor depends on the team or event and the amount of money they are willing to invest. Nevertheless, esports can be highly useful to reach out to the young generation, since those people basically grow up playing and supporting esports in one way or another. It can be seen that more or less all three strategies according to Bruhn (2010) are targeted, some with a higher priority than others.

According to the answers of the sponsors, they choose the esports team partly based on the game or league ranking, which would lead back to the principle of fine selection of sponsorships discussed by Bruhn (2010). Nevertheless, those criteria may only be useful to a certain degree for the esports industry. It is still a young industry and is always changing, especially the games section. Be averse of FPS or fighting games can be a choice for some companies, depending on their values and brand image. If they are averse of MOBA games or Sports games, like FIFA or NBA 2K, they will end up losing a big opportunity. Whereas it can reflect negative on a sponsor if they support FPS games, this does not count for the rest of the esports business. Strictly refusing a sponsorship because the team is currently not ranked at the top of the league can also be unwise. Because one team is winning in one year does not mean that they are going to win it again in the next, they may fall down in the ranking as well. Players and also whole gaming teams, like a “Rainbow-Six” team of an esports club, can move to an esports team that was ranked below them. Being too focused on the overall ranking can lead to missing out on an opportunity. A sponsor should not just focus on the ranking or the number of followers one team has. Looking for a team that has a similar brand image and stands for the same values is a better choice. The cooperation between the sponsor and the team can lead to an increased number of followers and through the help of the sponsor, either by money or by better equipment, the performance of the team can increase in the best case as well.

The important factors for a successful sponsorship showcase this as well. The teams identity, the target audience and the media reach define the success of a sponsorship for the sponsor. Those are the facts that have to be considered and the esports teams have to work on in order to attract new sponsors. The team identity is reflected through the players and the brand image. If they miss out on this and do not work on a clear message they want to send out through it, they can end up losing potential sponsors.

The major problem sponsors see currently in the esports industry is a lack of professionalism and a poor structure within the industry and the teams. Since some of the sponsors have long-term relationships within traditional sports, they are afraid of the esports industry right now. They do not trust in the current structure and some believe that they will not get a good ROI. Therefore, the esports teams have to put a lot of work in convincing the companies to even consider sponsoring their industry. While some teams work hard on improving the image of the industry as a whole, some are just looking for the short-term benefits. This can lead to a bad managed sponsorship, which then reflects badly on the esports industry and all the other clubs. In addition, the hard work on convincing a potential sponsor can vanish in thin air due to such short-term cooperation's.

Another factor that has to be considered, but is hard to change, is the lack of quantifiable measurements. Kotler and Armstrong (2017) state that the ROI is one crucial measurement method for sponsorships. In addition to it, they also mention the difficulties of measuring it. This become clear when talking to the sponsors. They said that they currently not have enough measurement methods to really determine a successful sponsorship in the esports industry. According to one interviewed sponsor, they only know how much money was put into the team, when they take a look at the Forbes list of the most valuable esports teams, but they do not know if they will get a positive ROI if they work together with that team. They “*have to listen to a gut feeling, which can be seen as a lose canon*”. An esports team with a clear structure, that works professionally and does not only

look for short-term deals, end up with better chances of signing a new sponsor than those that miss out on it.

4.3 Concepts to attract sponsors - Strategies of Spanish esports teams

The two Spanish teams, team (A) and (B), follow different approaches of choosing and attracting a sponsor, whereas both agree that it is difficult to win a new sponsor. The reasons that make it difficult according to those two teams are the lack of knowledge about esports and the lack of trust towards the teams. Therefore, they try to stay in contact with brands for example through meetings and build up trust and knowledge with those brands. Whereas one team is actively choosing potential new sponsors and approaches them, the other team experiences that it is mostly the brand that chooses the esports team. This different view on choosing a sponsor should end up in different strategies of attracting new sponsors. Nevertheless, both teams use cold acquisition to some degree. Team (A) approaches companies that fit to their positioning and overall image, whereas team (B) gets in contact with brands that show general interest in esports. The definition of a successful sponsorship and the factors that go along with it have shown some differences as well. While for team (A) relationship management and flexibility are important factors, a lack of understanding in connection with wrong expectations and not meeting the target criteria are major problems, the other team (B) has another view on it. For them the key to success is a good strategy and the biggest risk is not being able to carry out this strategy. Except the slightly different strategic approaches and the different views of success, those teams offer similar benefits to the sponsor, like specially designed content, social media campaigns, the usage of esports influencer and players to promote the sponsorship and experiential marketing as well.

4.4 Strategies of German esports teams

The German esports teams show more similarities regarding their strategy of approaching new sponsors. Only team (D) explained that they are mostly approached by interested companies. The other three teams, (C), (E), and (F), on the other hand try to make the first move. They try to detect which company might be interested in esports and develop a potential strategy for the respective company. In addition they offer help to the company and offer to build up the knowledge needed for the industry together. They check for the team right fit and strategy together with the approached company and build up a strong relationship step by step. Due to this approach, the potential sponsor directly has a deeper attachment to the club compared to a strategy of cold acquisitions instead.

Whereas the strategies are similar, the companies those esports teams approach vary between them. Since the esports industry is still growing, diverse criteria of choosing a sponsor are important for the teams. Not all companies that can benefit from this industry are already involved in it. Therefore, targeting specific companies that show interest and offer them the help to build knowledge and trust in the esports sector should be one crucial factor for all teams. Some companies have to be convinced that esports suits them. The brand image, and values, as well as the positioning of the esports teams helps them to see which companies they can approach. For example team (E), with a German footprint and a regional strategy, can be interesting for a regional brand in the specific area. That is the biggest difference between all teams and therefore their unique selling point. There is no need to only approach the big companies for a potential sponsorship. Sometimes even a smaller company can be a better fit due to its shared values and brand image.

All of the German teams agree that attracting a sponsor is difficult and hard work, due to lack of knowledge and trust on the sponsors side. This was also visible for the Spanish teams and seems to be a problem for the whole esports industry right now. A simple and unified solution to this problem is hard to find. One possible solution seems to be a governing body for the national or global esports industry, like there is in traditional sports. This federation could establish common rules and thereby gain the trust of companies and build trust in the esports industry overall. Whether or not a federation can be a solution to the lack of trust can not be foreseen right now, but it seems legitimate to assume that a federation can easier build that kind of relationships with companies than when teams try to build it up alone, as it is right now.

5. CONCLUSION

The research started with the main research question of “What are the strategies of esports teams to attract sponsors from different industries?”. Based on this main question, three research objectives were developed and tried to answer. The first deals with the brand image. According to the literature review, the image of a brand is highly important for the company. The conducted interviews came to the same conclusion. The six esports teams that participated in the interview all agreed on the importance of a clear and well managed brand image. This does not only count for the brand image of the esports team, but also for the one of the players. It has to be in line with the image of the sponsor as well.

Secondly, the objectives of sponsors were analyzed. The literature listed overall objectives, but no common grounds on how they are separated and which can be seen as more important. The sponsors that took part in the interviews did not have all the same objectives. Nevertheless, they mostly agreed on using esports to build brand awareness within the esports community and try to build a relationship with a hard to reach audience.

The third objective investigated the current strategies, where the teams try to build trust towards the esports industry. This aspect became clear after the interviews were conducted. Most teams agreed on the point that companies that are new to the esports industry are afraid of it. They can not see how they can benefit from engaging with it. The teams try to build up the trust and the knowledge needed, but it is a long process and needs hard work. In addition, it can be easily damaged by a single club that is just looking for some quick sponsorship deal.

Therefore, the importance of a federation, either nationally or globally, should be analyzed further and in more depth. The main aspects for such a federation could be that it eases the process of finding sponsors for the teams. Of course, this can't be guaranteed, but the option of one federation negotiating and communicating with companies, transferring the image of esports to non-endemics, should not simply be ruled out. Whether an external federation, or one that is for example voted for by the teams, is another topic.

All in all, the research showed that esports is still a young industry. There are constant changes to teams, rosters, or even games. This is what makes this industry so special and so interesting for further research. There are still plenty of areas that need more analysis. Some kind of trust needs to be build towards the esports industry in general, whether the teams do it one by one or under an unified federation will be seen.

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