Griffith Business School

Submitted in fulfilment of the requirements of the degree of

Doctor of Philosophy

by

Rachel J. Batty
Managing stakeholder relationships in conjunction with a public health agenda: A case study of community sport events in New Zealand

Rachel Joanne Batty

*MPR&TM (Hons) BRM*

Griffith Business School
Department of Tourism, Sport and Hotel Management

Submitted in fulfilment of the requirements of the degree of Doctor of Philosophy

December 2013
Abstract

Existing research suggests that the stereotypical realm of taboo sport sponsorship, which has traditionally included tobacco and alcohol products, is evolving to incorporate soft drink, confectionary and fast food. Such products are viewed (by some event stakeholders and community members) as detrimental to public health initiatives and are seen as contributing to health issues including obesity, diabetes and heart disease. As a result, some organisations who associate themselves (via sponsorship) with community sport events are receiving criticism over the types of products they are promoting. These challenges are due, in part, to increasing public health concerns (especially within New Zealand) and amplified levels of corporate social responsibility in relation to sponsorship partnerships with companies that produce such products. Due to sport events often being linked to stereotypical values associated with fitness, healthy living and active lifestyles, this would suggest that there is a narrowing field of sponsors and associated funding which sport event managers can utilise.

A review of the literature pertaining to sport sponsorship and sport event sponsorship demonstrated the need for research which examines community sport event sponsorship and stakeholder relationships. Research gauging the impact a public health agenda can have on potential and existing community sport events sponsors is required. In order to do this, community sport event stakeholder relationships and sponsor-focused incompatibilities need to be examined and understood. Such research will aid in the management of successful stakeholder relationships and sustained provision of community sport events.

A qualitative research method focussed on four New Zealand based community sport events which were examined as case studies. Each event was selected based upon a series of pre-set classification criteria. These criteria identified each event involving sponsors who had recently fallen under question (such as confectionary, fast food or soft drink companies), lacked regulation and who were yet to be guided by legislation. In-depth, semi-structured interviews with event managers and associated event stakeholders and the collection of associated documents (for example, promotional materials, media articles and policy documents) took place between April 2010 and December 2012. Individual stakeholders were identified via a snowball sampling technique. Data was analysed via NVivo8 software and incorporated a three stage, open, axial and reflective coding method.

Analysis of the data collected identified a significant change in the nature of community sport event sponsorship due to the impacts of a public health agenda. Community sport event stakeholders are increasingly taking obesity, heart health, diabetes and other major public health issues into consideration when aligning with events and sponsors. The pressure of a public health agenda has resulted in community sport event stakeholders seeking to avoid alignment with unhealthy food and beverage brands and products. Incorporated within stakeholder alignment decision making processes are factors (such as corporate social responsibility, organisational values, and personal agendas) driving community event stakeholder power exertion and legitimacy. As a consequence, event owners are reducing their dependency on sponsors who clash with health objectives. Furthermore, community event stakeholders are predicting changes
in event sponsorship legislation and policy which will further limit funding opportunities available to community sport event managers.

The research findings have contributed to theoretical insight and the body of literature associated with the management of community sport events, the factors influencing stakeholder relationships and the changing nature of sponsorship. These findings also have direct implications for current and future event managers, particularly in relation to funding sources, sponsor alignments and event stakeholder management. Further research is proposed involving a longitudinal assessment of community sport events and a broader range of community sport event stakeholders.
Originality Statement

This work has not previously been submitted for a degree or diploma in any university. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person except where due reference is made in the thesis itself.

Signature of Candidate: ________________________

Date: _________________________________________
# Table of Contents

Abstract iv  
Originality Statement vi  
Table of Contents vii  
List of Tables x  
List of Figures xi  
List of Appendices xii  
Acknowledgements xiii

**Chapter One: Introduction**

1. **Research Topic Selection and Background** 3  
1. **Research Significance, Questions and Contributions** 5  
1. **Terminology** 7  
1. **Thesis Structure** 10  
1. **Delimitations** 12  
1. **Conclusion** 13

**Chapter Two: Literature Review**

2. **The Commercialisation of Sport and Events** 16  
2. **Factors Influencing Sport and Event Management** 26  
   2.2.1 **Increasing Brand Awareness** 27  
   2.2.2 **Image Association** 28  
   2.2.3 **Cause Marketing** 30  
   2.2.4 **Corporate Social Responsibility** 31  
   2.2.5 **Morally Correct Sponsorship and a Public Health Agenda** 34  
   2.2.6 **Sponsorship and the Media** 39  
   2.2.7 **Power Exertion and Legitimacy** 41  
2. **The Consequences of a Strategic Approach to Sponsorship** 44  
   2.3.1 **Sponsorship and Event Legislation and Policy** 45  

Chapter Review 49

**Chapter Three: Theoretical Framework**

3. **An Overview of the Selected Theoretical Frameworks** 51  
   3.1.1 **Freeman’s Stakeholder Theory** 51  
   3.1.2 **Rowley’s Network Theory of Stakeholder Influences** 53  
3.2 **Theoretical Perspectives in a Sport and Event Context** 54  
3. **Theoretical Components Relative to this Study** 56  
   3.3.1 **Power** 57  
   3.3.2 **Legitimacy** 59  
   3.3.3 **Organisational Values** 65  
   3.3.4 **Stakeholder Theory, Ethics and Corporate Social Responsibility** 69
Chapter Four: Methodology ................................................................. 72

4.1 Consolidation of Existing Literature ........................................... 73
4.2 Research Design ................................................................. 73
  4.2.1 Qualitative Research Design 74
  4.2.2 A Case Study Approach 78
  4.2.3 Selection of Case Studies 81
  4.2.4 Identification of Participants 83
4.3 Ethical Considerations ...................................................... 86
  4.3.1 Ethics Approval 87
  4.3.2 Interviewee Ethical Procedures 87
  4.3.3 Data Storage and Confidentiality 88
4.4 Data Collection ............................................................... 89
  4.4.1 Semi-Structured Interviews 89
  4.4.2 Triangulation 89
  4.4.3 Saturation Point 92
4.5 Data Analysis ............................................................... 95
  4.5.1 The Coding Process 96
  4.5.2 Constant Comparison 99
4.6 Summary of Limitations ................................................... 99

Chapter Five: Descriptive Results (Part A): Case Study Overviews .......... 102

5.1 The Christchurch Star City to Surf ........................................ 103
5.2 The McDonald's Youth Duathlon ........................................ 106
5.3 The Adidas Auckland Marathon ........................................ 108
5.4 The Ports of Auckland Around the Bays ............................. 111
5.5 Event Stakeholder Summaries ........................................... 113
  5.5.1 Stakeholder Type: Event Owner 113
  5.5.2 Stakeholder Type: Sponsor 115
  5.5.3 Stakeholder Type: Corporate Team Entrant 117
  5.5.4 Stakeholder Type: Facilitator 118
  5.5.5 Stakeholder Type: Recipient Charity 120
  5.5.6 Stakeholder Type: Volunteer Group 121

Chapter Six: Descriptive Results (Part B): A Description of the Findings ...... 123

6.1 Stakeholder Classification Perceptions .................................... 124
  6.1.1 Role Classification 126
  6.1.2 Self-Classification 126
6.2 Legitimacy of Power ....................................................... 127
  6.2.1 Hierarchical Status 128
  6.2.2 Pre-Existing Relationships 130
  6.2.3 Personal Agenda 131
  6.2.4 Demands Relative to Scale 131
6.3 Stakeholder Responsiveness ............................................ 133
  6.3.1 Public Health Agenda 134
  6.3.2 Resourcing 138
  6.3.3 Participant Choice 140
6.4 Image Maintenance ....................................................... 142
  6.4.1 Value Alignment 143
6.4.2 Corporate Social Responsibility

Chapter Review

Chapter Seven: Analysis and Discussion ................................................. 147

7.1 Recognising the Influence of a Public Health Agenda ................. 148
  7.1.1 Taking a Public Health Agenda into Consideration 149
  7.1.2 The Suitability of Sponsors Products 151
  7.1.3 The Impacts of Personal Choice on a Public Health Agenda 154

7.2 Organisational Values and Corporate Social Responsibility .... 156
  7.2.1 The Establishment and Identification of Values 157
  7.2.2 Value Alignment 159
  7.2.3 Corporate Social Responsibility 164

7.3 Power Exertion and Legitimacy .................................................. 166
  7.3.1 Value Alignment Failure 166
  7.3.2 Pre-Existing Relationships 170
  7.3.3 Personal Agenda 171
  7.3.4 Event Scale, Profile and Level of Stakeholder Investment 172
  7.3.5 Factors Influencing Legitimacy
      - Role Identification 173
      - Hierarchical Status 175

7.4 Community Sport Event Stakeholder Management Implications ...... 183
  7.4.1 Event Stakeholder Management 184
  7.4.2 Sponsorship and Funding Opportunities 186
  7.4.3 Policy and Legislation 188

Chapter Review

Chapter Eight: Conclusion ................................................................. 191

8.1 Summary of Key Findings ......................................................... 192

8.2 Implications for Theory, Policy and Practice ............................ 193
  8.2.1 Implications for Theory 193
  8.2.2 Implications for Policy 196
  8.2.3 Implications for Practice 198

8.3 Limitations of Research ......................................................... 200
8.4 Future Research Areas .............................................................. 201
8.5 Ongoing Relevance of Research ................................................ 202
8.6 Concluding Statement .............................................................. 204

9.0 Appendices ................................................................................. 206

10.0 References ................................................................................. 221
## List of Tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Stakeholder Typology</td>
<td>58</td>
</tr>
<tr>
<td>4.1</td>
<td>An Overview of the Research Procedures</td>
<td>72</td>
</tr>
<tr>
<td>5.1</td>
<td>Stakeholders Interviewed from the Christchurch Star City to Surf</td>
<td>104</td>
</tr>
<tr>
<td>5.2</td>
<td>Stakeholders Interviewed from the McDonald’s Youth Duathlon</td>
<td>106</td>
</tr>
<tr>
<td>5.3</td>
<td>Stakeholders Interviewed from the Adidas Auckland Marathon</td>
<td>109</td>
</tr>
<tr>
<td>5.4</td>
<td>Stakeholders Interviewed from the Ports of Auckland Round the Bays</td>
<td>111</td>
</tr>
<tr>
<td>6.1</td>
<td>Summary of Data Analysis Thematic Findings</td>
<td>124</td>
</tr>
<tr>
<td>6.2</td>
<td>Stakeholder Role Descriptions</td>
<td>125</td>
</tr>
<tr>
<td>7.1</td>
<td>Proposed Stakeholder Management Initiatives</td>
<td>185</td>
</tr>
<tr>
<td>8.1</td>
<td>Summary of Key Research Findings</td>
<td>192</td>
</tr>
</tbody>
</table>
List of Figures

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Literature Review Overview</td>
<td>15</td>
</tr>
<tr>
<td>3.1</td>
<td>Creating Value for Stakeholders</td>
<td>62</td>
</tr>
<tr>
<td>3.2</td>
<td>Network Structure Patterns and Relationships</td>
<td>63</td>
</tr>
<tr>
<td>3.3</td>
<td>Value Analysis Process</td>
<td>68</td>
</tr>
<tr>
<td>3.4</td>
<td>Enterprise Level Strategy Process</td>
<td>69</td>
</tr>
<tr>
<td>4.1</td>
<td>Event Stakeholder Interview Matrix</td>
<td>86</td>
</tr>
<tr>
<td>4.2</td>
<td>Data Coding Process (A)</td>
<td>97</td>
</tr>
<tr>
<td>4.3</td>
<td>Data Coding Process (B)</td>
<td>98</td>
</tr>
<tr>
<td>5.1</td>
<td>Christchurch Star City to Surf Stakeholder Relationship Map</td>
<td>105</td>
</tr>
<tr>
<td>5.2</td>
<td>McDonald’s Youth Duathlon Stakeholder Relationship Map</td>
<td>107</td>
</tr>
<tr>
<td>5.3</td>
<td>Adidas Auckland Marathon Stakeholder Relationship Map</td>
<td>110</td>
</tr>
<tr>
<td>5.4</td>
<td>Ports of Auckland Around the Bays Stakeholder Relationship Map</td>
<td>112</td>
</tr>
<tr>
<td>7.1</td>
<td>Chapter Seven Diagrammatic Overview</td>
<td>148</td>
</tr>
<tr>
<td>7.2</td>
<td>Strategy Process for a Community Sport Event (adapted from Freeman, 1984, p.92)</td>
<td>154</td>
</tr>
<tr>
<td>7.3</td>
<td>Updated Network Structure of the City to Surf (based on Rowley’s, 1997, centrality theory)</td>
<td>181</td>
</tr>
</tbody>
</table>
# List of Appendices

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1</td>
<td>Participant Information Letter</td>
<td>207</td>
</tr>
<tr>
<td>9.2</td>
<td>Informed Consent Form</td>
<td>210</td>
</tr>
<tr>
<td>9.3</td>
<td>Interview Questions</td>
<td>211</td>
</tr>
<tr>
<td>9.4</td>
<td>Stakeholder Interview Details and Process Summary</td>
<td>212</td>
</tr>
<tr>
<td>9.5</td>
<td>Summary of Documents Collected for Analysis</td>
<td>213</td>
</tr>
<tr>
<td>9.6</td>
<td>Document Matrix</td>
<td>214</td>
</tr>
<tr>
<td>9.7</td>
<td>Coca Cola Compliance and Social Responsibility Charter</td>
<td>215</td>
</tr>
<tr>
<td>9.8</td>
<td>Heart Foundation Food Advertising Statement</td>
<td>217</td>
</tr>
<tr>
<td>9.9</td>
<td>Canterbury District Health Board Ethics of Association Policy Draft</td>
<td>219</td>
</tr>
</tbody>
</table>
Acknowledgements

I would firstly like to acknowledge the time, effort and advice provided by my supervisors Professor Kristine Toohey and Professor Graham Cuskelly. Thank you so much for your patience and encouragement when the going got tough.

In October 2010, I was fortunate enough to be invited by Professor Malcolm McIntosh to present and discuss my thesis research at a forum with Professor Ed Freeman, author of *Strategic Management: A Stakeholder Approach*. I will always be greatly appreciative for this rare and valuable opportunity and to Professor Freeman for his endorsement in my choice to utilize stakeholder theory as a framework for my research.

Thanks must also go to the many members of the Tourism, Sport and Hotel Management department who kindly offered their support in times of need and never turned me away when I came knocking. Special recognition must go to Dr Kathleen Lloyd, Dr John Rynne, Dr Sacha Reid and Dr Millicent Kennelly.

My parents have been at the centre of my support network throughout this entire journey. A mere thank you doesn’t seem to suffice when reflecting on the numerous roles they have played and the substantial help and support they have provided – all above and beyond what any parent should have to endure!

Lastly, I need to acknowledge my brother Richard and his role in introducing me to the world of academia and sport sponsorship. Thank you for believing in me. This is a promise kept.