

The Impact of Sports Sponsorship: The Commercial Cooperation between Adidas and Bayern Munich

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Abstract. Nowadays, more and more people pay attention to sports, but most of them only stay at the level of watching games, and rarely mention the commercial value behind them. While watching a football match, people often notice the brand sponsors printed on the club's jerseys, and the growing connection between different brands and professional sports clubs, it is better to study the commercial cooperation between them to deepen the public's understanding of branding. In this study, the author selected FC Bayern Munich and Adidas brands to study the impact of brands on sponsorship of sports clubs. The results show that Adidas' sponsorship of Bayern Munich has produced huge economic benefits, and the cooperation between the two sides has formed a virtuous circle, and consumer loyalty has been transferred from the club to the brand, laying the foundation for Adidas to establish a global high-quality partner image. These findings not only reflect the impact of Adidas' sponsorship of Bayern Munich, but also provide a reference for studying the impact of business partnerships on branding.

Keywords: Brand sponsorship; Adidas; Sport Club.

1. Introduction

As sports continue to enter public life, more and more fans like to buy jerseys, but few people pay attention to the advertising and brand sponsorship on jerseys. Most of the previous studies have focused on marketing, looking at the problem from the perspective of the audience, investigating the gender and age ratio of the audience, and analyzing the role of media in this [1]. However, from the perspective of the brand itself, there are few studies that analyze the impact of sports sponsorship on brand building. This project takes the more than 60-year cooperation between the sports brand Adidas and the famous football club Bayern Munich as an example to study the brand benefits brought by sports sponsorship. This study uses a literature analysis method to explore the economic benefits of the commercial cooperation between Bayern Munich and Adidas and the relationship behind the partnership. First, the background information of both parties was collected and integrated, and the concept of brand cooperation was discussed. The concept of Adidas brand cooperation mainly includes the following points: first, technological innovation cooperation; secondly, audience development and other types of partner cooperation; and finally, constantly seeking cooperation with other brands, designers, or technology companies to promote product technology innovation. In the process of cooperation, Adidas and its partners learn from each other and learn from each other to jointly improve the quality and performance of products. Through cooperation with professional sports clubs and athletes, Adidas continuously improve and optimize the design of products to better meet the needs of athletes and sports enthusiasts. As the top team in German football, Adidas has in-depth cooperation with Bayern. Since 1974, Adidas has not only provided equipment support for Bayern but also took a stake in Bayern Munich Football Club in 2001, holding 8.33% of the shares. Secondly, the data and information must be analyzed to intuitively understand the process and content of the cooperation between the two sides. Finally, the business cooperation between the two was comprehensively discussed, and a conclusion was drawn. The discussion of these questions is very helpful for an in-depth analysis of sports sponsorship.

2. Adidas Brand Positioning

As one of the classic sports brands, Adidas' brand positioning has gradually diversified with the development of the times, and it has developed into a brand with diversity such as running, training, football, basketball, outdoor, and leisure. In addition, adidas also gives full play to its local advantages, develops regional markets, and actively cooperates with major enterprises to achieve improved brand exposure and recognition. Adidas has always emphasized its leadership in the field of professional sports. The brand is committed to providing athletes with high-performance, high-quality sports equipment, covering a wide range of sports. Through the continuous development of innovative technologies and materials, adidas products help athletes improve their performance and meet the stringent demands of professional sports. For example, its Boost midsole technology, 4D printing technology, bring better cushioning, support and comfort to the sneaker. In conclusion, Adidas' brand positioning is a multi-dimensional combination that emphasizes professional sports performance with a combination of fashion trends, technological innovation, quality assurance, personalization, and a focus on healthy living and sustainable development, thus attracting a wide range of consumers around the world and maintaining a strong competitiveness in the sports brand market, not only its ROA remains stable, but its EPS is also much higher than that of other sports brands, demonstrating the efficiency and profitability of its asset operations [2].

3. Adidas Sponsorship Form

Adidas's sponsorship comes in various forms, mainly jersey sponsorship and financial sponsorship. In addition, it provides Bayern with competition and training equipment, equipment and special events. The most common of these is jersey sponsorship, while special events include the release of special edition jerseys, the holding of special tournaments, and the economic benefits generated are often several times greater than ordinary cooperation. At the same time, Adidas is a German brand and Bayern Munich is a German football club, so the barriers to cooperation between the two sides are smaller than those of other clubs, which is why the two sides can reach a long-term cooperation.

4. The Impact of the Adidas Sponsorship

4.1. The Impact of Adidas Popularity and Influence

It is undeniable that the cooperation with Bayern has greatly enhanced Adidas' popularity and influence. The various activities jointly carried out by the two sides have attracted a lot of media attention and the active participation of fans. The media plays a vital role in the communication of sporting events, and Adidas' partnership with Bayern Munich has attracted a lot of media attention. Whether it is sports news coverage, event broadcasts, or feature programs, the media will give a lot of coverage to the cooperation between the two parties. Extensive media coverage of these events has led to a significant increase in the visibility of the Adidas brand, which has had a profound impact not only among football fans but also among the wider community of sports fans and consumers [3]. This sustained high level of exposure has greatly enhanced Adidas' global visibility and significantly enhanced its brand influence. The wide media publicity not only increased the exposure of the Adidas brand but also created a positive image for the brand. Through media communication, the Adidas brand concept, innovative technology, and support for football can be conveyed to consumers more deeply, thereby enhancing public awareness and evaluation of the brand, which in turn has a positive effect on brand value [4].

4.2. Economic Benefits to Adidas

Secondly, sports sponsorship brings economic benefits to Adidas. Its long-term partnership with Bayern Munich has attracted more clubs to work with Adidas, creating a similar circular effect. Adidas' earliest cooperation with Bayern Munich was a great success, and at the same time, brought

considerable income to both parties, so attracting more clubs to cooperate with Adidas can bring more profits to Adidas, and so on, not only helping Adidas establish an innovative, inclusive, and committed to promoting the development of football culture in the world but also bring great economic benefits to itself. On the other hand, since Bayern Munich has a large and loyal fan base, for Bayern fans, buying team-related Adidas products has become an important way for them to show their support for the team. This fan culture not only strengthens the team's cohesion but also greatly stimulates the fans' demand for Adidas products. In addition to jerseys, fans also buy team-related training equipment, merchandise, and the sale of these products brings a significant income to Adidas.

4.3. The Relationship between Consumers and Brands

The third is the relationship between consumers and brands, which is very important for the cooperation between Adi and Bayern. Most of the audience of Adidas' products launched in cooperation with Bayern Munich is Bayern Munich football clubs, which is well in line with the requirements of consumer loyalty. The loyalty of consumers (fans) to the team is well-copied and transferred to the brand through commercial cooperation. For example, the fans (consumers) of Bayern Munich always focus on this one club when it comes to jerseys, which is their loyalty to the team. Because Bayern's jerseys are produced by the Adidas brand, fans (consumers) have also cultivated invisible loyalty to Adidas and formed a binding relationship. All in all, Adidas' commercial partnership with Bayern has increased consumer loyalty to the brand, thereby enhancing the economic benefits of the partnership. This dependence on brands arises through the activities of the consumer's mind and brain [5]. Moreover, Bayern fans' recognition and purchase behavior of Adidas products is not only limited to football-related products but also extends to other Adidas product lines, such as leisure series, outdoor series. This is because they have built trust and goodwill for the Adidas brand using the products of the team's sponsors, and in turn, are willing to try and buy other products of the brand, thus further expanding Adidas' market share and bringing a wider consumer base to the brand.

5. Adidas Sponsorship Revelation

The long-term cooperation between Adidas and Bayern Munich will help both parties to understand each other's needs and grow together. Adidas took the opportunity to gain a deeper understanding of the needs of football players and fans so that it could continuously optimize its product design and performance to make it more relevant to the football scene. For other enterprises, when choosing sponsors, they should not only pursue short-term interests but should focus on long-term development, find partners that are in line with their own brand concepts and have development potential, and realize the deep integration and coordinated development of resources of both parties through in-depth participation in cooperation projects. Therefore, win-win partnerships should be established, which are interrelated and intertwined, and neither party is indispensable. Only in this way can sports sponsorship activities be carried out smoothly and the interests of all parties can be realized [6].

At the same time, Adidas' sponsorship is rich and diverse, which not only brings freshness to fans but also creates economic benefits far beyond ordinary cooperation methods. This enlightens enterprises to break through traditional thinking and actively innovate forms of sponsorship in sports sponsorship. By combining sports events and its own brand characteristics, they can plan creative and attractive sponsorship activities to attract more consumer attention, and then create a positive, innovative, and dynamic brand image, leave a deep impression in the minds of consumers, and form a differentiation from competitors. It is also important that Adidas, as a local German brand, cooperates with local German clubs, which has natural advantages in terms of cultural background and market environment, which reduces barriers to cooperation and helps to build brand character. When other enterprises carry out sports sponsorship, they can also fully tap local resources and cultural characteristics, cooperate with local sports organizations or events, integrate local cultural

elements into sponsorship activities, and enhance consumers' sense of identity and belonging to the brand. Through long-term cooperation with specific sports or clubs, the unique values and personality of the brand are conveyed, and the brand personality is shaped to make the brand stand out in the market, attract the target consumer group, and cultivate their loyalty.

Finally, the products launched by Adidas and Bayern have accurately attracted the huge consumer group of Bayern fans and successfully transferred consumer loyalty to the brand. This shows that enterprises should always be consumer-oriented in the process of sports sponsorship, have an in-depth understanding of the interests, preferences, and consumption habits of the target consumer group, choose sports projects or clubs that are highly compatible with the target group for cooperation, and connect consumers' love for sports with the brand with the help of the emotional bond of sports events so that consumers can naturally have a good impression and loyalty to the sponsoring brand while supporting their favorite sports team. In addition, Adidas continue to provide consumers with high-quality products and services, focus on one consumer group, and further consolidate and enhance consumer loyalty to achieve long-term stable market share growth, optimize product strategies, and improve competitiveness [7].

6. Conclusion

Looking back at this research project, the present study this paper examined Adidas and Bayern Munich respectively, and then discussed the business cooperation between the two parties from various perspectives. After in-depth analysis, the final conclusions are mainly as follows. First, Adidas' sponsorship of Bayern Munich has helped Adidas establish itself as a quality partner on a global scale. The long-term and stable relationship and active participation in the affairs of the club have greatly increased the popularity of adidas in the field of football and the entire sports world. This brand image is not only due to the high-quality equipment it provides to Bayern, but also to the various activities carried out by both parties, such as the release of special edition jerseys and the holding of special matches. These initiatives have attracted a lot of media attention and fan participation, thus closely linking the Adidas brand to the success of Bayern Munich, allowing consumers to deeply remember the Adidas brand while following the team, bringing a good reputation and wide influence to the brand. Secondly, Adidas's sponsorship has helped it gain a fixed consumer group, enhance consumer loyalty, realize the transfer of loyalty, and obtain a fixed and large consumer group for the brand. Bayern Munich has many loyal fans, and their love for the team extends to the team's sponsor, Adidas. Fans naturally choose the Adidas brand when shopping for team-related products such as jerseys, training gear, thus cultivating loyalty to the brand. This loyalty is not only reflected in the continuous purchase of existing products, but also in the willingness of consumers to try other product lines launched by Adidas, such as leisure series, outdoor series. Finally, this has opened a broader market space for Adidas, further boosted sales, and formed a virtuous circle, in which the brand gains the trust of consumers through sponsorship, and the support of consumers drives the brand to continue to grow and develop. The localization of brand sponsorship is conducive to the building of brand character and can bring more opportunities for brand development.

This study provides an in-depth analysis of the cooperation between Adidas and Bayern Munich, summarizes the impact of brand sponsorship on brand building, and provides a reference for brand building and development. The localization benefits of brand sponsorship are fully reflected in the cooperation between Adidas and Bayern Munich, which helps to create a unique brand character. As a cooperation between a local German brand and a local top football club, the two sides have a high degree of compatibility in terms of cultural background and market environment. Through close cooperation with Bayern, Adidas has deeply integrated into German football culture, integrating the values of rigor, tenacity, and teamwork emphasized in German football into the brand concept, creating a brand image that is innovative, inclusive of multiculturalism, and committed to promoting the development of football culture. This brand personality not only appeals to local German

consumers but also resonates globally, attracting consumers who love football culture and pursue an active lifestyle.

There are also some limitations to this study. In terms of brand positioning, although it is discussed that Adidas has enriched the brand connotation to a certain extent through sports sponsorship, further research is needed on how the brand positioning can undergo more detailed and in-depth changes in the sponsorship process. In the future, with the continuous strengthening of the trend of sports popularization, it is hoped that more scholars will carry out more in-depth research on the shaping, development, and management of brands in sports sponsorship with sports as the core. On the one hand, the research methods can be further optimized, and more comprehensive data collection and analysis methods can be adopted, such as combining multi-dimensional data such as consumer surveys and market dynamic monitoring, to dig deeper into the influence mechanism of sports sponsorship on brands. On the other hand, the scope of research objects should be expanded, more different types of brands and sports clubs should be studied and compared, and the experience of all parties should be integrated to obtain a more complete and systematic evaluation of the benefits of sports sponsorship, to provide more targeted and actionable guidance for enterprises in sports sponsorship decision-making and brand strategic planning. In summary, the cooperation between Adidas and Bayern Munich fully demonstrates the important role of sports sponsorship in brand development, points out the direction for follow-up research, and looks forward to more in-depth and comprehensive research results in this field in the future.

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