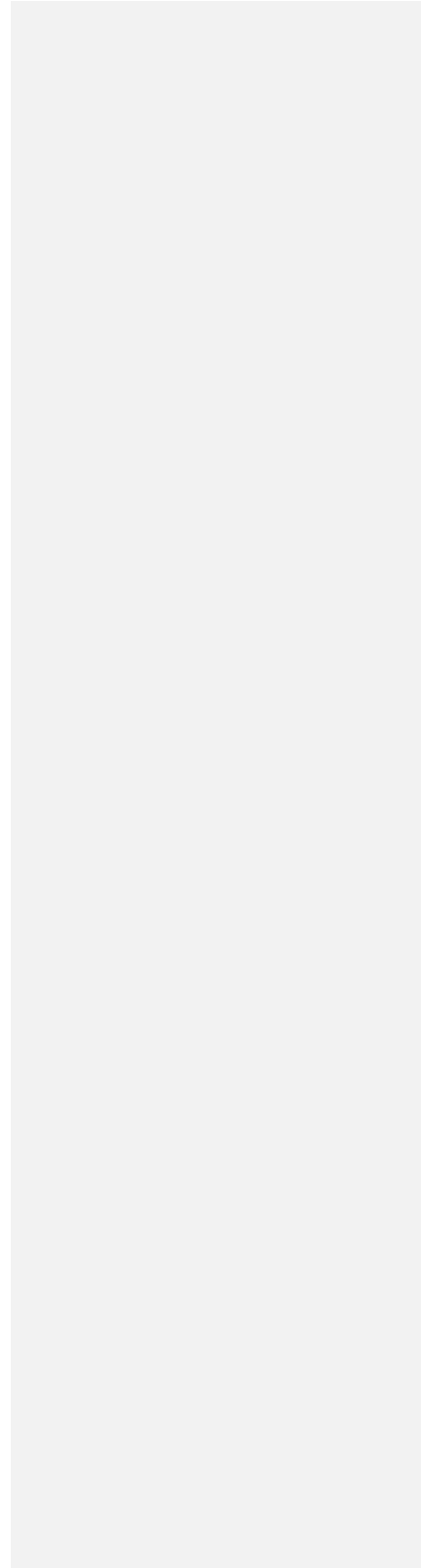


**Original Research Article**

**The Impact of Sponsorship on Brand Equity of  
Cellular Networks in Hyderabad Pakistan**

UNDER PEER REVIEW



**Abstract-** Wireless and mobile networks are quickly becoming the consequential type of network access for telecommunication services and with the emergence of modern technologies the number of users has also increased numerously. Similarly, In Pakistan advance facilitating promotions and improved service quality of mobile networks have enormously raised 161.24 million users of mobile networks till july-2019. Due to the innovative advancement and Hi-tech competition in the market the networks use different strategies to retain and sustain the brand equity such as, Linking the brand with an event via sponsorship enables companies to reach consumers' interest and attention by associating with the events that hold great importance to them. This research article is based on determining the effect of sponsorship on the components of brand equity such as brand loyalty, brand awareness and perceived quality. ~~For this research~~ The methodology was adopted for this research is quantitative by using a survey questionnaire based on 5-likert scale, and the primary data collection source was taken into consideration. The sample size taken for the research was a sample of 160 respondents. The reliability and regression analysis were used to determine the effects of sponsorships. The results of the reliability shows that the Cronbach's Alpha lies in the range of good and excellent, Furthermore, it indicate that the sponsorship have positive and significant impact on brand awareness, brand loyalty and perceived quality. Therefore, Managers need to increase the use of sponsorship as a tool, for effective marketing communication, sponsor events for which their customers are emotionally connected and use its attention for their brand and build strong brand equity. In a highly competitive environment, sponsorship activities can help telecom companies attain a complete edge over others

**Keywords:** Sponsorship, Brand Equity, Cellular Network, Perceived Quality

**1. INTRODUCTION**  
**Telecommunication Sector**

Telecommunication means the channeling of messages, information, through electromagnetic channels (ITU 2012). It is a broader terminology which incorporates a vast range of data transmitting technologies like telephones, fiber optics radio, television, internet etc. Wireless as well as cellular networks are rapidly turning into one of the most essential type of network access for telecommunication services. There has been an evident development in the telecom industry in the past recent years and has now turned into one of the most important part of day to day and business activities.

Figure 1: The data traffic and cellular network

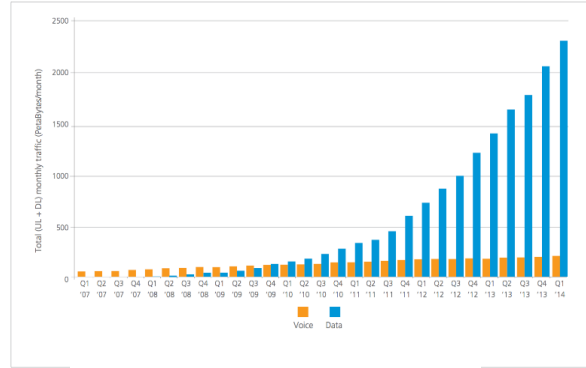


Figure 1: The data traffic and cellular network

The data traffic and cellular network has experienced immense growth in recent years according to the **State of the Internet Report of Akamai (2015)**.

According to [worldatlas.com](http://worldatlas.com) (2019), **Table 1 shows following are** the world's leading cellular network companies

Table 1: Details of the network companies

| Rank | Company       | Total subscribers (in millions) |
|------|---------------|---------------------------------|
| 1    | China Mobile  | 851.2                           |
| 2    | Vodafone      | 469.7                           |
| 3    | Airtel        | 348.1                           |
| 4    | América Móvil | 280.6                           |
| 5    | Telefónica    | 276.5                           |
| 6    | China Unicom  | 265.1                           |
| 7    | MTN Group     | 234.7                           |
| 8    | China Telecom | 216.8                           |
| 9    | Telenor       | 214.0                           |
| 10   | VimpelCom     | 205.5                           |

Worldatlas.com (2019)

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### Telecommunication- Cellular Coverage in Pakistan

In 2008 Pakistan was considered as the world's 3<sup>rd</sup> fastest growing telecommunications market. Pakistan's telecom infrastructure is improving dramatically with foreign and domestic investments into fixed-line and mobile networks (Wilson, 2009). There has been a steady yearly growth in Pakistan. Approximately 90% of Pakistanis live within areas that have cell phone coverage and more than half of all Pakistanis have access to a cell phone: (Pakistan country report, 2011). With 118 million mobile subscribers in March 2012, Pakistan has the highest mobile penetration rate in the South Asian region. (PTA, 2012).

According to the Pakistan Telecommunication Authority (PTA) as of 2019, Jazz leads the market with 59 million subscribers, followed by Telenor with 29.3 million, Ufone with 23.1 million and Zong with 15.6 million.

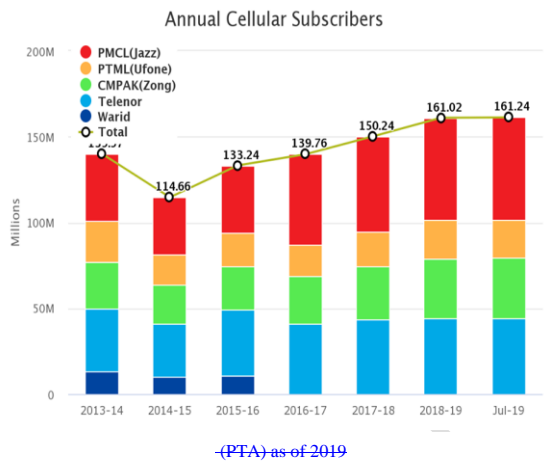


Figure 3: Graphical representation of Annual cellular subscriber

Source: (PTA) as of 2019

### Sponsorship via Events in Pakistan

Sponsorship has been used as a tool to enhance the brands value and proved to be a significant tool for communication used by many telecom companies to promote their product and services, one such example is when a telecommunication company combines its image with various sports teams in PSL Such as Jazz with Lahore calendars, Zong sponsoring the Peshawar Zalmi's. Moreover, it is also seen that telecommunication sector is actively contributing in sponsorships through various national events such as PTCL Sponsors SHERDIL which is a power-packed Pakistani movie, which highlights the courageous Pakistan Air Force National Open polo championship by Zong and the Quaid e Azam gold cup 2013 are some examples of sponsorship activities by Pakistani mobile network companies. [Add Ref](#)

### Brand Equity & Sponsorship

Brand equity refers to the term used to define the value of having a well-known brand, based on the idea that firmly established and reputable brands are more successful. More specifically, it's a set of brand assets and liabilities linked to a brand name and symbol, which add to or subtract from the value provided by a product or service: (Aaker, 2013). One can promote brand equity to influence specific elements of the marketing mix strategies related to product, pricing, promotion, distribution and sales promotions: (Van rail et al., 2005).

The brand equity by means of brand name to the product or service and its dimensions in this model, includes perceived quality, brand loyalty, and awareness. Perceived quality refers to the subjective opinion of customer about the performance of a product. However, Brand loyalty is a positive feeling an individual has towards a brand and tendency to continue purchasing the same brand regardless of competing brand. Brand awareness refers to the extent to which a potential buyer is able to recall a brand in a product category: (Aaker, 1991).

Recently, the traditional marketing communication tools such as, advertisements and sales promotions have faced intense challenges in desire to reach progressive and more fragmented markets also, in order to put an impact on target customers where thousands of messages are aimed at them at the same time. Due to these challenges, sponsorship has gained popularity as a more effective promotional tool. The spending and use of this tool has grown at a fast pace as compared to the traditional marketing tools like advertising or sales promotion: (Cornwell and Roy, 2003). Connecting the impact of captivating events with sponsorship helps the companies to catch consumer's interest and attention as they form an association of sponsorship with that event hence developing a positive image of the brand.

The relationship between brand equity and sponsorship is if it is used effectively it can maximize and build brand equity of the brand and help achieve sustainable profitability and growth of the company: (Azadi et al., 2015).

### Purpose of Research

This research is focused on identifying the effects of sponsorship on the brand equity by using the components of brand equity.

## II. LITERATURE REVIEWS

### Sponsorship and Brand Equity

1. Tsordia et al. (2016), in their research of influence of sports sponsorship on brand equity & Purchase behavior of customers determined the relationship among various variables by following Aaker's brand equity model and Keller's brand engagement concept by building over the sponsorship between a basketball club & a software company. The study was aimed to examine the sports

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sponsorship affects brand equity and purchase behavior of the sponsor's product. The data was collected from 222 survey respondents and was further analyzed by using structured equation modeling techniques. The results of the study found that there are perceived fit between sponsor and team identification were influencing significantly sponsors brand equity constructs. The study further suggested extending Aakers' model in the sports sponsorship context and magnifying the influence of perceived quality and brand engagement on team fans.

2. Tufail et al. (2014) conducted a research to evaluate the impact of sponsorship and publicity on building brand equity. The instrument used was questionnaire which was distributed among major cities of Pakistan. For that research the sample size of 200 respondents was taken into consideration, and the test run was hierarchical regression analysis. The finding of the research was suggested that there is positive effect of sponsorship and publicity on brand equity. Moreover, the study also suggest that sponsorship and publicity provide a brand image in consumer's mind so that big firms should use sponsorship and publicity to build their brand equity.
3. Charumbira and Charumbira et al. (2015), in their research study which was conducted to determine the effect that how Zimbabwean companies use sport sponsorship as a brand equity building tool. In their research the author, collected data through eight Zimbabwean sports companies by using questionnaire based techniques Descriptive statistical measures were used to analyze and present the quantitative data. The findings of the research were that companies use sponsorship for business consideration like return on their sponsorship investment. And also that the sponsorship is the part of integrated marketing communications and it is used in the different stages of product life cycle. It was suggested in the research that the sports companies should use sponsorship for launching a new product since sport events have coverage of all demographic segments.
4. Khuong and Chau et al. (2017), in their study which was aimed to investigate the impact of sponsorship on purchase intention and brand awareness. For this research, the authors used structured questionnaires to collect the data, and the questionnaires were distributed to fans of V-league champions. The findings of this study showed that attitude and attention have affected purchase intention indirectly and the brand recognition also have a relationship with event sponsorship. Further, the study suggest that sponsorship can help in order to improve marketing position and in the business income.

#### Sponsorship & Brand Awareness

1. Mikael (2014), in their his research of sports sponsorship

effects on the sponsor firm's customer-based brand equity in the context of Finnish team sports. Different interactions between the sponsor and fans were undertaken as a base for conceptual framework for this thesis. Due to this interaction processes, the sponsorship relationship affects the sponsor firm's brand awareness, brand image & brand associations, perceived quality, and brand loyalty or specifically firm's Brand equity has increased in the eyes of the customer. The data was collected by interviewing fans through 8 theme interviews among which the male fans between the ages of 25-35 were chosen from a focus group. The collected data was further analyzed by the principles of content analysis. The findings identified that Sports sponsorship has a significant and positive impact on the different factors of brand equity or more clearly on the most common factors of brand equity (brand awareness & brand image).

2. Grimaldi (2014), conducted a research to investigate the impact of sponsorship on brand awareness, corporate image and brand association. The study of Heineken as an official sponsor of the UEFA Champions League was used to undertaken the primary research. Hundred respondents from different nationalities between the ages of 18 and 37 were requested to fill up an online self-administered questionnaire. Through this research it has been found that majority of respondents are aware of the sponsor of the event, have a positive corporate image towards the sponsor. Based on these findings, it can be stated that sponsorship has a significant impact on brand awareness. Moreover, the researcher recommended that more research needs to be done in this area in order to have a better understanding and perspective of the effects of sport sponsorship.
3. Rasoul-Azadi et al. (2016), in their study investigated the impact of sponsorship in promoting brand equity in sportswear industry. They used descriptive surveys which were based on structural primary modeling. Sample size of 805 students and graduates of Iran through online questionnaires were used by the researcher. According to the results sponsorship has a significant and positive impact on raising brand awareness. Activities that involved distribution of goods and availability of your brand, along with the discount offers leads to a strengthened awareness of your brand.
4. Rowley et al. (2008): in their research researched the impact of brand sponsorship of music festivals. They investigated the brand awareness, attitudes and their perception about negative impacts of alcohol sponsorship of UK music festival attendees towards brands that sponsored the event. It was an exploratory research in which primary data was collected by distributing questionnaires. Findings identified that sponsoring music festivals has significant impact on Brand awareness,

Brand recall and Brand attitudes. It was also found that some of the respondents point out the consequences that sponsorship have in relation to alcohol sponsorship.

**H2: "There is a significant impact of sponsorship on Brand Loyalty."**

Based on the aforementioned review of literature, the first hypothesis is formulated:

**H1: "There is a significant impact of sponsorship on Brand Awareness."**

#### Sponsorship and Brand Loyalty

1. Aissa (2016), investigated ~~(T~~he impact of Game Sponsorship on Brand loyalty: Evidence from Algeria. The research signifies ~~explored~~ the relationship between sports sponsorship and brand loyalty. For data non-random sample was used and sample size of 345. The surveys were distributed in Algeria. The result concluded that the impact of sports sponsors on the brand loyalty. The research recommended that to promote the sports sponsorship use another communication channel such as advertising and public relations.
2. Levin et al. (2004) in their research of the effect of brand loyalty of NASCAR fans regarding sponsorship on brand loyalty, aimed. ~~The purpose of this research was~~ to fill the gap of empirical research on the effect which sponsorship has over its sports fan loyalty towards brands. The authors used tools by using a scale that includes attitude and behavioral components.. Empirical research was conducted between NASCAR fans and non-NASCAR fans. The research concluded that NASCAR fans loyalty to NASCAR sponsoring brands is significantly high. Further, the effect was significant on the attitude, one factor of brand loyalty.
3. Mazodier and Merunka (2012), researched ~~a~~Accomplishing brand loyalty through sponsorship. In this research, the author is ~~is~~ trying ing to create brand loyalty through sponsorship. This model and evidence show the impact of sponsorship on brand loyalty. For data survey was conducted via email. The ~~and~~ sample size was ~~ere~~ around 850 members. This research concluded that sponsorship impacts brand loyalty
4. Sirgy et al. (2007), in their research of the ~~i~~mpact of sponsorship on brand loyalty. The authors was ~~was~~ aimed ~~ing~~ to determine the coalesce of brand loyalty through sponsorship article in marketing communication. For this research, ~~(T~~he sample size was in the scope of 244 to 475 with a sum of 1588 respondents. From studies the it was ~~The study~~ concluded and discovered that sponsorship does ~~impacts on~~ brand loyalty. Moreover, The outcomes have ~~shown~~ some level of support to the model.

The second hypothesis to be tested is as follows:

#### Sponsorship and Perceived Quality

1. Donlan, ~~Leah K.~~ (2013) aimed in his research to perform ~~empirical~~ assessment of factors affecting the brand building effectiveness of sponsorship. The study ~~was~~ aimed ~~to~~ assessed the factors, in two different live sponsorship environments. This study employed a cross-sectional survey methodology, comparing brand equity for the sponsoring brands among both those exposed to the sponsorships and samples from the wider UK population. For this research, the author categorized the sample into two events such as for athletes the sample size of 206 was selected and for cricket events the sample were taken ~~included~~ selecting a sample of n = 102 of an original size of 141 ~~and for the athletics the sample size were taken n sample n = 141~~. However, the presence of sponsorship clutter in particular was found to impact negatively upon the perception of quality transferred to a brand through sponsorship. In order to use sponsorship to build a perception of quality, the findings suggest that sponsors must either select an exclusive, but potentially expensive, sponsorship, or develop the sponsorship through avoiding disorganized environments.
2. Pappu and Cornweller et al. (2015) in their research of corporate sponsorship effects on non-profit brand credibility and perceived quality of the fast food chain, Subway. ~~The research was~~ aimed to determine the impact of fit and comparability on the evaluation of the sponsored non-profits credibility and perceptions of quality. More specifically, in situations where the commercial sponsor assist the nonprofit causes. The research examined the reliability and validity of scales by using confirmatory factor analysis, the number of sample size was ~~ere~~ 195 ~~for the research~~. The findings identified that fit affects brand credibility and perceived quality via position and function depending on the comparability of associates. It further suggested that clarity of positioning is a significant determinant of participants perceptions of brand credibility and also their perceived quality of sponsored cause.
3. Jung and Kim et al. (2015) conducted research to identify the relationship among brand perception, brand emotion, brand loyalty and brand identification for event sponsor company of sports in Korea. The study subject was a sponsor company ARENA and sample size of 246 male and female respondents. For data analysis Cronbach's ~~Cronbach's~~ alpha ( $\alpha$ ) indicates the reliability of the data. Validity analysis was run for frequency analysis using Statistical Product and Service Solutions, SPSS version

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21.0 (an IBM product since 2009 (Hejase & Hejase, 2013)). Package of Social Science (SPSS) version 21.0. The techniques that were used are Structural Equation Modeling (SEM) that helps to test the Confirmatory Factor Analysis (CFA). The findings of the research was that the perceived quality positively impact the brand identification and brand emotion.

4. Bedi and Chopra et al. (2018), in their research of Determinants of Customer Based Brand Equity in Indian Telecommunication Sector has considered the customer based brand equity as a valuable asset for the firms. The purpose of the study was to develop a model that will include perceived quality, brand association, brand loyalty and brand awareness and explain their impact on customer based brand equity in Indian Telecommunication industry from customers perspective. The author used Preliminary inspection of Pearson's correlation matrix for validity analysis and the internal consistency method (using Cronbach's coefficient alpha) to examine the reliability. The number of sample size included 312 respondents. The findings of the research showed that there is a significant relationship between perceived quality and customer-based brand equity in Indian telecommunication sector and when quality of services is perceived to be high, consumers are satisfied and more likely to stay with the service provider.

Based on the above, hypothesis three was proposed;

**H3: "There is a significant impact of sponsorship on Perceived Quality."**

### III. METHODOLOGY

Hejase et al. (2018) contend that a "multiple regression model is needed when the researcher faces the scenario where more than one independent variable is causing variations in the dependent variable under study" (p. 748). Therefore, this section aims to test the explanatory variables possible causal relationships.

#### Research Model

$$BA = C + B_1 S + e$$

$$BL = C + B_2 S + e$$

$$PL = C + B_3 S + e$$

Where,

S: sponsorship (S),

BA: brand awareness (BA),

BL: brand loyalty (BL),

PL: perceived quality (PL).

C : regression constant

B<sub>i</sub> : Coefficients for the explanatory variables

#### Research Instrument

The data of the research is primary source therefore the information were collected directly from the individuals who are took part of our research. For data collection we used 5 Likert scale measure as follows:-

1. Strongly Disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly Agree

Research data shows that how sponsorship affect brand loyalty, brand awareness, and perceived quality. The questionnaire was adopted by from 2 sources. See Table 2.

Table 24: Layout of Questionnaire

| Section | Variable          | No. of items | Scale          |
|---------|-------------------|--------------|----------------|
| 1       | Sponsorship       | 4            | 5-Likert scale |
| 2       | Brand awareness   | 4            | 5-Likert scale |
| 3       | Brand loyalty     | 4            | 5-Likert scale |
| 4       | Perceived quality | 4            | 5-Likert scale |

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#### Sampling strategy

In this research the no-number of respondents was selected randomly from different locations by targeting the different age groups. Further, and to consider the impartiality in the research, this research is taken was carried out from-in the city because due to restrictions in time restrict, budget restrict, and geographical area restrict. The research is based on primary data therefore we used 'convenience sampling' which comes in non-probability sampling. The criterion used was the willingness of the respondents to participate.

#### Research Variables

In the research we show tested the relationship among between the variables, that is, how independent variables affect dependent variables. It means dependent variables welcome the change and independent variable that cause the change. Variables defined as anything that has quantity and quality that varies.

In this research study shows the effect of independent variable on dependent variables. Below table mention the research variables their relationship and measures.

Table 32: Hypothesis details

| No | Hypothesis | IV          | DV                | Items | Technique                                   |
|----|------------|-------------|-------------------|-------|---|
| 1  | H1         | Sponsorship | Brand Awareness   | 4     | Reliability Analysis<br>Regression Analysis |
| 2  | H2         | Sponsorship | Brand Loyalty     | 4     | Reliability Analysis<br>Regression Analysis |
| 3  | H3         | Sponsorship | Perceived Quality | 4     | Reliability Analysis<br>Regression Analysis |

|       |     |       |
|-------|-----|-------|
| Total | 160 | 100.0 |
|-------|-----|-------|

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The above table 44: presents the demographic statistics, which interprets as the no of respondents involved in this research were 160. The Gender segregation was that out of 160 the Male were 43.1 % and female were 56.9%. While, in the age group 81.9% were from 18-25 range followed by 14.4 % in the age bracket of 25-35, 0.6% were from age group of 36-45 and 3.1 % from 45 and above age group. The occupation of respondent was distinguished in 3 categories employed, self-employed and unemployed. 28.7 % were employed, 8.1 % are self-employed and 63.1 were unemployed.

Table 54: Reliability test

| Variables         | Cronbach's alpha | No. of Items | Remarks   |
|-------------------|------------------|--------------|-----------|
| Sponsorship       | .658             | 4            | Good      |
| Brand Awareness   | .660             | 4            | Good      |
| Brand Loyalty     | .737             | 4            | Excellent |
| Perceived Quality | .737             | 4            | Excellent |

Interpretation: Table 2 indicates that the reliability analysis. The Internal Reliability of the 4-item scale is assessed using the Cronbach's Alpha technique. Table 5 shows that the 4-item scale produced a Cronbach's Alpha between = 0.658 and 0.737, which belongs to the range 0.6 to < 0.8 considered —Moderate and good, which are acceptable in exploratory research (Hejase and Hejase, 2013, p. 570; Burns and Burns, 2008, p. 481). among variables lies in the range of good and excellent. Which Results show shows that reliability of sponsorship, versus and brand awareness, is in good range while the sponsorship and brand loyalty and subsume with perceived quality lies are acceptable, in excellent range. The conclusion is that all studied variables are found reliable.

Table 5: Brand Awareness Tables

Table 6: Model Summary: Brand Awareness

| Variables                             | R                 | R-squared | Adjusted R-squared |
|---------------------------------------|-------------------|-----------|--------------------|
| Sponsorship(S)<br>Brand Awareness(BA) | .507 <sup>a</sup> | .257      | .252               |

- a. Dependent Variable: Brand Awareness  
b. Predictors: (Constant), Sponsorship

Table 7: ANOVA: Brand Awareness

| Model        | Sig               |
|--------------|-------------------|
| 1 Regression | .000 <sup>b</sup> |

- a. Dependent Variable: Brand Awareness  
b. Predictors: (Constant), Sponsorship

#### Data Source

The data is the source used in the research in which the facts are gathered firsthand by the researcher for a specific research purpose. This research was conducted using through primary facts which. In this research the primary facts were gathered by distributing questionnaires to the respondents.

A sample size is a small portion of the population chosen for a survey. The facts have been gathered with the help of adopted questionnaire and the total numbers of respondents for this study were 160 from Hyderabad.

#### Population of the study

A research's population is also known as a well-defined group of persons or things known to have alike features. For this research the population of the study was targeted on the basis of the use of cellular networks and for that purpose the number of questionnaires were given to the 160 respondents. The target population was restricted to the users of cellular networks.

#### IV. RESULTS AND INTREPRETATIONS

Table 43: Demographics details of respondents

| Gender                   | Frequency | Percent |
|--------------------------|-----------|---------|
| Male                     | 69        | 43.1    |
| Female                   | 91        | 56.9    |
| Total                    | 160       | 100.0   |
| Age of respondent        | Frequency | Percent |
| 18- 25                   | 131       | 81.9    |
| 26-35                    | 23        | 14.4    |
| 36-45                    | 1         | 0.6     |
| 45 and above             | 5         | 3.1     |
| Total                    | 160       | 100.0   |
| Occupation of respondent | Frequency | Percent |
| Employed                 | 46        | 28.7    |
| Self - Employed          | 13        | 8.1     |
| Unemployed               | 101       | 63.1    |

Table 8: Coefficient: Brand Awareness

| Model       | Standardized Coefficients Beta | P-Value |
|-------------|--------------------------------|---------|
| (Constant)  |                                | .000    |
| Sponsorship | .507                           | .000    |

Dependent Variable: Brand Awareness

Interpretation: above Table 3 Tables 6 to 8 indicates, that the strength of the relationship manifested by the standardized beta " $\beta$ " between dependent variable "Brand Awareness" and independent variable "Sponsorship" is 0.507 or 50.7% with acceptable statistical significance of  $p$ -value = 0.000. ( $t = 7.384$ ). Also, the coefficients of determination (R-Sq and Adj. R-Sq.) shows level of significance and R-square indicates acceptable overall fitness of the model. For brand awareness as an dependent variable the R-square was (.257) and A-Rsquare was (.252) with effect to the individual responses and analysis the major effect determined was of brand awareness towards sponsorship of cellular network ( $\beta = .507, t = 7.384, P = 0.000 < 0.05$ ).

The aforementioned results shows that sponsorship of cellular network has a significant and positive impact on brand awareness, the sponsored events of the telecom companies increase the overall brand equity. Hence alternative hypothesis is accepted.

H1: There is a significant impact of sponsorship on brand awareness

Table 9: Model Summary: Brand Loyalty

| Variables                        | R                 | R-squared | Adjusted R-squared |
|----------------------------------|-------------------|-----------|--------------------|
| Sponsorship(S) Brand Loyalty(BL) | .490 <sup>a</sup> | .240      | .235               |

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant), Sponsorship

Table 10: ANOVA: Brand Loyalty

| Model        | Sig               |
|--------------|-------------------|
| 1 Regression | .000 <sup>b</sup> |

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant), Sponsorship

Table 11: Coefficient: Brand Loyalty

| Model       | Standardized Coefficients Beta | P-Value |
|-------------|--------------------------------|---------|
| (Constant)  |                                | .000    |
| Sponsorship | .490                           | .000    |

Dependent Variable: Brand Loyalty

Tables 9 to 11 indicate that the strength of the relationship

manifested by the standardized beta " $\beta$ " between dependent variable "Brand Loyalty" and independent variable "Sponsorship" is 0.490 or 49% with acceptable statistical significance of  $p$ -value = 0.000 ( $t = 7.063$ ). Also, the coefficients of determination (R-Sq and Adj. R-Sq.) indicate acceptable overall fitness of the model. Interpretation: The Tables indicates that the relationship between sponsorship and brand loyalty has model fitness as the R-square value is 24%. ANOVA brand loyalty ( $\beta = .490, t = 7.063, P = 0.000 < 0.05$ ) which shows that alternative hypothesis is accepted. The above results show that the alternative hypothesis 2 is accepted and the relationship is positive and significant. As the sponsored activities encourage telecom customer to be loyal to their respective networks. The sponsorship tool helps telecom sector to build brand equity.

H2: There is a significant impact of sponsorship on brand loyalty.

Table 12: Model Summary: Perceived Quality

| Variables                            | R                 | R-squared | Adjusted R-squared |
|--------------------------------------|-------------------|-----------|--------------------|
| Sponsorship(S) Perceived Quality(PQ) | .267 <sup>a</sup> | .072      | .066               |

a. Dependent Variable: Perceived Quality

b. Predictors: (Constant), Sponsorship

Table 13: ANOVA: Perceived Quality

| Model        | Sig               |
|--------------|-------------------|
| 1 Regression | .001 <sup>b</sup> |

a. Dependent Variable: Perceived Quality

b. Predictors: (Constant), Sponsorship

Table 14: Coefficient: Perceived Quality

| Model       | Standardized Coefficients Beta | P-Value |
|-------------|--------------------------------|---------|
| (Constant)  |                                | .000    |
| Sponsorship | .267                           | .001    |

Dependent Variable: Perceived Quality

Tables 12 to 14 indicate that the strength of the relationship manifested by the standardized beta " $\beta$ " between dependent variable "Perceived Quality" and independent variable "Sponsorship" is 0.267 or 26.7% with acceptable statistical significance of  $p$ -value = 0.000 ( $t = 3.489$ ). Also, the coefficients of determination (R-Sq and Adj. R-Sq.) indicate weak overall fitness of the model. The above results show that the alternative hypothesis 3 is accepted and the relationship is positive and significant. Interpretation: The above Table indicates that the relationship between sponsorship and perceived quality has model fitness this is shown statistically of (sig.0.000). Whereas the R-square value of perceived quality remained (.072) and A-Square was (.0622) ( $\beta = 0.267, t = 3.489, P = 0.001 < 0.005$ ). The

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~~relationship is positive and significant.~~ The sponsored activities have an impact on the perceived quality of network as the people assumed the quality of the service with the sponsored activities. Hence, our alternative hypothesis 3 is ~~proved~~**accepted**.

H3: There is a significant impact of sponsorship on perceived quality.

#### V. CONCLUSION AND LIMITATIONS

The research study was conducted to determine the effect of sponsorship on the components of brand equity in the perspective of Hyderabad, Pakistan's telecommunication industry. For this purpose, Three dependent variables were chosen for the study i.e. (Brand loyalty, Brand Awareness and Perceived Quality) and how it is effected by the independent variable (sponsorship).

In such, a competitive environment where 5 major networks are all implicating strategies to enhance and increasing their market share, sponsoring events has become an ultimate objective for them in order to build superiority of their services in the eyes of their customers and make them their active brand loyalists. Creating brand awareness with the help of events and use its positive image for the associative learning for the brand can give the network a competitive edge over others and result in increased sales followed by increased organizational value. -The results demonstrate that sponsorship positively contributes in improving marketing communication performance of a company.

This study is restricted only at cellular networks; however, other sectors in telecom industry i.e. (landline services, internet service providers, etc.) are avoided due to the time constraints. The research was area constrained so therefore, the primary data was collected from the respondents in Hyderabad.

Lastly, there are many other promotional strategies that can help in building brand equity other than sponsorship that have not been discussed in this research due to required effectiveness in the analysis.

#### VI. Recommendations

Telecommunication sector is highly competitive so companies needs tools and strategies that help them differentiate from other brands. Sponsorship is an effective tool as shown by the study but the use of it in marketing activities is less in Pakistan when compared to traditional promotional tools. The use of this tool can help companies to attain a competitive edge over their competitors and help customers in differentiating brands in such a competitive environment.

The Telecom companies should launch their new offerings through sponsored events in increasing brand awareness and developing a positive attitude of their brand, and for testing their product through the buying and selling of their products in the event. They can better evaluate the attitude of their customers towards their new offerings.

The Telecom companies should use sponsorship tool as it indicates quality of the service provider.

The companies should use sponsorship to increase new customers as sponsorship increases the brand exposure.

The managers should use sponsorship in order to solve the problem of media clutter. Advertising helps in reaching a mass audience but due to the continuous bombardment of messages on customers its impact has been compromised. Sponsorship however has proven to solve this issue as it bypasses media clutter and creates a unique position in the minds of customers which is why it should be given more importance for improving marketing communications.

#### COMPETING INTERESTS DISCLAIMER:

Authors have declared that no competing interests exist. The products used for this research are commonly and predominantly use products in our area of research and country. There is absolutely no conflict of interest between the authors and producers of the products because we do not intend to use these products as an avenue for any litigation but for the advancement of knowledge. Also, the research was not funded by the producing company rather it was funded by personal efforts of the authors.

**References Review the write up of the references for consistency. Add the missing citations. Also either remove the extra references here marked in RED or add them to the text...**

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