

RELATIONAL EXCHANGE AND COMMITMENT IN ART SPONSORSHIP

Case: Finnish National Opera and Sampo

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1. INTRODUCTION

The purpose of this paper is to study commitment in a sponsorship relationship context, and especially in the art sponsorship. First, the concept of sponsorship and its development during several decades will be discussed. Secondly, the concept of exchange and the different types of exchange will be examined. Thirdly, the product and the value of exchange in the relational exchange will be discussed. Fourthly, the concept and elements of commitment will be identified, and finally, the case of Finnish National Opera and bank/insurance company SAMPO will be introduced.

Sports have traditionally had a major role in sponsorship. For companies it is easy to support athletes, sports teams and sports events, because they offer better publicity and the mass audience can be better reached. Marketing and the practice of sponsorship projects are also more familiar in sports field. Arts have not received very much attention from sponsors earlier and there are probably several reasons for that: 1) Art organizations have been financially supported by the governments (Oksanen 1988); 2) Art organizations has not been interested in cooperation with business companies; organizations feel that their artistic freedom might suffer (Seppälä & Kaipainen 1997); 3) Sponsors feel that art organizations are not marketing themselves enough or they are not interested in getting sponsors (Seppälä & Kaipainen 1997); 4) business companies feel they do not have enough experience in supporting arts; and 5) compared with sports the arts have lower profile, smaller audiences, and considerably less media coverage (Sleight 1989). However, situation is changing: art sponsorship is on the turning point at this moment. Art organizations are looking for partners from business companies, as the private finance is needed. Business companies are also seeking new alternatives to reach new or smaller customer segments, to enhance their company image or to underline the values or responsibility to society.

The research on sponsorship began in the mid-1980s and it began to increase in the early 1990s. Still the research on this phenomenon is narrow. The major contribution has been in defining the concept of

sponsorship and the process itself (e.g. Parker 1991; Marshall & Cook 1992; Witcher et al 1991; Meenaghan 1983), the image of the sponsor (McDonald 1991), the role of sponsorship in marketing communication –mix (Meenaghan 1991), the long-term effects of sponsorship on image of the company and product (Rajaretnam 1994), and the effectiveness of sponsorship (Otker 1988).

The sport sponsorship has had major role in most sponsorship studies (e.g. Abratt *et al.* 1987; Gratton & Taylor 1985; Armstrong 1988; Bennett 1999; Marshall & Cook 1992), and it is also very common that the studies are from the sponsor's point of view (e.g. Armstrong 1988; Wright 1988; Ryssel & Stamminger 1988; Gross *et al.* 1987); the relationship between the parties of sponsorship has been almost neglected. Studies evolving art sponsorship are rare, and they also emphasize the sponsor's role (e.g. Wolton 1988; Fischer 1999; O'Hagan & Harvey 2000). Only Olkkonen (2002) has studied the development process of the sponsorship relationship between an art organization and a business company.

There is an increasing recognition of the importance of the formation and maintenance of long-term relationships in marketing. The long-term orientation is based to an assumption that the relationship is stable and will last long enough for the parties to realize the long-term benefits (Anderson & Weitz 1992). As commitment has been identified as an essential ingredient for successful long-term relationships (see e.g. Grundlach et al. 1995), the importance of this factor in relationship has been recognized and a growing number of studies have been published. However, the studies are focusing on the dyad relationships mostly on industrial markets, such as manufacturer-distributor relationships (i.e. channel relationships) (e.g. Gilliland & Bello 2002; Goodman & Dion 2001; Anderson & Weitz 1992; Wetzels et al. 1998; Söllner 1999; Brown et al. 2001), supplier-customer relationship in high-tech markets (de Ruyter et al. 2001), or among independent automobile tire retailers (Morgan & Hunt 1994). De Ruyter & Wetzels (1999) and also Young & Denize (1995) studied commitment in more traditional business field, in auditor-client relationships. The studies of commitment in the context of sponsorship are quite rare.

The research method for the paper is a case study. It has been argued that a case study approach has a distinctive advantage over other research methods since its target is to explain, deal with complex issues and the fact that the researcher has no control over behavioural events (Yin 1989). The case study method is suitable for this empirical inquiry as the boundaries between phenomenon and context are blurred, and the contemporary events in real life are studied. The case study method is also applicable here as the paper is describing real world phenomenon rather than developing normative decision model. The purpose is to get pre-understanding of this important field of sponsorship. The empirical research includes personal interviews with key-persons in both organizations, as well as a

written material provided by the organizations. The interviews are structured, the researcher has certain topics and themes, but also exact questions.

Main findings of the paper include several factors. The exchange type between the art organization (opera) and a business is identified as *restricted exchange*. The products of the exchange, especially in art sponsorship context, are also discussed. This type of product is usually intangible, e.g. image, values, or publicity, but also tangible, like tickets and place. This paper also indicates several factors that form the commitment in art sponsorship relationship: trust, communication, shared values, shared objectives, idiosyncratic investment and continuity.

2. SPONSORSHIP

The concept of sponsorship is very nuanced and through the years the concept has been given many different variations. The Sports Council of the UK defined it in 1971 as *'a gift or payment in return for some facility or privilege which aims to provide publicity for the donor'* (Waite in Meenaghan 1983). Meenaghan (1983) criticized this definition being too narrow, and the word 'gift' with words 'in return' being inappropriate, and gave his own definition: *'the provision of assistance either financial or in kind to an activity by a commercial organization for the purpose of achieving commercial objectives'*. These and earlier definitions also had lacked the clear understanding of goals of sponsorship activity, but Gardner and Shuman (1988) included it: *'Sponsorships may be defined as investments in causes or events to support overall corporate objectives (for example by enhancing company image) or marketing objectives (such as increasing brand awareness)'*. Javalgi *et al.* (1994) defines the concept as *'the underwriting of a special event to support corporate objectives by enhancing corporate image, increasing awareness of brands, or directly stimulating sales of products and services. Sponsorship can be individual or joint; the event can be a one-time affair or a continuing series of activities'*. This definition extends the concept even further; it defines the partner and the number of activities, and it also emphasizes the clear purpose of sponsorship activity (e.g. enhancing corporate image).

In most definitions of the concept, the sponsorship has been strictly included in the marketing mix and especially in promotion category. Grönkvist (1985) presented sponsorship as *'a business arrangement between two equal parties, which is based on services and counter services. One party is most often a company while the other party can be, e.g. a sports organization, cultural organization or individual. Usually sponsorships is considered as a part of marketing mix and is combined with other PR – and marketing activities.'* Grönkvist emphasize strictly that the 'product' of the exchange is service, but in

certain arrangements it could also be tangible product. D'Astous & Bitz (1995) see sponsorship as *an element of the communication mix where company provides some financial support to an entity (e.g. individual, organization, or group)*.

According to Meenaghan (1991) it should be clear that sponsorship must be viewed as an element of marketing communication, and it fits naturally alongside advertising, public relations, personal selling and sales promotion. All these definitions emphasize the promotion role of sponsorship and also the sponsor's role with it. Only Comwell and Maignan (1998) proposed that sponsorship includes the transaction of exchange: '*...sponsorship involves two main activities: (1) an exchange between a sponsor and a sponsee whereby the latter receives a fee and the former obtains the right to associate itself with the activity a sponsored and (2) the marketing of the association by the sponsor*'.

Considering these different definitions from several decades, it is evident that sponsorship suffers from sort of widespread lack of understanding. Sponsorship is strictly categorized as part of marketing mix (promotion, alongside with advertising). However, in order to get the full benefits of sponsorship, the relationship between the parties should be emphasized: sponsorship should be identified as a relational exchange process, which has origins in the social exchange theory (e.g. Lévi-Strauss 1969). This paper proposes that sponsorship should be studied through relationship marketing paradigm.

Relationship marketing has emerged within the fields of service marketing. A relationship type of approach is long term in nature, whereas transaction marketing is more oriented toward short-term goals. Berry (1983) introduced the concept of relationship marketing first as '*attracting, maintaining and – in multi-service organizations- enhancing customer relationships*'. But conspicuously missing from this and later definitions of the concept is the recognition that many instances of relationship marketing do not have a 'customer' as one of the exchange participants – only partners exchanging resources. Therefore Morgan & Hunt (1994) proposed that '*relationship marketing refers to all marketing activities directed toward establishing, developing, and maintaining successful relational exchanges*'.

3. THE NATURE OF RELATIONAL EXCHANGE

According to exchange theory, close relationships are characterized by high interdependency, or mutual dependency (Houston & Burgess 1979). Relationships are made up of well-established sets of expectations about the behaviours of the parties involved (in exchange) (Houston & Gassenheimer 1987). An intensive relational exchange is characterized by long-term interaction between parties involving many transactions. Intensive marketing relationships are often referred as value-added

partnerships where each organization makes substantial investments in developing a long-term collaborative effort and common orientation toward individual and mutual goals. (Fontenot & Wilson 1997)

Blalock & Wilken (1979) defines an exchange relationship or situation as *'the mutual achievement of desired outcomes through the voluntary enactment of behaviours that have positive utilities for the parties involved'*. They limited their perspective to situations with mutual achievement and two parties involving in the interaction; more than two parties they refer as exchange networks. Bagozzi (1975, 1978) describes exchange focusing primarily on direct transfers of tangible or symbolic entities between two parties.

Bagozzi (1979) proposes that exchanges might be conceived as a threefold categorization of outcomes, experiences and actions. Outcomes in an exchange refer to physical, social, or symbolic objects or events accruing to the actors as a consequence of their relationship. Experiences the actors feel are psychological states and consist of affective, cognitive, or moral dimensions. Typically they are conveyed symbolically through the objects exchanged, the functions performed by the exchange, or the meanings attributed to the exchange. Actions performed by actors represent individual choices and responses or joint commitments; for example the degree of cooperation, conflict in the dyad, duration and timing of actions.

There are four key conceptual benefits of exchange: (1) exchange serves as a focal event between two or more parties; (2) exchange provides an important frame of reference for identifying the social network of individuals and institutions that participate in its formation and execution; (3) it affords the opportunity to examine the domain of objects or psychic entities that get transferred, and (4) finally, and most important, as a critical event in the market place it allows the careful study of antecedent conditions and processes for buyer-seller exchange. (Dwyer et al. 1987)

3.1. Types of exchange process

In general, there are three types of exchange:

a) *Restricted exchange*, which refers to two-party reciprocal relationships which may be presented diagrammatically as $A \leftrightarrow B$, where \leftrightarrow signifies 'gives to and receives from' and A and B represent social actors such as consumers, retailers, salesmen, organizations, or collectivises. (Lévi-Strauss 1969)

Perhaps the major characteristic of restricted exchange is the high degree of accountability in each other's behaviour. The visibility of dyadic relationships makes restricted exchange acquire certain peculiar characteristics. First, there is a great deal of attempt to maintain equality. This is especially the case with repeatable social exchange acts. Attempts to gain advantage at the expense of the other are minimized. Secondly, there is a *quid pro quo* (*something of value in exchange for something of value*) mentality in restricted exchange activities. Time intervals in mutual reciprocities are cut short and there is an attempt to balance activities and exchange items as part of the mutual reciprocal relations. (Ekeh, 1974)

When considering the sponsorship context, and especially the art sponsorship, the restricted exchange refers to the transaction between the sponsor (the company) and the sponsee (in this paper the opera house). The sponsor gives the own contribution to the relationship (money) and gets for example place, image, values etc. from the sponsee. (See Figure 1.)

b) *Generalized exchange*, which denotes univocal, reciprocal relationships among at least three actors in the exchange situation. This exchange can be presented as A->B->C-> A, where -> signifies 'gives to'. (Lévi-Strauss 1969) Generalized exchange occupies a unitary system of relationships in that it links all parties to the exchange together in an integrated transaction in which reciprocations are indirect, not mutual (Ekeh, 1974).

c) *Complex exchange*, which refers to a system of mutual relationships between at least three parties. Each social actor is involved in at least one direct exchange, while the entire system is organized by an interconnecting web of relationships (Bagozzi, 1975) Some times several companies form a network of sponsorship, which means that these companies sponsor the actual sponsoring target but they also have the opportunity to communicate with each other (business-to-business).

There is also *complex circular exchange*, which Bagozzi (1975) explained with the example of TV-program (a circle of book publisher, an advertising agency and the television program): '...the person experiences a direct transfer of intangibles between himself and the program. That is, he gives his attention, support, potential for purchase, and so on, and receives entertainment, enjoyment, product information, and other intangible entities'. In art sponsorship context this transaction refers to third party, which may be the customers of the sponsoring company. The company could invite these customers to opera as the guests. This way the value of exchange (exchanged in restricted exchange) extends more: the company is able to 'use' the image of the sponsee in order to satisfy its own customers. (See Figure 1)

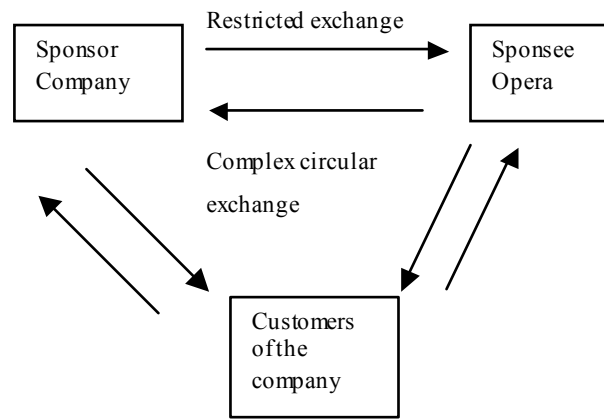


Figure 1. Types of exchange in art sponsorship context

3.2. Product of exchange

Exchange is more than the mere transfer of a product or service for money (Bagozzi 1975); it also consists of a passing of value (Houston & Gassenheimer 1987). In sponsorship context the product can have various forms. First of all, it depends what kind of sponsorship is under discussion; the ‘product’ is certainly different if we are discussing about the art sponsorship or sport sponsorship. Usually, in several occasions, the ‘product’ is intangible; it is the value or the image that the sponsee is offering to sponsor. In the context of sports sponsorship the ‘product’ can be either the entertainment of competition, or a product/service associated with the excitement of the event, or both (Schaaf in Mason, 1999)

To speak of product in the arts is naturally complex, since there are often a number of products or experiences involved at the one time. (Dennehy 1997) According to Kotler & Scheff (1997) the definition of the arts organization’s product extends beyond the work presented on stage to include all the organization’s offerings. The core product is that which is visibly and essentially being offered to the target market for purchase or consumption. The core offering of opera may be a single opera play to be performed. The expected product includes the customer’s normal expectations regarding the purchase and consumption of the product. The augmented product consists of features and benefits beyond what the target audience normally expects. In some cases, product augmentations serve to enhance the experience of current patrons, thereby building satisfaction and commitment.

Performing arts organizations are basically in the service business. A service can be defined as any act or performance that one party offer to another that is essentially intangible and does not result in the ownership of anything (Kotler & Scheff 1997). Bagozzi (1975) discuss about the media of exchange,

by which he means the vehicles with which people communicate to, and influence others in the satisfaction of their needs. These vehicles include money, persuasion, punishment, power (authority), inducement, and activation of normative or ethical commitments. Products and services are also media of exchange.

3.2.1. Value of exchange

A product or an assortment has extrinsic value if it derives its value from the marketplace, e.g. it has exchange value. A product or an assortment has intrinsic value if it derives its value from some source other than the marketplace. Extrinsic value is defined in terms of the marketplace. There may not be a market for a product, but its value to an entity can come from the expectation that there will be a future market; such value would be identified as extrinsic. (Houston & Gassenheimer 1987)

In sponsorship context this kind of 'future value' could be referred to a person or an organization that does not have the value in the external marketing at this moment but possibly in the future. For example a very young tennis-player or violist could be sponsored by a company and the actual value from the relationship will outcome when this young talent will win an important competition and have publicity.

Therefore, in addition to distinguishing between intrinsic and extrinsic value, it can be distinguished between the value from realizing the benefits of an element (value from use) and the value associated with having that element in storage (value from anticipated use) (Houston & Gassenheimer 1987)

Value may be influenced by the identity of other actors involved in the exchange (for example kind words from the loved ones). This quality is generally known as 'particularism'. The notion of particularism offers helpful insights e.g. to sport groups wishing to provide valued rewards to sponsorship partners. Symbolic resources like 'goodwill' are likely to be highly particularistic. A potential sponsor may prize goodwill among its employees or among potential clients but may not value comparable levels of goodwill within the community at large. Symbolic rewards may be of greatest value to potential partners when they can be directed toward specific groups or individuals. (McCarville & Copeland 1994)

3.2.2. Reciprocity

Reciprocity is the process whereby this mutual exchange of acceptable terms is actualised; it is a social interaction in which the movement of one party evokes a compensating movement in some other party. (Houston & Gassenheimer 1987) Reciprocity is central to exchange processes. Gouldner (1960) defines it as the performance of sole rights and duties so that 'what one party receives from the other requires some return, so that giving and receiving are mutually contingent'. Reciprocity is the underlying energy that maintains ongoing social systems and relationships, that influences satisfactions with and thus commitments to them, and that also ultimately helps to account for their dissolution. (Gouldner 1960, Scanzoni 1979)

Reciprocity is actually the underlying basis for sponsorship. The definitions of sponsorship discussed in chapter 2 refer to this principle indirectly; the words 'in return', 'the provision of assistance', and 'based on services and counter services'. They emphasize the fact that in sponsorship context the action is reciprocal: both the parties expect something in return and also obtain benefits from the contact (Takala & Uusitalo 1996)

4. COMMITMENT

4.1 The concept of commitment

Commitment is an essential ingredient for successful long-term relationships. It is thought to be closely related to mutuality, loyalty, and forsaking of alternatives, variables that are at the core of the meaning of relationalism (Gundlach et al. 1995). Becker (1960) described commitment as *a tendency to engage in 'consistent lines of activity' based on the accumulation of 'side-bets' that would be lost if the line of activity were discontinued*. In the case of interorganizational commitment, the consistent line of activity refers to staying in the business relationship and continuing it (Söllner 1999). Anderson & Weitz (1992) identify commitment to a relationship as *'a desire to develop a stable relationship, a willingness to make short-term sacrifices to maintain the relationship'*. They also see it as *'a confidence in the stability of the relationship'*. As mentioned in chapter two, Morgan & Hunt (1994) defined the relationship marketing further and they also emphasized that *'...as an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it. The committed party believes the relationship is worth working on to ensure that it endures indefinitely...'*

Commitment means that existence of a relationship is important to the parties. It indicates that both parties provide high levels of input into the relationship, that the relationship is durable, and that the parties consistently engage in activities central to the relationship. Strong relationships are committed relationships. (Reddy & Czepiel 1999)

4.2 Elements of commitment

In the literature two views of commitment have dominated (e.g. Wetzels et al. 1998; de Ruyter et al. 2001; Brown et al. 1995; Geyskens et al. 1996; de Ruyter & Wetzels 1999). According to one view, commitment is an affective state of mind an individual or partner has toward a relationship with another individual or partner. This kind of commitment is called *affective commitment*. Affective commitment is based on a general positive feeling towards the exchange partner (de Ruyter et al. 2001), and on a sense liking and emotional attachment to the partnership (Wetzels et al. 1998). The other view sees commitment as being more behavioral than affective. This form is referred to as *calculative commitment* and stems from a cognitive evaluation of the instrumental worth of a continued relationship with the organization.

Calculative commitment, a negatively oriented type of motivation, refers to a firm's motivation to continue the relationship because it cannot easily replace its current partner and because it cannot obtain the same resources and outcomes outside its current relationship (de Ruyter et al. 2001).

Söllner (1999) has identified four dimensions of commitment: 1) Specific instrumental inputs; 2) Specific attitudinal inputs; 3) relationship performance; and 4) Relationship justice.

(1) Specific instrumental inputs. Gundlach et al. (1995) regard the instrumental component as the result of a purely calculative act. Certain inputs to a relationship are allocated in order to achieve certain goals. Special instrumental inputs may take a variety of forms. They include a company's set-up of immobile production units near the site of partner to economize on transportation costs. They also include mobile resources and know-how, or investments in generalized production capacity that have been solely made for the purpose of serving the partner.

(2) Specific attitudinal inputs. The second input-related dimension of commitment represents an identification and attachment to a relationship apart from its purely instrumental value. These inputs consist of positive attitudes toward the partner, psychological attachment to the goals of the relationship and to the own function in this relationship. Stability also arises from this dimension; attitudinal ties between the parties. It has also been described in terms of affective commitment.

(3) Relationship performance. This dimension describes the perceived contribution of the relationship to the parties' joint success, as compared to relationships or transactions the parties could realize outside this particular relationship. Söllner (1999) also specifies that performance is a component of commitment rather than an outcome of commitment.

(4) Relationship justice. Relationship justice represents the second output-related dimension. The parties to a relationship cooperate to earn a profit but are in conflict over the division of that profit. The parties also evaluate the degree of justice of the distribution of the relationship surplus between the parties. Justice matters in close relationships.

The various factors determining the commitment level may range from an influential individual to the entire organizational team. Many studies (e.g. Goodman & Dion 2001; Friman et al. 2002; Morgan & Hunt 1994; de Ruyter & Wetzels 1999; de Ruyter et al. 2001) indicate that commitment is formed from several factors. These factors are discussed here briefly:

Trust. Trust is a major determinant of relationship commitment. It has been identified as the confidence that relationship partners have in the honesty and benevolence of each other (Morgan & Hunt 1994).

Communication. Sharing information and communication in a proper way seem to enhance commitment and also trust. Formal and informal sharing of information through frequent two-way dyadic interchanges play an important role in realizing the benefits from a relationship (de Ruyter et al. 2001).

Idiosyncratic investment. These investments are defined as investments made specific to a relationship. They are expenditures of time, effort, or funds directed mainly for the use of the offering of the partner. Anderson & Weitz (1992) found that idiosyncratic investments play a significant role in the development of commitment in a distributor-manufacturer relationship.

Shared values and norms. Shared values is the extent to which partners have beliefs in common about what behaviors, goals, and policies are important or unimportant, appropriate or inappropriate, and right or wrong. In types of content, several types of norms and values may govern relationships. These include shared values pertaining to quality, profitability and ethics. (de Ruyter & Wetzels 1999)

Continuity. Continuity is defined as the number of years in the partnership. As the relationship becomes committed, continuity grows, but it is important to acknowledge that the logic does not necessarily work in reverse. A long-term partnership does not automatically mean that the relationship is a committed one.

Shared objectives. Shared objectives are included in shared values, i.e. goals, but in sponsorship relationship the mutual objectives are important as to achieving these objectives is strengthening the commitment and relationship.

5. CASE STUDY: FINNISH NATIONAL OPERA AND SAMPO

Finnish National Opera (FNO) has five sponsors. Their main sponsors are Sampo (bank and insurance company) together with Varma-Sampo (retirement pension insurance company, legally separate companies but same agreement with FNO) and other sponsors are SOK (hotels, department stores), Amica (restaurants), SAS (airline company), and Senaattikiinteistöt (real estate company). FNO and Sampo started their sponsorship relationship in 1984.

FNO and Sampo have had several agreements during their cooperation. They prefer the word 'cooperation' to sponsorship, as this kind of relationship may have more phases than sponsorship would have. The word 'sponsorship' may even get negative tones. First agreement started in 1984 and finished in August 1989. The latest agreement was originally from August 1999 to December 2003. However, there were big organizational changes in Sampo (merged with Finnish bank Leonia) and FNO wanted to secure the cooperation, so they suggested negotiations and the new agreement was signed already in August 2001, and it will operate until December 2006.

There are several objectives for the cooperation. They may change in each agreement, depending on future productions and actions, especially in FNO. For the FNO the objective is to have the extra finance, e.g. for organizing visiting/guest productions; to gain more publicity together with Sampo, and this way to strengthen their image too, and also to make art of opera and ballet more familiar in the society. The sponsorship money is not directed to the infrastructure of FNO, it offers opportunity to invite productions from abroad and also visit abroad. This also extends and diversifies the offerings of FNO. For Sampo the most important objective is to strengthen their company image with FNO. They also want to emphasize their values and responsible for society.

The relationship is intensive and complex, as it already has continued for 19 years. The exchange type in this kind of sponsorship is restricted exchange. Both organizations give their contribution for the

relationship and also get something back. The complex circular exchange refers to customers of Sampo, as Sampo is strengthening the company image with FNO. The generalized exchange does not refer to these customers, as they are not directly along with the exchange process. The actual exchange has many levels and products. Sampo is organizing FNO's bank operations and also their insurance. FNO offers one performance (all 1300 seats) to Sampo every year. They are inviting their important guests there. Further Sampo has seats for 100-200 guests for couple of performances a year, and a few dozen seats for every performance. Sampo has also privilege to use Opera house to organize meetings and invite guests. The most important 'product', which FNO offers is their image. Sampo is using this image transfer in strengthening their company image. Both organizations also feel that they have the same values and also same kind of customers.

As the cooperation has a long history, the trust for the partner has developed and formed the commitment in the relationship. Trust is not only organizational trust, as it has very personal modes between the key persons in the FNO and Sampo. These key persons negotiate the agreements and take care of the sponsorship practice, and some of them have been working in these organizations since 1980's. This means that the trust and commitment for this relationship has also developed between persons. This fact may cause also a problem; at the moment some key persons are retiring and the change is inevitable.

Communication is clear and uncomplicated. The needed information is shared between both organizations, and the contacts to the other partner are easy to deal with e-mail messages. All the key persons are informed clearly about the objectives for the cooperation, and this has an effect for the communication too. Meetings are organized regularly through out the year, and once a year the objectives and their measurement are considered very carefully. So even though the agreement is valid for five years, it is under consideration during this annual big meeting.

Shared values are important, they affect the formation of the relationship and also the continuity of it. FNO and Sampo deal that the values are quite same in both organizations, and this fact is affected by the organizational culture.

CONCLUSIONS

This paper has proposed that sponsorship should be considered widely than just one tool of marketing communication, the phenomenon could be considered as an exchange relationship. Previous research has emphasized sponsorship's role as promotion tool, and sponsor's point of view has got the major contribution. Also the emphasis has been on sport sponsorship research; the research on art

sponsorship is still very narrow. Sponsorship is also partnership, where the relationship between the parties is crucially important.

Commitment is the essential ingredient for successful long-term relationships. This is also leading to continuity and long-term relationships, when the outcomes of the sponsorship cooperation are satisfactory. As the commitment has earlier been studied from distributor – manufacturer point of view, the sponsorship context is totally new field of study. The theory for this paper has been adapted from studies of relational exchange and commitment, linking to the studies of sponsorship. Commitment is formed from several factors: Trust, communication, shared values and norms, continuity, idiosyncratic investment and shared objectives.

As the case of Finnish National Opera and Sampo shows, the concepts and the frames of the theory are key factors in the art sponsorship relationship. The commitment of the parties is crucial in the negotiating, implementation and development of the relationship, and because it is a feature of human action, the whole concept is rather multi-faceted and delicate in nature. This case represents the phenomenon of art sponsorship from one case. It implies features from the actions of art organization and business company, and also from their relationship. In the future the phenomenon will be studied with several cases and further analysis will be carried out.

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