



# Impacts of losing a sponsor in the sporting industry

## Finnish ice hockey: Case study HIFK-Jokerit

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<p>This research will be introducing one real life case from the scenario; what happens when sponsors decide to step back and breach the contract and how it will affect economics of sport. The effects and spillovers will be researched from the league, team, fans, and reputation of sports and also from economics perspectives. More over the research questions are (1) How wide are the affects to the economics of a certain sport industry or team when losing a sponsorship, and how they will be adjusted? (2) Which is considered to be more important in the particular sporting industry; the sporting or business objectives? (3) What are the future prospects of the ice hockey industry in Finland from the sponsoring perspective? Research will be made by using mainly secondary data, covering the literature and sponsors' annual reports, but also primary data will be included by interviewing the relevant participants regarding the case. The interviews are analysed based on the patterns and compared to the existing literature.</p> <p>So far the existing literature does not present any other researches that would be made about this manner. The analysis are able to show how the industry starts to suffer, if the sponsors cannot be replaced. Both the literature as well as the analysis are supporting this statement. The research also brought up the importance of the sporting objectives, which were unified between the literature and analysis.</p>	
Keywords	Economics of sports, sport industry, ice hockey, sponsorship contracts, terminating the sponsoring contract

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# 1 Chapter one – Introduction

## 1.1 Outline of the Research Project

Ice hockey, one of the most watched sports in Finland (MTV, 2011) has obtained a poor reputation during the last few years. The violence in the games is overshadowing the sport and the impact can be comprehensive; sponsors are exiting causing troubles to the industry. This research will be introducing one real life case from the scenario; what happens when sponsors decide to break the contract and how it will affect economics of sport. A case study approach will be adopted following an example from the Finnish ice hockey industry, which will be presented in more detail in the next section. The effects and spillovers will be researched from the league, team, fans, and reputation of sports and primarily from an economics perspective. The research aims to examine these consequences but as well as find out the reasons why companies end their sponsoring contracts. The research will be conducted using both primary and secondary data. The primary data was collected through interviews with different participants in the case. These are teams, fans and Finnish ice hockey association. The secondary data will provide useful additional information regarding the impacts of the loss of sponsors through annual reports. The core aim of this research is not just to give wider understanding about sponsoring in sporting industry and its benefits but also the impact of the sport to the sponsoring companies and the possible adjustments what teams need to do if losing a sponsor. All the topics of the research will be covered from the perspective of the research questions, which are the following:

- 1 How wide are the affects to the economics of a certain sport industry or team when losing a sponsorship, and how they will be adjusted?
- 2 Which is considered to be more important in the particular sporting industry; the sporting or business objectives?
- 3 What are the future prospects of the ice hockey industry in Finland from the sponsoring perspective?

## 1.2 Rationale for the Study

This research covers issues particularly of the Finnish ice hockey industry, but the research also gives us a better understanding of the ice hockey industry in general. As has been written in 2004, economics of sport has become one of the major expenditures nowadays and it's a big part of the world's economy (Gratton and Taylor, p. 21). Research is focusing on particularly sports sponsorship because "this contains the largest portion of commercial sponsorships" (Walraven, Koning and van Bottenburg, 2012, p. 18). On the other hand we may understand the fundamental values of society by studying sport (Deardoff, 2000, p.278). Therefore we can rationale the study, by the importance of researching sport. Other aspect is that, even when the national sport in Finland is Finnish baseball, a research made in 2011 by Sponsor Insight revealed, that the most popular sport in Finland is ice hockey followed by 52,7 percent of the population (MTV, 2011). When we put all these aspects together, we can see that by examining the ice hockey in Finland, we are researching not just a big part of the economic but also Finnish values in the society. Most important reason of the research is to give a wider understanding of why sponsoring is a big part of Finnish ice hockey and what the consequences are when sponsors terminate their contracts. Therefore the focus of the research is at first in club objectives. By understanding the objectives, we may see that the sponsoring is an important supporter in order to meet the objectives. Secondly this gives us an idea of how important the sponsors are in the sporting industry. By some extent we can later on compare these results to the other sports in Finland. By examining to whom and how loosing of the sponsor effects, we may understand the adjustments that teams need to do, and what fans might experience to mention few of these effects.

## 1.3 Ice hockey in Finland and outline of the case study

As has been said (Leeds and Von Allmen 2005) the sports teams give to towns for example a sense of identity. So does also the ice hockey teams and league in Finland. Ice hockey is one of the most viewed and watched sports in Finland (MTV, 2011) and can be considered as a part of the Finnish identity. Over time, every league has established a set of rules, schedules and monopolistic areas for each team (Sandy, Sloane and Rosentraub, 2004 p.160). So has also done the Finnish ice hockey association. During the years, there has been a need for change of some of the rules. President of the Finnish ice hockey association Kalervo Kummola says that changes are justified as a concern is rising of the injuries that take place inside the ice rink (Helsingin

Sanomat, 2013). The police commissioner Markku Paatero is however astonished of the light actions taken towards the violence in ice hockey, and he wonders if there should be particular polices in the future examining the recordings of the ice hockey games (Helsingin Sanomat, 2013).

It all started when the violating events inside the ice rink were taken into a closer investigation in autumn 2012. On 1<sup>st</sup> of September 2012 European Trophy tournament was taking place, when two teams Jokerit and HIFK, both from Helsinki, were playing against each other. Lots of physical contact was taken already in the games before the 1<sup>st</sup> September, but in this game the violence rose to new heights. All in all eight players and two coaches were ordered to leave the rink because of misbehaviour, violence, attacking the player without the puck and insulting the other team. Fines for the team was given so that HIFK got 25 000 € and Jokerit €40 000. Three coaches were given 8 match suspensions, and six players got suspensions from one game up to 18 games. All players are further related to the SM-league and Players Association Agreement, according to wage withholding (LIIGA, 2012). On February 23<sup>rd</sup> of 2013 the two teams from the capital, Helsinki faced again playing a game which was a continuation for the event of 1<sup>st</sup> September. Some are talking about revenge and some about accident, but what is certain is that these events brought sponsorships in to wider conversation within the ice hockey industry. Two sponsors breached their sponsoring contracts; Aller Media ended their contract with both of the teams and Helsingin Sanomat ended their contract with Jokerit. While the media wrote stories, the Finnish ice hockey league was coming up with discipline decisions; Markus Norlund from Jokerit got two games suspension, Raimo Summanen head coach from HIFK got five games suspension and team HIFK fined €10 000 (Liiga, 2013). These will stay in history as the games which will be associated to negative and violating images within ice hockey. Whereas the focus after the example game has been mainly in the rules of the games, no examination was made about how widely this game affects to sports of economics, fans, team and reputation for the sport. By using the case and doing the case study from the real life example, we are able to use concrete evidences which then can be analysed and used in the future for example in the other sporting industries.

## 1.4 Summary of the Dissertation Contents

This research contains five chapters, of which one is the introduction. In the following chapters you will be able to read more about the research content which consists of the following chapters.

Chapter 2: The literature review, will be presenting the relevant literature, which will be representing the most important ideologies and literature regarding the economics of sport and sponsorships in the sporting industry.

Chapter 3: The research methodology, will be giving more information about the possible research designs, variables, samples, and later focusing on the most suitable research methods concerning this research. The research is based on the qualitative data, and also the data collection methods will be introduced.

Chapter 4: The data presentation and the analysis will be first giving more insight about the data itself and later on, it will be analysed under four sub-headings. These headings are implementing the hypothesis of the research questions; club objectives and the effects of a loss of a sponsorship.

Chapter 5: This will be the final part of the research. The conclusion and further discussions presents the findings together with the existing literature. Also the limitations concerning the study and future recommendations will be presented in the final chapter.

## 2 Chapter Two – Literature Review

### 2.1 Introduction

To understand the causes when a sponsor terminates the contract, we need to have a wide understanding about the economics of sport. This includes, for example ideas of how the ice hockey industry works and how the sponsoring works in the sporting industry. This means examining the area called economics of sport. In the economics of sport we can find lots of the same terminologies and theories as in economic itself. (Leeds and Allmen, 2004) We are able to recognise the demand and supply of a certain product or service (Gratton and Taylor, 2005, p. 31 and 97), but also workforce (Rottenberg, 1956) and competition (Neale, 1964) are few of the main characteristics of sports of economics. As the literature goes on we can see how the same concepts can be seen in a new way. This is because the economics of sport is not like other economics; some of the same



rules do not apply (Smith and Steward, 2009, p. 1), and the following chapter will introduce the characteristics that make economics of sport so special. These can be seen as; the nature of product, demand coming from the uncertainty of the outcome, different market structure, externalities and club objectives. Further on, the text will continue presenting the idea of one of the important parts of economics of sports; sponsorships. We are able to see how sponsorships affect the whole economics and how it takes important part of it financially. The research also covers the relationship between sponsorships and company image. As we will go further towards the main research, we understand what happens when sponsorship calls off the contract and how widely we can measure the effects. And at the end, you may read the summary of the literature.

## 2.2 The peculiar economics of team sports

### *The nature of the product*

The same terminology is used when talking about sports of economics as in economics overall (Leeds and Allmen, 2004). These same terms are now used in the sporting context. We are able to identify the product, supply, demand, competition, and barriers of entry, workforce and its engagement for example. Looking up the demand and supply in more detail Sandy, Sloane and Rosentraub see demand as a function that relates to the number of tickets sold to the price (2004, p. 29). Gratton and Taylor say that shifting demand of the product can be caused by long-term and short-term factors, which can be seen as for example, public's familiarity of the game rules, the reputation and familiarity of the players, whereas the short-term factors are simply offering to customer uncertainty of the game's outcome (2005, p.29-31). Gratton and Taylor, on the other hand have found reasons for demand of sport from increase of leisure time and in some cases, the trade-off between income and leisure time (2005, p. 46). Demand has been identified as part of the customers' needs, but they have also listed determinants of demand as followed: the price of the activity, income, prices of the goods and tastes and preferences (Gratton and Taylor, 2005, p. 52). When thinking of price, Gratton and Taylor have listed variable costs which can be applied also to the ice hockey industry; entrance charge, travel costs, cost of participation, including food and drinks to mention a few and time cost (2005, p. 52-53). These are factors that supply needs to be able to overcome. Leeds and Von Allmen are raising up a challenge to demand also; broadcasting the games is

competing against consumers to go actually see the games in the stadiums, or in ice hockey rinks (Leeds and Von Allmen, 2004, p.80). All the authors are admitting that the demand in the sporting industry is dependent on numerous variables and supply needs to be able to find a way to fulfil customer needs. The sporting industry is full of supply that is ensured by different sports, leagues and teams. Rather than in other economies, in the sporting industry all the competitors, which are here referred to as teams, should be equal in their size in order to allow success to everyone (Rottenberg, 1956, p. 242). Competitors can be also identified as teams, owners and athletes (Sandy, Sloane and Rosentraub, 2004 p. 157). In the market where teams are making large profits, new teams are willing to enter them. (Leeds, Von Allmen, 2005, p. 101). But since the operators in the market either want to maximise their profit or maximise winnings, the leagues are putting barriers to entry. These can be defined as preventing access to playing facilities or a television contract, which prevent competitors from outside to provide reasonable alternatives (Leeds and Von Allmen, 2005, p. 31). One important peculiarity concerning this research is externalities. A dictionary would give us the following definition to so called spillovers: "Impact of an economic activity or function on things, businesses, or people indirectly involved" (Shim and Siegel, 1995). But in economics of sport, the externalities could be seen as the following:

In professional sports leagues there is an idea that there are externalities. If one or more of the teams buy up too much available talent then that will weaken the remaining teams. As a result games between stronger teams and weaker teams will be lopsided. Fans may lose interest in the game as a result (Biner, 2012, p. 715).

We may later use this idea of the spillovers, when researching the effects of losing a sponsor to other unexpected parties.

### *The firm/industry structure in sports leagues*

In order for the market to work so that everyone is getting the most out of it, sporting industry knows three market structures. First, market structure monopoly has been discussed by the following authors. In 1964 Walter Neale wrote *The peculiar economics of professional sports* introducing some of the core ideas of the economics of sport as a peculiar industry. One of the claims concerned about the idea of need of competition in the sporting industry; more competition equals to bigger profits. There is no room for monopolistic teams within a league or no one would be watching the game, simply because there would not be anybody to compete against. The idea of the monopolistic

economy is also mentioned in Rottenberg's article where he writes that admission fees to the games are an important part of the income within certain territory where one team has created its monopoly (1956, p. 246). This idea of monopoly is different since Rottenberg is talking about the monopoly within a certain territory like in a town or a city. What can be drawn from these two articles is that monopoly within a small territory is needed, but within a league it is unacceptable (Rottenberg, 1956; Neale, 1964). Leeds and Von Allmen (2005, p.31) raised up the idea of the monopolistic position in the sporting market where the market power is within one firm or teams hand. This supports the idea that Neale already presented, but with a more precise way. Where in the economic, the idea of the competitive market works in the way that all the firms that are equal sized, have to keep the prices the same level as the competitors have. Whereas in the sporting industry, even though we are talking about same size firms that are operating in the same market, firms may raise for example their ticket prices without losing their customers also known as fans. So these firms can be kept as monopolies, which then support the Rottenberg's idea of being a monopoly in the certain area with the loyal fans.

Sports leagues can also be viewed as a joint-venture or as a joint-production and it is a result of cooperation between teams or athletes (Sandy, Sloane and Rosentraub, 2004 p.158). Sporting industry within one market consists of numerous teams, but in order to make it possible to sell the product to consumers, teams need to not just organise and schedule the games, but also establish common rules (Sandy, Sloane and Rosentraub, 2004 p.158). Also, Neale supports this idea where sporting firms are not able to sell their products on their own. Therefore the parallel should be with more than one company joining together and selling their goods as a single source of supply (Neale, 1964, p.5). In other words teams are not able to survive in the market on their own but they need other teams to provide competition, so that there are games to supply for the customers. Giving more accurate arguments for the idea where joint-venture in the sporting industry beginning with the need of other team being able to operate in the market, Flynn and Gilbert have written whole article in 2001 about *The analysis of professional sports leagues as joint-ventures*. Their justification for the need of joint-ventures in the economics of sport is that even if in the economic the agreement between competitors can be harmful for the competition, a single team cannot restrain competition by conspiring with itself (Flynn and Gilbert, 2001, p. 28). All the authors are supporting the same ideology about the need for joint-ventures in the sporting industry, which is incontrovertible when talking about economics of sports.

The third structural feature of economics of sport is a cartel. Leeds and Von Allmen describe a cartel as a group of firms that cooperate in the same market, in order to gain a monopolistic position (2005, p. 28, 136). These cartels operate by setting the fixed price and putting barriers of entry for the competition. These cartels can be also seen as leagues. Leagues tend not to be cartels for the monopoly or profit maximizing reasons, but to create common rules (Leeds and Von Allmen, 2005, p. 28, 136). Sandy, Sloane and Rosentraub think the other way. They say that, if the interest of stakeholders has not been presented, the reason for a cartel might be money, and however, if the stakeholders consist of owners, players, fans to mention few, some of these stakeholder types in the sport are after money (Sandy, Sloane and Rosentraub, 2004, p. 165). Neale on the other-hand recognises these both aspects as a part of the cartel in the sporting industry adding also the idea of the need of monopoly firms in to the cartel market. He writes that where the cartelisation is necessary for not only maximising the profits, but also to maximise the output, there is a need for naturally monopolistic firms whose market area reaches everywhere where the sport is played (Neale, 1964, p.5). The cartel would not work without monopolistic firms which are cooperating joint-ventures.

#### *Objectives of the firm in sports*

Whereas the sporting industries consist of multiple structures, these structures are being made because of different objectives; profit maximisation, win maximisation and utility maximisation. As recognised, stakeholders consist of owners, players, fans, community leaders and taxpayers (Sandy, Sloane and Rosentraub, 2004, p. 165), these all have objectives for the sport. In the sporting industry there are two objectives that league organisations or club owners may have: profit maximization and utility maximisation (Sandy, Sloane and Rosentraub, 2004 p.11). As a result the output sports team can vary with the number of wins. The utility maximisation on the other hand is generalising an assumption where the team is spending money for just guaranteeing the wins regardless of financial constraints (Sandy, Sloane and Rosentraub, 2004 p.15-16). The reasons to choose one over another might differ in country level (Sandy, Sloane and Rosentraub, 2004 p.12). Research about *Goal! Profit Maximization Versus Win Maximization in Soccer* explains “the evidence suggests that the behavior of clubs in our sample conforms quite closely to short run win maximization” (Garcia-del-Barrio and Szymanski, 2009, p.59). They continued also by concluding that “Any team that adopted profit maximization would be likely to be relegated, leading to a significant loss of future profit

opportunities” compared to win maximisation which is one club objective (2009, p. 59). We may see that there are differences in the short-term and long-term objectives. Also there are differences in the international level. In Europe the sport clubs remain in business because of donations that they get from directors, owners or from supporters’ clubs, whereas in US owners tend to maximise profits (Sandy, Sloane and Rosentraub, 2004 p.12). Amongst all the similarities that the sporting industry has with the economics, such as firms gaining maximum profit, it also offers few special characteristics which are presented next.

Over the decades the consumers’ expenditure to sports has risen and the measures are made in the sports events and sports tourism (Gratton and Taylor, 2001, p. 19). It seems that scarcity is a bigger influence on consumers’ demand for sport than scarcity of income is (Gratton and Taylor, 2001, p.47). This creates a niche market; sport will always be a way for workers to spent their leisure time and income. In order to be able to provide customers what they need, the teams must collaborate. As previously discussed, competition is needed to sell the product (Neale, 1964, p.2). The special characteristics that can be recognised only in sporting industry presenting uncertainty of outcome, with the idea of the need reserve rule (Rottenberg, 1956, p.246). Because of the reserve rule, which is commonly used in the industry, all the teams have more or less equal chances to acquire the best players. According to Rottenberg (1956, p. 246) even though there are discussions about the reserve rule, this is necessary to ensure an equal distribution of players or more preciously the talent amongst all the teams. High-revenue teams are taking all the best players, making teams unequal, games will become more predictable and consumers’ attendance will fall. (Rottenberg, 1956, p. 254). Consumers are more willing to purchase a product of which the result is unforeseen (Leeds and Von Allmen, 2005, p.152). In order to make sure games stay unforeseen and the talent will be spread amongst the teams evenly, reserve rule is needed. However, Coates and Humphreys resulted in their research the following “we find evidence that attendance increases when fans expect the home team to win, but holding this constant, attendance falls for games expected to be close” (Coates D. and Humphreys B., 2012, p. 364). It is not as straightforward why people go to see sport games; they are looking for both uncertainty and win for the home team.

### 2.3 Sponsorship in sporting industry

The sporting industry could not function as successfully as it functions nowadays just by the league's or team owner's money. There is a need for outside investors in order to enable equal competition in sports. Sponsorships can be defined simply as a form of advertising (Shaw, 1993, p.11). The other definition is that sponsorship is a business relationship between the party who provides the funds and organisation, which offers in return some rights that might be used for a commercial advantage (Sleight, 1989, p. 4). Whereas Sleight has considered the sponsorship more in depth and Shaw in simplifying the definition, both are talking about how the word sponsorship is misunderstood. Shaw writes that a sponsor is often understood as anyone who gives money (1993, p. 11) while Sleight thinks that the word sponsorship can be defined in as many ways as there are people involved with the subject (1989, p.3). Sponsoring benefits can be seen from the company's perspective as following; "Sport sponsorship is used to support marketing and corporate objectives, such as improving a company or brand image and increasing consumers' intentions to purchase a company's product or service." (Pope and Voges, 2000, p.96). Also, for the reasons why companies sponsor, can be given three aspects; brand awareness, hospitality and public relations (Sims, 2011, p.20). More information can be found about the researches of how sponsoring is beneficial for the companies, but some information can be found also from the teams perspective. "Sport organisations typically rely on sponsorship to maintain financial solvency and to continue delivering sporting programs." (Lamont, Hing and Gainsbury, 2011, p.253). In other words teams "can concentrate on training without financial worries" (BBC, 2014).

When thinking more about the advantages that sponsorships are offering to the sport, sometimes the true value of the sponsorship is difficult to measure (Gratton and Taylor, 2005, p.163). One reason can be the invisible sponsoring; many sponsorship deals are not revealed in statistics because they are regional level and the arrangement are made between small firms and small local sports organisations (Gratton and Taylor, 2005, p. 165). This also makes it difficult to measure the growth of the sponsorships over the years. What is undeniable is that sponsorship has experienced enormous growth in the last thirty years (Sleight, 1989, p.8; Jennifer, 2014; Cornwell, Roy and Steinard II, 2001, p.41). The reason for the growth is the same as the increase of the sporting industry (Gratton and Taylor, 2005, p. 46); change of social and political climate, but the most important factor has been increasing amount of leisure time (Sleight, 1989, p. 10). Sponsoring in the sporting industry brings along also problems such as negative image and terminating the contracts. A research *Why sport sponsorship relationships break down*, done by Farrelly, points out the five themes for this; strategic vs. tactical intent,



evaluation of the relationship and a failure to adapt, conflicting perceptions of contribution and the need for proof, commitment asymmetry and capability gap (2010, p.319). Other research points out that “Our findings show that negative sponsorship information released after the sponsorship announcement negatively affects the favorability of sponsors’ brand image and the specific brand associations in terms of attributes and benefits.” (Schittka, Sattler and Farsky, 2013, p. 240). It is also good to keep in mind, that the result whether sponsoring is beneficial or not, and how big of an impact the sponsored team has, depends on the team itself. As has been said about sponsors, or sponsees as the authors call them; “more attractive sponsees should promise more favorable brand image transfers to the sponsor ... However, our results show that a highly attractive sponsee increases the risk of a negative spillover effect if it has unfavorable associations for the public” (Schittka, Sattler and Farsky, 2013, p.240). In addition to these researches, only a few other researches have been focusing on the negative impact of sponsoring and sponsored team.

#### 2.4 Literature summary

Some articles have focused more precisely on researching certain sports, such as Rottenberg to baseball, when others for, example Neale, have represented some of the bigger picture ideas that can be applied to every sport or the sporting industry itself. What can be found in common with these articles are lots of citations and their long time of existence. On the other hand the bibliography around the economics of sport and sponsoring in the sporting industry is also rather old and there is a lot of material available of the advantages of sponsoring and sponsoring in the sporting industry. In the other hand like already mentioned above, there was a limited amount of information available about the negative sides of the sponsoring as well as only few were telling the sponsoring advantages and disadvantages from the team or leagues perspective who receive the sponsor funding. This might be, because the assumption is that companies and corporations are benefitting more from this kind of data, and also that the impact is bigger for them. Some literature is written from one country’s economy of sport and the other from a more international view. More or less these ideas and theories that are written support each other. The peculiarity in sporting industry is identified and commonly accepted. What we could have been able to find from the literature of economics of sport, can be connected to the ice hockey industry. For example, the reserve rule is used in the ice hockey industry. Also we may recognise the same club objectives from ice hockey, without more insight about which is mostly used.

The existing literature has given not only the data that will be used in the following chapters to analyse the research questions, but also to address the gaps that exist in the subject. What we have so far learned is the fact that lot of research has been done, but no article or book has directly discussed about what happens when the sponsor steps away from the sporting industry and how widely the effects can be seen. In the literature there are no answers to the questions what happens to the industry where team or league is trying to keep their viewers happy and cashiers busy. National sport federations try to save the image of the sport and fans try to evaluate whether to pay to see the sport or not (Coates and Humpreys, 2012, p.364). What are the spillovers for such an action when a sponsor ends a contract and who pays the most expensive price for these actions?

The next chapter will be introducing all the methodologies, not just for collecting the data but also how it will be analysed. The chapter will focus not only on introducing the primary and secondary data, but also how the case study will be made. At this stage no further analysis will be made. The different kind of research methods will be listed and introduced with the applicable literature.

### **3 Chapter Three –Research Methodology**

#### **3.1 Introduction**

This research needs to have a research design which contains the information of how the data is collected, what the data is and how it will be used and also what is the mean of analysing the data. The data can be also two kinds; quantitative and qualitative. This chapter presents also alternative options for research methodology and compares two research paradigms; quantitative and qualitative. Thereafter the research method is presented in more detail, with the appropriate justifications which are based on the previous outline. Also the data collection methods, sampling frame and variables are presented more precisely until they will be taken into action in the next chapter, when the data will be analysed.

#### **3.2 Research Design**



When doing a research, the philosophical perspective is important for the following reasons; “it can help to clarify research design in term of its overall configuration, what kind of evidence is gathered and from where - - and highlight limitations of particular approaches.” (Proctor, 2005, p. 4). Proctor also says that competing schools of thoughts are positivist and phenomenological (2005, p. 4). As the figure presents in the Gray’s book, phenomenological can be seen as part of interpretivism (Gray, 2004, p. 19). So the comparison is done between positivist and interpretivist approaches. In a positivist approach the researcher should focus on facts, where as in the phenomenological paradigms the researcher should focus on meanings. (Gray, 2004, p. 25). Also the focus should be in locating the causalities in the positivist paradigm, whereas in phenomenological approach the researcher should try to understand what is happening (Gray, 2004, p.25).

The other comparison can be made between quantitative and qualitative data. One way of understanding the difference is to think about these as numeric and non-numeric data (Saunders, Lewis and Thornhill, 2009, p. 151). “Quantitative is predominantly used as a synonym for any data collection technique (such as questionnaire) or data analysis procedure (such as graphs or statistics) that generates or uses numerical data. In contrast, qualitative is used predominantly as a synonym for any data collection technique (such as an interview) or data analysis procedure (such as categorizing data) that generates or use non-numerical data.” (Saunders, Lewis and Thornhill, 2009, p. 151). The research may contain a combination of these both data or only choose only one source of data.

Brewerton and Millward writes “formally defined, the design of a study pertains to the strategy or schedule used to collect evidence, to analyse the findings and from which to draw conclusion” (2001, p.52). They also presents three broad classes of design as case study, correlation and experimental (2001, p.52). First option “involves the description of an outgoing event, in relation to a particular outcome of interest over a fixed time in the here-and-now” (Brewerton and Millward, 2001, p. 53). The second option “quantitative correlation designs attempts to explore the relationship between at least two variables within a given environment” (Brewerton and Millward, 2001, p. 57). And finally the last design “normally involve controlling for external variables as far as is possible” (Brewerton and Millward, 2001, p. 58). One out of these three classes of designs will be the approach of this research.

### 3.3 Chosen research design and methods

#### *Research methods*

The research method, which will be used in this research, is a case study. Out of all the three choices the best alternative is a case study, because of the research is not experimental or not looking particular correlation either. A case study allows the research to look in more detail the events and look for its affect to nowadays ice hockey and happenings in the sponsoring in the industry. There are also multiple ways to do a case study and the best way for this research is a linear analytic frame. "In the linear analytic frame i.e. introduction, review, method, results, discussion" (Brewerton and Millward, 2001, p. 56). Philosophical perspective will be interpretivist, or to be more precise it is phenomenological. Even though understanding the facts and causalities would be important regarding the research questions, it is still more meaningful to understand what is happening and the meaning of the events in the ice hockey industry. The paradigm goes hand in hand with the data according to a figure in Gray's book (2004, p. 19). So if the research method is interpretivist, then the data needs to be quantitative.

#### *Data collection*

Quantitative data will be collected via interviews. Out of all the methods, this is the most effective way to gather information. Other options would have been; focus groups, psychometrics, observation, surveys and questionnaires and diary methods (Brewerton and Millward, 2001, p. 69). As these authors also point out that the interview is a flexible research tool, it is important to maintain an objective stance (Brewerton and Millward, 2001, p. 69). The interviews were made to give more information about the research questions. In first stage, the inquiries of the interviews were sent to fifteen (15) possible interviewees. Out of the original inquiries, only three responses were approving, three more interviews took place afterwards on the second try. On the second stage, when respondents have agreed to the interviews, the questions were sent to them, making sure that they are familiar with the questions and topic in beforehand. Because of the difficulties to organise the interviews face-to-face when the interviewee and interviewer were in different countries, they were made via Skype and mostly email. In two months' time, all the interviews were done with all of the interviewees. The once made via Skype were recorded with the permission of the interviewee and in the email the supplementary

questions were made when possible. The interviews can be seen in the appendixes in the interviewed order (see page 32).

### *Sampling*

The research is based on purely on the interviews. The existing literature either supports the findings, or provides other information that then can be analysed, why there is two information available. Because of the amount of the participants, the sampling methods are kept as simple as possible. The sampling method that will be used is comprehensive sampling. This means that it “examines every case or instance in a given population” (Gray, 2004, p.325). This can be done when there is not a lot of data available from many sources. The final data, which will end up in the research, is sampled by patterns. Not all the questions were same to all, therefore the sampling is needed and done by patterns. This ensures that only the relevant data will be used in the research.

### 3.4 Summary

The research will be done as a case study. This means that predetermined case in researched and by research questions the affect are tried to clarify. The data that will be analysed is quantitative and it will be gathered by doing interviews. The interviews are giving more information about the case, but also more importantly interviews tell the real life examples about the effects. The interviews are analysed based on the patterns and compared to the existing literature. The next chapter will present the gathered data, by stating who are the parties involved in the interviews, and also what kind of information was able to get from the interviews. Last is the analysis part, which introduces the interview patterns and relates them to the literature.

## **4 Chapter Four – Data Presentation and Analysis**

### 4.1 Introduction

This part of the research introduces the research data, how it was collected, and data analysis. Six interviews were made and the questions were mainly the same for every interviewee. Since the interviewees are operating in different fields in ice hockey,

therefore some of the questions were more specific than others. The best way to analyse these answers is to find patterns from the answers. At the end you may read the summary of the analysis followed by the last chapter of this research where the conclusion is done.

## 4.2 Data presentation

There were six persons interviewed to the research out of 20 interview requests that were sent to both teams (HIFK and Jokerit), sponsors, Finnish ice hockey association, fan clubs and fans individually. There is the CEO of the team HIFK, which is another team involved with the case introduced in the chapter one. Also the Sales and marketing director of Finnish Ice hockey association gave an interview, being a so called umbrella organisation for the Finnish ice hockey leagues. One party that was also related to the case is the fan club, and the interview was done with the member of the board of Eteläpääty ry., which is the official fan club of the team Jokerit. Two other sport and ice hockey fans were interviewed among the official fan club. And finally the last interview was with the coach of the women's team Blues, which plays in the women's Finnish champion league. The interviews were made in English and in Finnish, some via Skype and some via email. The questions that were asked concerned not just the research questions, but also background information about ice hockey itself. All in all there were fifteen (15) different open ended questions, and at the end one (1) free word question, where interviewees could tell other thoughts about sponsoring or ice hockey. The interviewees answered from eight (8) to all fifteen (15) of them depending on the party that they were representing.

## 4.3 Data analysis

The collected data is analysed and categorised by the themes which are brought from the interviews. These themes will also support the structure of the research questions, therefore the analysis part is divided to following subheadings; club objectives, effects of a loss of a sponsorship, sponsoring future and other observations. In the last section is the summary of all of the themes put together.

### *Club objectives*

Five of the interviewees were asked two questions about the sport objectives; “What are the main goals and objectives in a sport like ice hockey; maximise the profit, maximise the winnings, or getting the most out of the ice hockey as a sport, or something else?” and “Which is more important: sporting objectives (teaching kids, educating and increasing the knowledge about ice hockey) or business objectives (making a profit)?”. As figure 1 shows, the answers are half between maximising the winnings and for maximising both winnings and profit. One of the answers is something else, since the Finnish ice hockey association said that the main objective is to get hobbyists and everyone to enjoy and get experiences. Figure 2 shows the sporting and business objectives together. This answer was clearer to the interviewees; sporting objectives were more important.

Literature is partly giving an explanation for this deviation. As we have earlier recognised, stakeholders in a sporting industry consist of owners, players, fans, community leaders and taxpayers (Sandy, Sloane and Rosentraub, 2004, p. 165). When we have different stakeholders, we also have different objectives. As one of the fans answered; “So even if the main goal is to make the teams play as entertaining as possible to audience and attain championship, the main thing is to make as much money as possible”. This shows that the fans would like to think, that the main objective would be winnings and entertainment, he still believes that the real objective is gaining profit. Another reason for this result might be that the research is made in Finland. The reasons for choosing one objective over the other, is because the objectives might differ in country level (Sandy, Sloane and Rosentraub, 2004 p.12). So, if the research would be executed in some other country the results might be different.

This analysis gives us the answer to one of the research questions; “Which is considered to be more important in the particular sporting industry; the sporting or business objectives?”. All in all the parties answered that the sporting objectives were more important, including not just the winnings, but also the educational side.

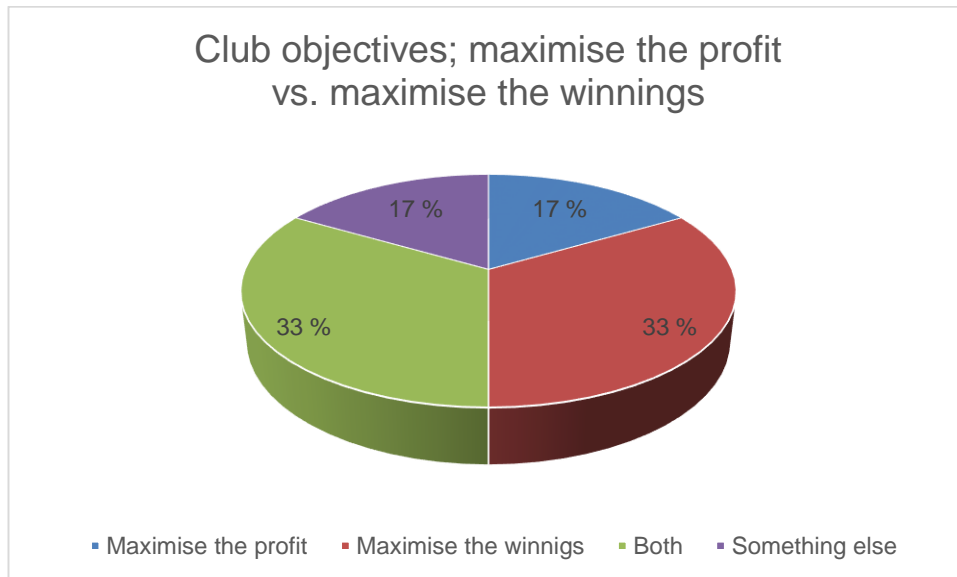


Figure 1. Club objectives based on the interviews

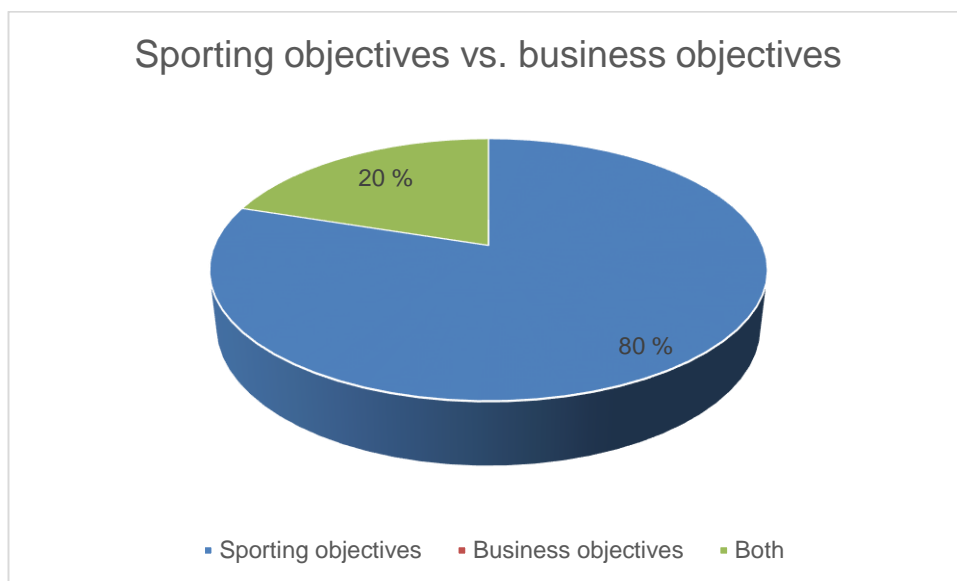


Figure 2. Club objectives from the other perspective

### *Effects of a loss of a sponsorship*

The reasons for a sponsor terminating a contract have been examined previously from the company's point of view. Five themes that one previous research brought was; strategic vs. tactical intent, evaluation of the relationship and failure to adapt, conflicting perceptions of contribution and the need for proof, commitment asymmetry and capability

gap (Farrelly, 2010, p.319). From the interviews, none of these themes step up so strongly. All in all the research recognises that the termination of the sponsoring contract will have an effect to the team, ice hockey association, image of the sport and to fans. On the other hand, that was not as strongly emphasised as the effects that come out of termination. The literature points out that “negative sponsorship information released after the sponsorship announcement negatively affects the favorability of sponsors’ brand image and the specific brand associations in terms of attributes and benefits.” (Schittka, Sattler and Farsky, 2013, p. 240). .Figure 3 presents the interviewees’ ideas of the question; does terminating the contract affect fans negatively. The fans recognised this phenomena as the fan club member stated that “I feel that terminating the contract tells you enough about the company and after the end of the contract I rather not use its products or services any longer”. The other fan states that; “It could also result in hardcore fans frowning upon the sponsors products or services”. However it is also possible that the reaction is reverse. The literature supports this idea; “if a sponsor does not abandon the sponsee, then consumers might perceive that the sponsor legitimates and supports the misbehavior of the sponsee to a certain degree (Schittka, Sattler and Farsky, 2013, p.240). So it is either the consuming fans or other consumers that the decision will involve.

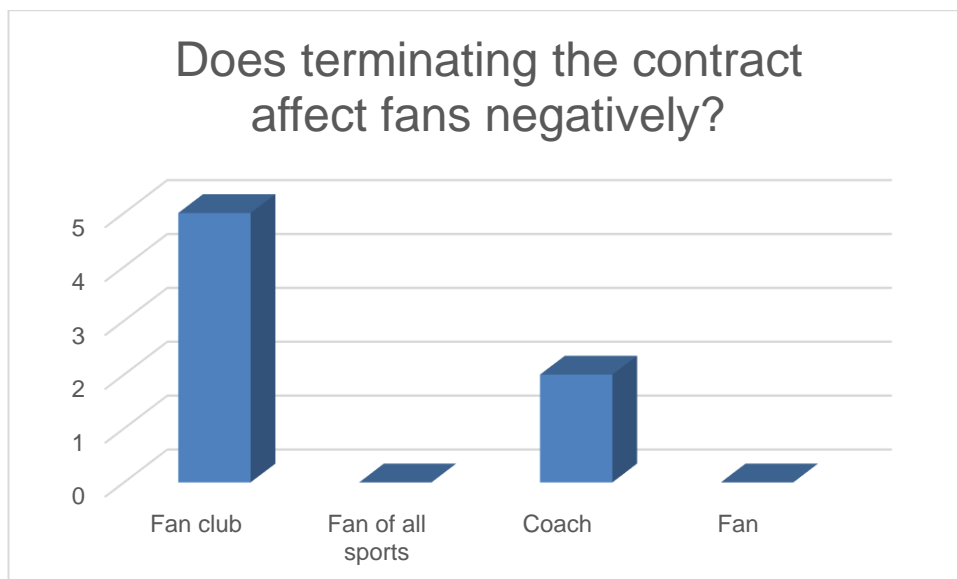


Figure 3. Interview showing the effects of terminating the contract from fans perspective. Figure shows the “yes” answers.

The importance of the sponsoring in the ice hockey industry is remarkable. The CEO of the team HIFK says; “There are two pillars keeping the ice hockey industry alive; entrance earnings covering subscription and separate tickets, and companies that are cooperating with the team ... These both income sources, partners and entrance profits, are equally as big and important for keeping the sport professional.” Also the Finnish ice hockey association recognises the importance; “Partnership contracts are important to this sport; they cover 25 to 60 percent of the budget regardless of the club ... Some contracts are beneficial because of the good image that they bring, and that is hard to measure in money.” These two parties also knows how harmful it can be to lose a sponsor and they are aware of some of the possible impacts. The CEO says that when losing a high level sponsor it affects to the players budget. This would mean that the team cannot compete with the wages and the team would not be as good as it was before the loss. The association points out that it takes six times the work to get the replacement for the lost sponsor. He also estimates that to the industry itself the loss will be mostly seen in the image. He believes that what happens in the ice hockey league might affect the association so, that it might lose a sponsor. It is possible that; “Inappropriate behaviour both in and outside of the ice rink does not increase the support from the society, partners, viewers, media coverage, and enthusiasm of the volunteers to be a part of ice hockey just to mention a few.”

The literature is putting the responsibility to the sponsoring party when thinking whether to sponsor or not. “Sport organisations are under increasing pressure to be socially responsible in their decisions and actions” (Lamont, Hing and Gainsbury, 2011, p. 253). This theory would transfer the responsibility of the sponsoring to the company, meaning that before the decision to sponsor a sporting team, they need to know what they are getting involved to. “Accordingly, sponsors have to evaluate sponsees’ potential to create negative spillover effects before they commit to a sponsorship contract”. (Schittka, Sattler and Farsky, 2013, p. 228). One of the fans also agrees with this. He says that “Nowadays I think that usually sponsors know the “dangers” when they start to invest their money in hockey or other sports.” Result for the negative effect of the issue when the sponsor terminates the contract can be rationale as the following. “More attractive sponsees should promise more favorable brand image transfers to the sponsor ... However, our results show that a highly attractive sponsee increases the risk of a negative spillover effect if it has unfavorable associations for the public” (Schittka, Sattler and Farsky, 2013, p.240). Ice hockey is the most viewed sport in Finland and therefore the sponsors who



are involved with ice hockey industry are more likely to get great success, but they might suffer from the negative effects as well.

### *Sponsoring future*

The interviewees were also asked the question concerning the future of the sponsoring in the ice hockey industry. One question concerns the possibility of sponsors developing the sport. HIFK's CEO said that "Many of the partners have realised that it is also benefitting for them to stay with the team in the long run." Sales and Marketing Director of Finnish Ice Hockey Association says that "This might have already happened, if one or more of the partner companies from the same body have interfered in the violence inside of the ice rink, and putting pressure to the team in order to act fairly and transparently... Sponsors can also together finance the development of the sport towards a wanted way, and a good example of this is the safety rink which the sponsors could invest to." The figure 4 shows the interviewees opinion if the sponsor should have impact on the industry, for example having an effect on the rules. It is quite clear that only the ice hockey association saw that there could be an impact, which would be also good for the industry. As far as it comes to the fans, all of them think that setting the rules should be left to relevant ice hockey personnel. One reason for the fans approach can be explained from the following source. "if penalties measure sloppy or violent play, the results suggest fans are willing to forgive the home team for committing these transgressions, but if the visiting team is heavily penalized attendance suffers". (Coates and Humpreys, 2012, p. 365). The fans favour the home team and forgive them more easily. Therefore it might be that they do not accept others to set the rules, because it might have impact on the home team as well.

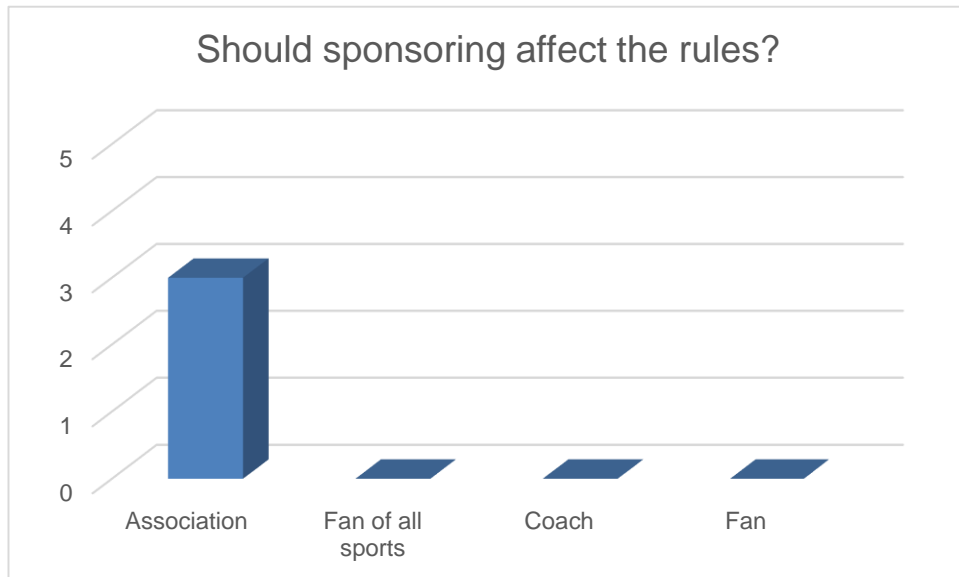


Figure 4. Would the sponsor have affect to the industry so that rules would change in future? Figure is showing the “yes” answers.

Another factor concerning the future is the possible impact of the loss of the sponsor, to the future and current fans. In figure 5 you may see that the opinion was not as united as in the previous figure.

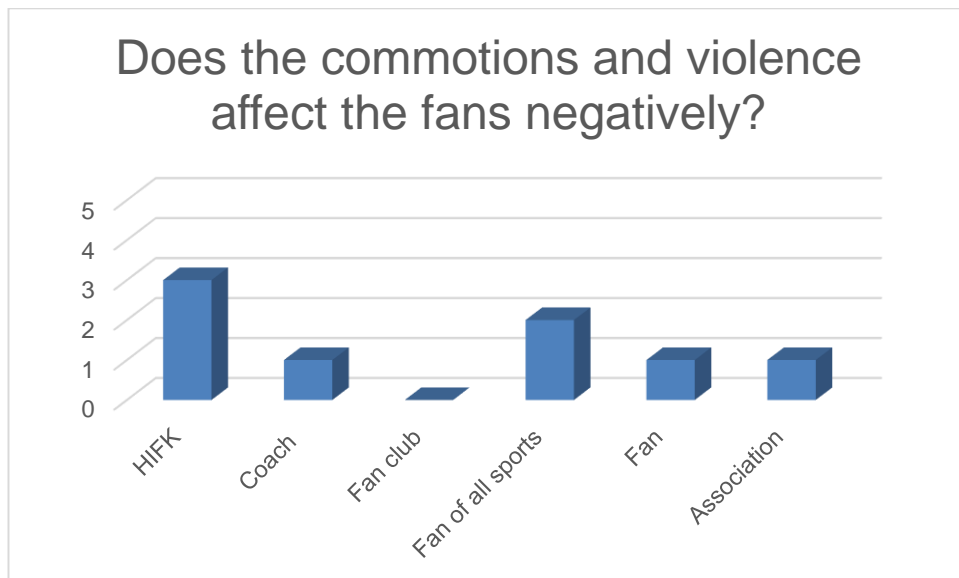


Figure 5. Shows the opinions of the negative impact for fans. Figure is showing the “yes” answers.

### *Other observations*

In addition to answering the research questions, the interviews brought up some other observations. One major one is the sentimentality that is around the case. To both teams think the happenings in season 2012-2013 are unforgettable. All of the interviewees recognised these and therefore some of the answers were more emotional than others. It also looks like the Finnish ice hockey tends to survive from the tough economic times. “Finnish ice hockey has managed well in the regressive sponsoring markets, whereas the other sports have made negative revenue in that market. The regression has mainly shown as ticket revenue and in the number of viewers” says the Finnish ice hockey association. Also the CEO of the team HIFK noticed the same; “Market is living in the rhythm of finance, Finland has been in the recession for five years now and getting the sponsors has become more difficult ... Sponsors are focusing more on the biggest and most outstanding sports, of which ice hockey and HIFK have benefit.” One other factor that impacted the answers was that the research focused on the men’s ice hockey in the championship level. What can also be examined in the future from the basis of this research and interviews, would be these two interesting points; how ice hockey implements the Finnish identity and why do people follow ice hockey and why is it so important in Finland.

### 4.4 Summary

The interviews did tie up together the points from the literature that have already been recognised in the sporting and sponsoring industries. The main subjects of this research and analysis are club objectives, effects of a loss of a sponsorship, penalties and sponsoring future and other observations. From the club objectives we are able to see that the literature supported the research, since the interviews followed the same line, the main objectives being the utility maximisation, or in other words maximising the winnings. The research also points out that there would not be winning without the stable economics. And the base for the stable economic is sponsors. We might see the pattern here, how all the matters are tied up to each other. We can talk about the cost-benefit framework. Effects that the losing a sponsor affects are also tied up. These effects are wider than the single party recognised as one, but when putting all the effects together we can see that it affects the image, team, sponsor, fans, and the ice hockey association.

We could also say that “Sponsorship shows the passion, excitement, spirit, emotions, feelings and excellence when the brand values associate with the values of sport.” (Tanvir and Shahid, 2012, 659-660). When the good values of the sport cannot be associated to the brand values, the chain of events start.

## **5 Chapter Five – Conclusion and Discussion**

### **5.1 Introduction**

This research discussed the ideas around the sponsoring in the sporting industry and the main objectives that the ice hockey as a sporting industry has. The research questions aim to find out the following; (1) How wide are the affects to the economics of a certain sport industry or team when losing a sponsorship, and how they will be adjusted? (2) Which is considered to be more important in the particular sporting industry; the sporting or business objectives? (3) What are the future prospects of the ice hockey industry in Finland form the sponsoring perspective? The research examines the subject from the example case study, which consists of two ice hockey teams’ games, for which the result was a sponsor terminating a sponsoring contract. The findings from the research are providing more information to the existing literature. The first finding is that maximising a profit seems to be as important as maximising the winnings, based on the interviews. However, this might be because of the image that the fans have about the teams; they think more about the profit. The interview proved it wrong, when the CEO of the team said that there is no other without another. Another finding was that the termination of the sponsoring contract has a bigger impact on the fans than was expected. Teams will cope with the small scale losses, but fans may start to boycott the products or services of the sponsor who ended the contract. This may be seen in the amount of possible future fans. Third finding concerns the sponsoring future in ice hockey. Majority of the interviewees thought that sponsors should not have power, for example on the penalties. This has nevertheless happened, based on the ice hockey association. The research also made other observations concerning the subject, which will be providing more information for the future studies. From the literatures point of view, the connection between effects and losing a sponsorship was confirmed. The analysis is able to show how the industry starts to suffer, if the sponsors cannot be replaced. Both the literature as well as the analysis are supporting this statement. The

research also brought up the importance of the sporting objectives, which were unified between the literature and analysis. Therefore we can say that the research delivered what was expected.

In this chapter there is a conclusion of the research and analysis part coming up next. There after follows the limitation concerning the research, with the future possibilities of the subject. At the end of this chapter you may read the final conclusion of the whole research.

## 5.2 Conclusions of the Research

The research proved a link between the importance of the sponsor terminating the contract and also the wide effects that comes from that happening. The interviews tie up together the points from the literature that have already been recognised in the sporting and sponsoring industries. The main subjects are club objectives, effects of a loss of a sponsorship, penalties and sponsoring future. From the club objectives we are able to see that the literature supported the research, since the interviews followed the same line with the main objectives, being the utility maximisation, or in other words maximising the winnings. The research also points out that there would not be winning without the stable economics. And the base for the stable economic for a team or league, are sponsors. Effects what losing a sponsor affects, are also tied up. These effects are wider than the single party or literature recognises alone, but when putting all the effects together we can see that it affects the image, team, sponsor, fans, and the ice hockey association.

## 5.3 Limitations of the Study and Areas of Future Research

The research was done to the different parties that are involved to the case study. The research was not able to reach all the parties to be interviewed and analysed, so that is an important limitation for this study. Some of the questions were made particularly for only one or two of the interviewees. Therefore not all of the answers were able to be analysed as easily as the others. Also not all of the interviews were able to be done personally face-to-face or via Skype for example, these are because of the physical distance to the interviewees, difficulties to match the timetables and the limited time scale. This factor also might have influenced the length and quality of the answers.

Another limitation could be the quality of the questions, some might have been too wide and some too suggestive, which will also have an impact to the analysis and results.

Keeping in mind the limitations, the research could be repeated as it stands or in a bigger scale. If this would be done, it would be important to get interviews from the all of the parties involved in the case. This would mean adding the interviews from both teams and from current as well as previous sponsors. This research also brought up some new issues such as the media involvement, how ice hockey implements the Finnish identity and why do people follow ice hockey and why is ice hockey so important in Finland. These could be valuable additional information for the following researches, which could be used as a base for a wider research within the same subject area.

#### 5.4 Final Conclusions

This research is made to examine the effect and extent when the sponsor in the sporting industry, particularly in the ice hockey, terminates a contract. The research focused on these effects, but also the objectives that this sporting industry has in Finland. The research uses interviews as a base for the collected data. Six interviews formed certain issues, which are compared to literature. These issues corresponded to the research questions. Interviews offered valuable information regarding the effect that follows when the sponsor terminates the sponsoring contract. So far the existing literature does not present any other researches that would be made about this manner. The analysis was able to show how the industry starts to suffer, if the sponsors cannot be replaced. Both the literature as well as the analysis are supporting this statement. From the clubs objectives, we are able to see that the literature supported the research. Also these effects are able to be examined and new information is provided. Therefore we can say that the research delivered what was expected. The interviews also provided additional information that can be used in the future, if the research is replicated or put to an even wider context. Few of these issues can be mentioned, for example how important ice hockey is for the Finnish people, how personal opinions affected to the answering in such a passionate sport, and how does the media affect the chain of events. We can say that the research success brings something new, and it could help the future sponsors to see the effect, for example when they consider to terminate a contract.

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## Interviews

The interviews were made to three different official parties according to the case; team, fans and ice hockey association. In order to take depth to the data analysis three more interviews were made with two other fans and one coach from the women's side in champion league. These interviews were made via Skype conversations and emails in Finnish and thereafter translated to English. The interview questions are related to the topics of sponsorships in the ice hockey industry, as well as in how different parties see the objectives of the sports.

### Interview with the CEO of team Oy HIFK-Hockey Ab (Jukka Valtanen)

#### 1. Why do you think people watch ice hockey or pay for watching it?

It is not just my opinion but it has also been researched that there are small minority that are purely appreciating skilful ice hockey but for the rest it is something different. The term that we are talking is entertainment industry which allows people to disengage from the weekdays, go with friends to watch ice hockey or see friends, some also wants to be seen and feel part of the ice hockey society and be on behalf of or against a team.

By the times the societies in families and communities have changed. Ice hockey is offering a platform for the societies to fulfil these needs in changing world, where people still want to be part of something and escape the weekdays.

To sum it up it is all about belonging somewhere, forgetting the weekdays, belonging to society and also wins and losses are part of the experience.

- **Why the main sport for the Finnish people is ice hockey and not for example football as it is in Finland's neighbour country Sweden?**

Ice hockey is for Finnish mentality, similar as Canadians have. We have had possibilities in Finland to take advantage of doing sports outside during long winters and that has been on the interesting way to spent leisure time. In Finland there are also other big sports if measured in Finnish scale, but in order to success it needs to be winter sport as ice hockey, since summer time is so dedicated to cottages and other possibilities, winters are left for sports. But also it needs to be indoor sports, when the weather conditions are not affecting to it. Finally the ice hockey can be kept as a big cities sport, where lots of sponsors are available and it supports the development of ice hockey as a sport.

#### 2. What is the importance of sponsoring in the ice hockey industry?

There are two pillars keeping the ice hockey industry alive; entrance earnings covering subscription and separate tickets, and companies that are cooperating with the team. Sponsoring as a word itself, it can be misleading since it is much more than having a company's name where it can be seen, but in nowadays our sponsors do not need that since there is so much more involved between the partners. These both income sources, partners and entrance profits, are equally as big and important for keeping the sport professional. Out of all the sports in Finland, ice hockey is the only one that has currently made broadcasting contract with a main television channel being the only one that can be also watched regularly.

**3. How remarkable do you keep the HIFK's current sponsors for the sake of team being able to function?**

The question has been partly answered already in the previous question. Sponsors are making it possible to maintain the ice hockey as professional sport in Finland, since the funding is remarkable and important to the industry.

**4. What do you think about the commotions around the ice hockey affect to the fans and for potential new fans?**

The commotions are affecting for two directions, also many of the people who comment on ice hockey are hypocrite. As an example, when National Ice Hockey League opened their season in the Hartwall Arena in two seasons back, the crowd stood up only few times when watching the game. Out of these few time, two of them were when national anthem was played and the rest when there were fights between the players in the rink. There is something that fascinates the viewers in the fights, also in USA and Canada, and some keep it as a part of the game.

The other way of seeing it is that we are talking about breaking against law, when it comes to violate the opposite players by purpose, which is no way reasonable in the ice hockey. But certain use of force is acceptable when it is done under the rules. Some of the fans see the happenings in the 1<sup>st</sup> September 2012 as not all right, and therefore there are few that are not happy to watch ice hockey anymore before the use of force is being put into a minimum level. As an extreme example some fans are also tempting others to join the boycott against ice hockey which can affect to the number of fans way or another.

The one affect is also for the partners, which responsibilities are take care of the society. When police, ministers and parliamentarians are taking a stance on the happenings inside the rink, partners are more conscious and careful.

Media also is hypocrite and working for and against the industry. Media is looking for readers' attention with the scandal headings, which are partly made bigger than the incidents truthfully are.

**5. What are the main goals and objectives in a sport like ice hockey; maximise the profit, maximise the winnings, or getting the most out of the ice hockey as a sport, or something else?**

It is combination of them all. There are no organisation in Finland counting on just maximising the profit. The profit and healthy financing are important and therefore ours stakeholders are not waiting for maximise profit for their investments, or not even good profits. On the other hand they are waiting that the capital is used wisely.

Healthy financing is the key for keeping the business and team running. Without this, the team needs to consider where the money is coming for the wages for the players and also how the operations are developed for the next years. These plans are hard to do when all the incoming money is spent for the necessary costs right away.

Ideology is to bring more value for the stakeholders; sponsors, owners, fans. And they all have own objectives, but the common factors for all of them would be good success in the games. And what tend to happen is that the effort that has put to team in order to wins, becomes an asset to good profit at the end. HIFK's objective is to win as far as the financing is in healthy bases.

**6. Which is more important: sporting objectives (teaching kids, educating and increasing the knowledge about ice hockey) or business objectives (making a profit)?**

Training the kids is all of the teams' responsibilities. The competition over leisure time is tighten up so it is important to develop in order to maintain the good position that ice hockey has in Finland. HIFK is funding junior ice hockey as growing the HIFK family but also getting the own players one day to play in the Finnish champion league in the future. This is important for the team, league and for fans.

**7. What are the possible impacts for losing the sponsor for the ice hockey industry, for fans or for ice hockey league? Are there some other impacts than those which are not mentioned above?**

One sponsor does not make so big difference whereas when talking about losing a high level sponsor. This affects to how the investments can be made in the future. In the short period of time this affects to players budget. Competition in the players market would be weaker if the support for the sponsors would increase. It is said that two teams are added to the KHL which means around 60 workplaces with good wages in Russian ice hockey market. In Sweden and Switzerland on the other hand the wages are higher so if the big players' requirement for wages cannot be fulfilled they will seek for the jobs from somewhere else. This would harm Finnish ice hockey, so therefore there is a need for sponsors' supports.

**8. Could the lost sponsor money be taking out of raising the price of entrance or fan merchandised?**

No, the product, being the team, is not improved if there are no longer as much money available to put to players wages in the team. So making the product weaker does not justify increasing the ticket prices. There is no source where the money can be taken out.

**9. If the sponsor terminates the contract, how easy it is to find a new one? What are the sacrifices that are taking place when sponsor terminates contract?**

In HIFK the sponsoring situation is really good; the sponsors are partners from long time ago, for example Sinebrychoff is 28 years old partner to mention one. Also Mercedes Benz and Elisa have been around for long time. Every time when contract is coming towards ending, the new contract needs to be able to claim back. Market is living in the rhythm of finance, Finland has been in the recession for five years now and getting the sponsors is became more difficult. Competition of the sponsoring money is tight. The change has also brought positive touch for the sponsoring industry by making the sponsors to target the money to less amounts of teams. Sponsors are focusing more on the biggest and most outstanding sports, of which ice hockey and HIFK have benefit.

The sponsors have own objectives. Some want to be part of the team, part of HIFK family, which consists 300 companies. For some it about being able to reach the fans by making the own product more familiar and some are using the sponsoring as a remarkable way to take care of the companies own partners and staff when taking them to watch ice hockey.

**10. Which directions do you think that sponsoring will develop? For example, are the sponsors keeping more eye on how teams are performing and behaving in the ice hockey rink and will terminate the contracts much easier or will the direction be the atmosphere where for violence in the sport is more appropriate? Any other possibilities?**

Many of the partners have realised that it is also benefitting for them to stay with the team in the long run. When coming as a new sponsors for the company, it takes time before you are able to take advantage of sponsoring. Perseverance is benefitting both the team and the sponsor. The relationship between the team and the sponsor need to be built for not just one person but to keeping the partnership valuable because of the own needs, so that it lasts.

About the media, HIFK made research of how many mistakes one tabloid wrote within one year and the result was 12 big misleading or mistakenly wrote headings with only one of the tabloid. It is hard to effect on those, but in the rink it is our responsibility to play according to the game rules. And for example, HIFK got player whose strength was in playing with force, we needed to let him go after too hard playing. So sponsors are affecting to it and would be foolish to do against what is commonly acceptable.

**11. Other thoughts about the ice hockey or sponsoring?**

In Finland sponsoring is small business and it does not use its full potential as it does in the bigger markets outside of the Finland. It is small portion of the marketing budget. The ice hockey is also big brands for the Finnish cities, so if you are operating in these cities, it is natural to be part of the ice hockey team. There is potential.

## **Interview with the Sales and Marketing Director of Finnish Ice Hockey Association (Juha Kuosa)**

- 1. What are the main goals and objectives in a sport like ice hockey; maximise the profit, maximise the winnings, or getting the most out of the ice hockey as a sport, or something else?**

It is to get hobbyists; children, girls, boys, young people, men, women in all levels to enjoy ice hockey and get experiences. Also enjoyment or in other words pleasure and experiences of other operators (referee, officials, coaches, volunteers, audience and fans) than players are important.

In a high level the objectives are of course to succeed and win medals and championships, first in national and then in international level (World Championship and Olympics)

- 2. Which is more important: sporting objectives (teaching kids, educating and increasing the knowledge about ice hockey) or business objectives (making a profit)?**

Of course the more important is sporting objectives including upbringing, social and ethical objectives in every sport, also in ice hockey. Ice hockey is closest to business of all the sports in Finland and in the leagues it is business but in sport's terms. The ice hockey association is a beneficial association and to us ice hockey is a sport between the boundaries of annual budget, and the gain is not to pursue profit in the association. Different projects such as Ice hockey's world championship competition can seek for profit and this profit will be used to ensure the operations and development in the future.

- 3. Why do you think people watch ice hockey or pay for watching it?**

People want entertainment, experiences and the feeling of being part of something in their everyday life. They are used to get these feelings by supporting their favourite team, following and living along the sport. Often this relationship is based on an own city's team, own town players development, success, failure and prosperity. What come to national team, the biggest value is to support Finnishness and success. Ice hockey's national team has succeeded well and therefore it is interesting and people wants to live along, follow and support the Finnish Lions to good performances and to wins. Ice hockey is also fast entertainment, with quick rhythm and all the time something is happening. But it is also fairly easy to follow and there is lot of supply available.

- 4. Would it be possible that the Finnish Ice Hockey Federation would lose sponsors because of the incidents that have been taking place in the Finnish Championship games? How do you see this influencing the industry?**

It is possible to lose partners and supporters, because of the last years happenings, meaning more precisely; violence, harming other players, too rough gameplay, bad



injuries and unfair play. Also I see that abusive usage of alcohol in a team or of fan, arrogant attitude, minimizing other people in public and operators by other clubs, other sports. Done by those who complain about too expensive tickets, media and intolerance of sexual and race matters. Inappropriate behaviour both in and outside of the ice rink does not increase the support from the society, partners, viewers, media coverage, and enthusiasm of the volunteers to be a part of ice hockey just to mention a few. So it is sure that it will affect the Ice Hockey Federation if problems and challenges are not solved early enough.

**5. What do you think, should the incidents be handled earlier/more tightly or some other way in sports future?**

I think that interference should be done more tightly. It should however follow in the line of the game because ice hockey is well trained top athletics male contact sport, so therefore contacts should be allowed. However, all the outrageous incidents should be cut off in beforehand to lower the amount of injuries. Juniors and women have stricter and different rules taking into account the difference in age, physique and so on.

I also think that the interference should focus on the players' behaviour both in and outside of the ice rink, in general this behaviour is good but there are also exceptions. Coaches' behaviour, their public announcements and language should be also under monitoring. Players and workers contracts should include professional and fair play sport rules and identify stricter requirements for behaviour. Therefore also sanctions and punishments should be tighter. Nowadays, if the referees cannot see the incidents inside the rink, the incorrect actions should be confirmed and solved from the recorded videos.

**6. What is the importance of sponsoring in the ice hockey industry?**

Partnership contracts are important to this sport; they cover 25 to 60 percent of the budget regardless of the club. For example the Finnish ice hockey association gets 30 to 40 percent of their budget from the partnership contracts. These contracts also bring other important benefits such as sporting gears. Some contracts are beneficial because of the good image that they bring, and that is hard to measure in money. One of the example is HIFK and Mercedes cars.

**7. What are the possible impacts for losing the sponsor for the ice hockey industry, for fans or for the ice hockey league? Are there some other impacts than those which are not mentioned above?**

If a sponsor terminates a contract, it takes six time the work in order to replace the lost sponsor than keep the current sponsor satisfied. For the fans it must be the easiest part if a team loses a sponsor. Relevance of the sponsor to the fans is to provide fan products, events, free samples, discounts and offers from the products or then to support the own team by supporting the sponsors (car, sporting equipment or alcohol brands).

For the industry, losing a sponsor is mostly loss of image but it can be also loss of resource if the sponsor has been financing important development such as recliners, safe gears and healthy nutrition. To sum it up, for the association, league and teams, the loss of a sponsor is mostly a financial setback and it takes hard work to get a new sponsor.



- 8. Which directions do you think that sponsoring will develop? For example, are the sponsors keeping an eye more on how teams are performing and behaving in the ice hockey rink and will terminate the contracts much easier or will the direction be the atmosphere where violence in the sport is more appropriate? Any other possibilities?**

Partners are paying more attention to these ethical and fair play issues in and outside of the ice rink. After the doping crises in skiing 2001, the contracts got an extra section of doping rules and later allowed behaviour in the rink has been added also to the contract. This covers usage of the alcohol in the sports events such as celebrating the medal as a negative aspect. The development of the sponsoring contract is towards decreasing the value of visibility in advertisement for example in the ice hockey jersey. The weight is put on developing the sport, getting youngsters and women involved, making the fan club activity more diverse and encouraging healthy lifestyle.

- 9. Would it be theoretically possible that sponsors could affect to the industry so that rules and punishments would be harder, and this way the sponsors' expectations would be fulfilled and they would continue sponsoring also in the future?**

It is theoretically and concretely possible as well as it is even current. This might have already happened, if one or more of the partner companies from the same body have interfered to violence inside of the ice rink, and putting pressure to the team in order to act fairly and transparently. Sponsors can also together finance the development of the sport towards a wanted way, and a good example of this is the safety rink which the sponsors could invest to.

### **10. Other thoughts about the ice hockey or sponsoring?**

Ice hockey is by far the most interesting sport and sport entertainment in Finland. Ice hockey has sort of the same position here as the football has in the rest of the European countries. For example the Ice hockey's world championship competition final was watch by over 1 million and Olympic bronze game was watched by 2.5 million Finns. Ice hockey is the only sport in Finland which can be compared internationally to sport business because of the profitable ticket revenues. Ice hockey also has the most sponsors and partners when taking into account the association, league, 12 league teams, 12 Mestis teams (the second-highest ice hockey league in Finland) and other lower leagues with their teams.

Finnish ice hockey has managed well in the regressive sponsoring markets, whereas the other sports have made negative revenue in that market. The regression has mainly shown as ticket revenue and in the number of viewers.

## **Interview with the Member of the Board of Eteläpääty ry. (Tuomas Eloranta)**

### **1. Why do you think people watch ice hockey or pay for watching it?**

People are looking for experience, sense of solidarity and entertainment. It is also escaping from everyday life. Lastly people go to see games to see friends.

### **2. What is the importance of sponsoring in the ice hockey industry?**

Sponsors are in important role because they are paying big share of the players' wages. Without the sponsors, audience's expenses would rise.

### **3. How remarkable do you keep the Jokerit's current sponsors?**

It is always a pleasure when the sponsoring company prefers to sponsor the favourite team over others. Overall you do not pay that much attention to sponsoring companies.

### **4. Have you personally noticed that you are supporting home team's sponsors' products or services? Or have you noticed that you avoid other teams' sponsors' products?**

Yes I have noticed these happening. For example in refreshments and alcohol products I prefer Hatwall products (Jokerit's sponsor) over Koff products (HIFK's sponsor). But I am also open for other products if the right brand is not available.

### **5. Would you be ready to pay higher ticket prices if losing a sponsor would mean this kind of adjustments?**

I would rather not pay higher ticket prices, because they are already too high. But of course I would be willing to support the home team even more in some other ways. I feel that terminating the contract tells you enough about the company and after the end of the contract I rather not use its product or services any longer. This happened with Helsingin Sanomat after the incident on the autumn 2013.

### **6. What do you think about the commotions around the ice hockey affect to the fans and for potential new fans?**

I don't think that they have an effect. Those who find ice hockey interesting will find their way to the stands. These incidents have a greater impact on people who don't follow ice hockey and who probably won't ever follow ice hockey.

### **7. Do you feel that terminating the contract will affect to the fans? If it does, then how?**

It does. For example like already mentioned above, when Helsingin Sanomat terminated the contract it unified the Jokerit fans even more. Being part of a fanclub, it is all about tight and positive team spirit. I personally know dozens of people who ended their order of Helsingin Sanomat magazine, but in total the amount must be close to hundreds of people.

### **8. Which directions do you think that sponsoring will develop? For example, are the sponsors keeping more eye on how teams are performing and behaving in the ice hockey rink and will terminate the contracts much**

**easier or will the direction be the atmosphere where for violence in the sport is more appropriate? Any other possibilities?**

I think sponsors will record more preciously the terms that will point out the events which after the contract will be terminated. In other words sponsors will pay more attention in the future for what is happening around the teams. None of the sponsors wants to be connected to the negative atmosphere surrounding the sponsored team. I would say that sponsoring will increase now when Jokerit is moving to KHL (Kontinental Hockey League). This is the opportunity for big Finnish and well-known brands in Russia to advertise to the right target audience, an example of this in Valio.

## Interview with the fan of all kind of sports (Janne Turtiainen)

### 1. Why do you think people watch ice hockey or pay for watching it?

Ice hockey is one the best most entertaining sports in the world. Ice hockey is fast paced, tactical and sometimes quite rough sport, which entertains most of the audience. Both genders and all age people can enjoy watching hockey. In a country such as Finland, it can also be national sport which unites the whole family to watch the games on TV, during major tournaments. Some even pay to go watch matches live.

People can also get attached to certain players and continue support them no matter what team they represent. I think that is one of the most beautiful things in Ice Hockey. One player can grow in home town team, but continue to play in bigger circles at later time. Still the fans continue watching and supporting that player.

### 2. What is the importance of sponsoring in the ice hockey industry?

The answer how important sponsorship in Ice Hockey is depends on, which league we're talking about. If we're just talking about Finnish league, the importance is major, in order to being able to fill roster with top-notch players. If we're looking at this question internationally, the bigger the audience watching the team play, the less important sponsorship comes. In NHL, the teams require fewer sponsors, because of larger audience watching the matches.

Sponsoring is vital for some teams to be able to continue playing. Mainly for the smaller teams, that have less than few thousand fans watching the home matches on regular basis.

### 3. How remarkable do you keep the HIFK's current sponsors for the sake of team being able to function?

Season 2015, team HIFK will be the only team in Helsinki. That can bring some of the fans who formerly were cheering for team Jokerit, but are now boycotting them because of leaving to KHL (Russian league).

This brings interesting viewpoints to what HIFK can do, in terms of attracting high profile players to their team and more fans to watch their games. Being the sole ice hockey team in Helsinki can also act in favour, in order to get license to be able to build their new stadium.

Being the sole team in Helsinki does also mean, more companies are interested in making sponsorship with HIFK. If the team can progress throughout the season with excellent results, the more likely it is that they will build up more connections with companies.

I wouldn't be too worried, even if one or two drops the sponsoring with HIFK as long as the team makes effort in doing their best to attract fans to watching their games. In ice hockey, the team must win, in order to function. If team wins, the fans are happy. This leads to more audience in home matches and interest in the team. Teams with high importance in marketing value, results in gaining new important sponsoring deals.

**4. How do you think about the commotions around the ice hockey affect to the fans and for potential new fans?**

Negative publicity always has its own effect no matter what the subject is. If it's handled improperly, it can affect old fans to switch teams they support. On the other hand, if the commotion is handled properly in good manner that pleases most, it can also work in favour of the team.

Sport that is in spotlight in a good way can result in more new fans and what is important; grow their own junior team players with new people starting ice hockey as a hobby. Good example is in Finnish basketball, which has been in high interest now, that the Finnish team had excellent results in the last European championship tournament. Basketball has never been as popular as it is now.

**5. What are the main goals and objectives in a sport like ice hockey; maximise the profit, maximise the winnings, or getting the most out of the ice hockey as a sport, or something else?**

Ice hockey teams are companies. So even if the main goal is to make the teams play as entertaining as possible to audience and attain championship, the main thing unfortunately is to make as much money as possible. I can't believe ice hockey teams would deliberately focus solely on making money, but if the team has lot of loans, it can't function for very long.

This is a double-edged sword. Will the team try to please the fans by attaining the championship by keeping key-players and buying new high profile players, or to maximise profits. Some teams do it more effectively than others, but the main thing seems to be who has the most money. Luckily ice hockey isn't like soccer, where having an oil sheikh supporting the team with big bank account immediately results in good results in the league.

**6. Which is more important: sporting objectives (teaching kids, educating and increasing the knowledge about ice hockey) or business objectives (making a profit)?**

In sports, the most important thing should be teaching kids how fun sports can be and how healthy lifestyle can impact your life. Some ice hockey players also act as role models for younger people. Sports should always be fun and be interesting enough to make people want to test the sport out. Unfortunately the cost to have ice hockey as a hobby is rapidly increasing and large families with 2-3 children have to make sacrifices, in order for the children to be engaged in equipment-heavy sports such as ice hockey.

Also, the older you are, the less likely you are to try ice hockey as a sport. It's unfortunate that there are close to none clubs, which give activities to older people, who just want to have ice hockey as a hobby and that have not played it since they were 6 year old. It would be rather refreshing to be 30 year old and know that some team would have fun courses for older people to try ice hockey out as a hobby. It would also deepen the bond between the team and the fans.

**7. What are the possible impacts for losing the sponsor for the ice hockey industry, for fans or for ice hockey league? Are there some other impacts**

**than those which are not mentioned above?**

Losing a sponsor because of bad publicity can bring media interest and start discussion of ice hockey as a sport, whether it is too rough or how fights shouldn't belong inside the ice hockey rink.

It can be an imago loss, but losing sponsor shouldn't affect much for the industry or league. For fans losing sponsor can mean less income on the team they support. It could also result in hardcore fans frowning upon the sponsors products or services.

**8. If the sponsor terminates the contract, how easy it is to find a new one? What are the sacrifices that are taking place when sponsor terminates contract?**

Finding a good profitable sponsors that bring lots of cash or services to the team are hard to come by. Depending how the hockey team is performing and how the standing is in the league can act in favour in gaining new sponsors.

Terminating contract can result in the team losing sponsor income or services. It can also act as imago loss, but for the teams fans it has no real effect. "It's their loss, not ours".

**9. Which directions do you think that sponsoring will develop? For example, are the sponsors keeping more eye on how teams are performing and behaving in the ice hockey rink and will terminate the contracts much easier or will the direction be the atmosphere where for violence in the sport is more appropriate? Any other possibilities?**

Of course sponsors keep eye on teams they sponsor more intensively now than before. One slight mistake shouldn't make sponsors terminate the contract though. Unless it's case of bribe and fixing the matches outcome, sponsors shouldn't jump off the gun too fast. Mistakes happen, why leave the ship too fast? It leaves bad taste in my opinion.

I personally believe hockey violence doesn't belong in the hockey rink. Adrenaline can rush during matches and some impulsive fights can occur, but pre-decided fights should not happen. With this in mind, fighting in equal terms in the rink is acceptable in my mind and can be entertainment. However, when the match turns out to be one big farce of a game, where person watching the game suddenly starts to think: "at what point did they went to see a boxing match, instead of a hockey match?" shouldn't happen.

**10. What do you think, should the incidents be handled earlier/more tightly or some other way in sports future?**

If there is tension between the teams, the officials could keep some eye out for the coaches and warn them if something happens, the penalties can be harsh for the team. A 110% certain pre-decided fights and certain cases of hockey violence should be penalised harshly. Not just the player, but also the coach. Like reporters and newsmagazines, the person in charge is always the one who holds the responsibility. Brutal hockey violence should be penalised so, that none of the teams should ever try

doing it again. 10 matches penalty for players involved and the coach would make any team think twice about fixing up a beat up for opponents key player.

**11. Would it be theoretically possible that sponsors could affect to the industry so that rules and punishments would be harder, and this way the sponsors' expectations would be fulfilled and they would continue sponsoring also in the future?**

No.

The games are played on the ice hockey rink. How the players act, are solely based on how the team managers/ coaches want them to act. Even if there is no admitting in public, that coach tells some player to beat up some player, it's hard to believe player would act solely on his own interest to beat up a player.

No matter the case, sponsors shouldn't be in position to affect ice hockey industry to the games in any way possible. It would lead to other possible problems.

**12. Have you personally noticed that you are supporting home team's sponsors' products or services? Or have you noticed that you avoid other teams' sponsors' products?**

This is quite interesting question. In terms of marketing, the more visible the brand is, the better chance a customer will purchase items labelled on the brand. I personally won't boycott any brand solely based on because it has sponsoring deal with a team I don't support. However some brands I see, I purchase depending on the season. For example I don't purchase certain beer brand, unless it's world championship tournament.

I think brands on teams hockey jerseys can bring in more potential customers. Sponsoring is good thing for the companies to do. After all, ice hockey is the national sport in Finland.

**13. Would you be ready to pay higher ticket prices if losing a sponsor would mean this kind of adjustments?**

Yes and no. If the team would have enough high profile players and it has a potential chance to attain the championship, I would gladly pay a bit extra. It's all about how entertaining the teams play is. If it's boring, always losing and there is no point to watch the matches – why bother paying extra for that?

**14. Do you feel that terminating the contract will affect to the fans? If it does, then how?**

Terminated contract can lead to less income, which result in less money could spend on the team. All of this matters on the terms of the contract and how major it is. For fans sponsoring deals often are unknown in details, so how it affects them can be quite different.



I believe the fans don't really care that much if a contract is terminated. A fan to the team will just think: "well it's their loss if they don't want to support us – they don't need to come crawling back either, when we start to win again!"

#### **15. Other thoughts about the ice hockey or sponsoring?**

This might be quite off-topic, but I personally think two major tournaments shouldn't be arranged in the same year. By this I mean, Olympics and World Championship shouldn't be played in the same year. Olympics are much, much more interesting and attract more high profile players, leading world championship to be some b-class tournament with less high class players. Making it less interesting to watch the games.

## **Interview with the coach of the team Blues, women's team (Sami Haapanen)**

### **1. Why do you think people watch ice hockey or pay for watching it?**

Watching ice hockey is seeking for entertainment. In the audience all kinds of emotions can be felt all the way from great success stories when a team wins to disappointment when the team loses. It is an easy way to escape from the everyday life and challenges. Even when the economy is facing a downturn and people do not have that much spending money, they are still ready to pay for the ice hockey. For example in the Finnish champion league fan culture is wide and being a fan is one way of belonging somewhere. "True fans" are travelling during the season as much as the team itself, so the fan society is a tight community, and surely a great way of spending time. In the women's ice hockey, being a fan means more like supporting own family members. Ticket prices are not an obstacle since the games are free or cost maximum of five euros. The difference can be seen also in the number of spectators, when in the men's games the viewers are around 7000 people and in women's game the number is only 300 to 500 viewers.

### **2. What is the importance of sponsoring in the ice hockey industry?**

It is vital. If team cannot find sponsors then it cannot function. From the women ice hockey's perspective getting a sponsor is really challenging. You need to have some connection to the company before it comes your supporter. For example friend or family member working in a company. In men's side the sponsoring contract are remarkable. Seasons are long therefore the costs are big as well so sponsoring money plays a huge role. I do not know that much about how much men's Finnish champion league has and gets sponsors. But I would imagine that it would be more difficult to get a sponsor in the capital area than in rest of the country. Capital area has so many different sports competing about the sponsoring money, than in the Northern Finland, where for example team Kärpät is the major team of all of the sports. But without sponsors, the ice hockey would not reach its position that it has now.

### **3. How remarkable do you keep the HIFK's current sponsors for the sake of team being able to function?**

It is also vital. HIFK has had a contract with KOFF for ages and without the large support HIFK's operation would not be as strong as it is. HIFK is a legendary team where players want to join and proudly wear the red jersey.

### **4. How do you think about the commotions around the ice hockey affect to the fans and for potential new fans?**

Current fans are not likely to be sensitive to the commotions. There have always been and always will be some kind of sensations around the sport. The difference is that nowadays the media is more powerful in bring up all the dodgy happenings than before. Communication channels are wide and you can watch games from television hours after hours for example within one week.

The new fans are more vulnerable to the happenings on the ice rink. And because of all kind of commentators, who know nothing about the sport the new fans are questioning more easily do they want to be part of the sport. Every sport has the typical problems and challenges but ice hockey has been brought up more than other sports. Ice hockey is a wonderful sport that every supporter can proudly follow.

**5. What are the main goals and objectives in a sport like ice hockey; maximise the profit, maximise the winnings, or getting the most out of the ice hockey as a sport, or something else?**

In women's ice hockey the most important objective is to succeed and develop the players to meet the international requirements. In women's hockey money plays no other role than the necessary, bills must be paid which includes travel costs, ice rink rent, to mention a few. In the men's side the goal is to seek success in the league, but everything including success comes in money's terms. If winning the league seems to be too far away, at some point the players can be traded to ensure next season's good success. You can also succeed without money or supporters, but it is not easy. But on the other hand if the financing part is doing well, you do better in the games as well, and this is the way to make more money and gain more success in the games. So you could say that success and good economic situation goes hand in hand.

**6. Which is more important: sporting objectives (teaching kids, educating and increasing the knowledge about ice hockey) or business objectives (making a profit)?**

This is the easiest question to answer. In women's side the development and success is the most important objective. Women are not that keen on changing the team, so teams are desired to develop the players even more and build a good image for the team. In the men's side the teams are usually corporations whose objectives are to make profit. The profit is made, when team plays successfully.

**7. What are the possible impacts for losing the sponsor for the ice hockey industry, for fans or for ice hockey league? Are there some other impacts than those which are not mentioned above?**

Only a few things might affect the reason why a sponsor walks away. Overall poor money situation in a team can affect and if the economic situation keeps going down, how long will it take when it can be seen in sponsors terminating the contracts. All the violence and other negative situations are affecting, but I do not see them as big problems why sponsors would leave the team.

**8. If the sponsor terminates the contract, how easy it is to find a new one? What are the sacrifices that are taking place when sponsor terminates contract?**

In the women's hockey it is extremely difficult if the sponsor terminates the contract. New sponsors are difficult to find. I am not that sure about the men, it must depend on the country, size of the sponsor who leaves and how much money will be lost.

- 9. Which directions do you think that sponsoring will develop? For example, are the sponsors keeping more eye on how teams are performing and behaving in the ice hockey rink and will terminate the contracts much easier or will the direction be the atmosphere where for violence in the sport is more appropriate? Any other possibilities?**

Every sponsor is following how the money is spent. In order to get the most out of sponsoring a team, sponsors are expecting their logos to be seen in a positive light.

- 10. What do you think, should the incidents be handled earlier/more tightly or some other way in sports future?**

Current procedures are good. Let's wait before something happens and after that we can start to speculate them. Sanctions are good enough as long as we do not enlarge things for nothing. The most important thing is that ice hockey stays as a great sport, which both players and spectators can enjoy. It is also good to remember that it is just sport, nothing less and nothing more.

- 11. Would it be theoretically possible that sponsors could affect to the industry so that rules and punishments would be harder, and this way the sponsors' expectations would be fulfilled and they would continue sponsoring also in the future?**

Sponsors should not have the power to change the rules or punishments. The game should proceed with the terms of games and fundamentals.

- 12. Have you personally noticed that you are supporting the products of the home teams' sponsors or services? Or have you noticed that you avoid other teams' sponsors' products?**

Personally I do not see that it would have impacted me. I have been a HIFK fan for years, but since I do not consume beer, KOFF's products are not the first choice for me. And to be honest, I am not that familiar with HIFK's sponsors.

- 13. Would you be ready to pay higher ticket prices if losing a sponsor would mean this kind of adjustments?**

Ticket prices are already at the upper limit. If the prices would keep going up, personally I would choose carefully what games I would go to see. People cannot afford to go to see all the games with the high prices.

- 14. Do you feel that terminating the contract will affect to the fans? If it does, then how?**

I do not think that it affect to fans.

## Interview with the ice hockey fan (Heikki Tynys)

### 1. Why do you think people watch ice hockey or pay for watching it?

Ice hockey is a fast contact-sport and maybe because of that one of the most popular sport in the world

### 2. What is the importance of sponsoring in the ice hockey industry?

Its huge, if you want the have successful team and campaign you always need money

### 3. How do you think about the commotions around the ice hockey affect to the fans and for potential new fans?

There is two sides in this matter, if you really understand hockey and if you just watch it. I think that fights belong to hockey because it's better to fight that hit someone with a stick or hit someone from behind. But you have to remember that you need two people in a fight, if somebody doesn't want to fight you have to respect that.

### 4. What are the main goals and objectives in a sport like ice hockey; maximise the profit, maximise the winnings, or getting the most out of the ice hockey as a sport, or something else?

Like I said, winning and money come together, if your team is winning people come and see it and it's more easily the get sponsors. Then when you have money you can get better players and continue winning.

### 5. Which is more important: sporting objectives (teaching kids, educating and increasing the knowledge about ice hockey) or business objectives (making a profit)?

You can do both, you have a junior team where all the best juniors plays and compete to win. Then you can have another junior team where you can have less competition and concentrate teaching, educating and increasing the knowledge. That way you also have continuation.

### 6. What are the possible impacts for losing the sponsor for the ice hockey industry, for fans or for ice hockey league? Are there some other impacts than those which are not mentioned above?

Biggest factors of losing sponsors and people is if the team is not winning and a possible excess.

### 7. If the sponsor terminates the contract, how easy it is to find a new one? What are the sacrifices that are taking place when sponsor terminates contract?

Depends why they are terminating it, I'm sure you have to explain why someone left and things like that.

- 8. Which directions do you think that sponsoring will develop? For example, are the sponsors keeping more eye on how teams are performing and behaving in the ice hockey rink and will terminate the contracts much easier or will the direction be the atmosphere where for violence in the sport is more appropriate? Any other possibilities?**

I understand that companies have to think where they give their money and where they want to see their name shown.

For example Hifk fans like that their team play aggressive hockey, there could be fights and things like that but if you look things from sponsors eyes I'm sure some of them think twice that do they want to be part of that.

In NHL Philadelphia Flyers have same history and it comes from 1970's but there nobody complains, that is the difference between Finnish Liiga and NHL.

- 9. What do you think, should the incidents be handled earlier/more tightly or some other way in sports future?**

On my opinion, if something happens in hockey or other sports it's not police of parliament's job to investigate it. If there is something to be punish, in sports there usually always is someone whose job it is and that's enough.

- 10. Would it be theoretically possible that sponsors could affect to the industry so that rules and punishments would be harder, and this way the sponsors' expectations would be fulfilled and they would continue sponsoring also in the future?**

No. Same thing here, only sports own people can do those kind on decisions.

- 11. Have you personally noticed that you are supporting home team's sponsors' products or services? Or have you noticed that you avoid other teams' sponsors' products?**

Not really.

- 12. Would you be ready to pay higher ticket prices if losing a sponsor would mean this kind of adjustments?**

It depends lots of things and it's not so simple.

- 13. Do you feel that terminating the contract will affect to the fans? If it does, then how?**

I think that only way is that if team loses sponsors then them don't have to get good players. But that is a good thing too, then the team will have to promote their own juniors

to the first team and that's a good thing to team themselves and generally a good thing to Finnish ice hockey.

#### **14. Other thoughts about the ice hockey or sponsoring?**

Nowadays I think that usually sponsors know the "dangers" when they start to invest their money in hockey or other sports.