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CORRUPTION IN SPORT: IMPLICATIONS FOR SPORT MARKETING

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INTRODUCTION

The issue of corruption in international sport is becoming a more and more important and controversial one, particularly as sport has become a truly global industry. Worth an estimated \$141,000,000,000, according to PriceWaterhouseCoopers (Klayman, 2009), the sport industry offers massive potential for revenue generation on a global scale for all parties involved. Television and media exposure, attendance at live games and the sale of branded merchandise across international markets has ensured that sports, teams and, perhaps most extensively, players have worldwide appeal and an ever-growing consumer base. Aware of the global appeal of sport, companies have sought to capitalise on this and have continued to pay millions of dollars to be associated with these sports, teams and players, whilst also recognising the power of sports events in reaching target audiences. Being associated with successful teams or athletes or recognised as sponsors of popular sports leads to organisations gaining positive brand equity, with the sports, teams or athletes involved in such relationships also benefiting from this brand image. Not only can this prove very lucrative for potential sponsors but, also, it inevitably opens many avenues that sports, teams and players can exploit, especially for financial gain.

As the sport industry has grown, so too have the financial rewards available to successful athletes and teams. Winning a gold medal at the Olympics or a global championship can make an athlete an attractive target for corporations seeking to expand their marketing activity through sponsorship and endorsement agreements.

There has been much debate as to why sport has become such a lucrative global industry in sport management literature. Whannel (1992) suggests that *"like other forms of entertainment, sport offers a utopia, a world where everything is simple, dramatic and exciting, and euphoria is always a possibility. Sport entertains, but can also frustrate, annoy and depress. But it is this very uncertainty that gives its unpredictable joys their characteristic intensity"* (Mason, 1999:405). It is this uncertainty and unpredictability that makes sport such an exciting opportunity for businesses around the world to take advantage of.

But what happens if this uncertainty and unpredictability has been taken away? In recent years, there has been an increasing number of reports detailing 'corrupt' behaviour by individuals at all levels of sport and those associated with it, both on and off the field of play, in the pursuit of financial success, usually reserved for those who are winning global championships or events. Allegations of match fixing, illegal gambling, bribery and doping plague the industry. It would appear that these allegations are not sport- or country-specific – it truly is a global problem. It is an easy conclusion to come to that athlete and officials undertake this type of behaviour in the pursuit of wealth that would not be available

to them in conventional ways (i.e. by winning matches, races, championships, etc). But what impact does this type of behaviour have on the companies that have invested millions of dollars in sport? How do sponsors react if it is reported that their star endorser has used performance-enhancing drugs or fixed the result of a match? Or if an event is rife with cheating? Are sponsors becoming more cautious in their use of sport as a means to reach target audiences? What impact does this cautiousness of sponsors have on athletes in their pursuit of sponsorship and endorsement agreements?

Due to the scope of the issue, the lack of research into the subject area and the potential impact of such activity on sport marketing, the Centre for the International Business of Sport (CIBS), at Coventry University, is undertaking a major research project designed to analyse and evaluate the impact of corruption in sport on sport marketing strategy, with particular emphasis on sponsorship and endorsement agreements.

The aim of this paper is to devise a definition of corruption in sport based on the collection of cases of such activity, leading to a typology of the phenomenon and then to highlight some of the implications for sport marketing.

WHAT IS CORRUPTION IN SPORT?

Corruption in sport, as in other areas of society, is not a new phenomenon. The Olympic Games in 388BC saw the first documented case of corruption in sport when Eupolos of Thessalia bribed three of his competitors in a fighting tournament, including the reigning Olympic champion Phormion of Halikarnassos, allowing him to win the gold medal at the event (Maennig, 2005). Notable cases in the modern era of sport include the fixing of the 1919 World Series by members of the Chicago White Sox who took bribes from gamblers, Ben Johnson's infamous failed drugs tests in the 1980s and the match fixing scandal that rocked Italian football a few years ago.

But what is corruption and in what forms has it manifested itself in the sport industry?

Much research has been conducted into why and how corruption occurs in fields outside of sport, with particular focus on politics and business (Treisman, 2000; Aidt & Dutta, 2008; Den Nieuwenboer & Kaptein, 2008; Shen & Williamson, 2005; Getz & Volkema, 2001; Lloyd & Walton, 1999; Paldam, 2002), some of which can be applied to this research into the issue of corruption in sport.

Den Nieuwenboer & Kaptein (2008) provide insight as to why corruption occurs within an organisation, a theory that can be interpreted and utilised to discuss why athletes or officials might choose to cheat to win or, just as worrying, cheat to lose. They identify three downward spirals

of corruption – the ‘spiral of divergent norms’, the ‘spiral of pressures’, and the ‘spiral of opportunity’.

Using Cressey’s (1953) trust violation theory, the concept of the spiral of divergent norms suggests that individuals might justify their behaviour in such a way that it becomes ‘non-criminal’ or as an activity that is not their fault. In sport, this could be applied with particular reference to the case of the 1919 World Series match fixing scandal, when, according to reports, members of the Chicago White Sox playing staff decided to accept funds from gamblers to fix matches, ensuring that the White Sox would lose. It has also been reported that some of the players decided to be part of the scandal due to the fact that the team owner had refused to pay bonuses to the team that had previously been promised. They, therefore, fixed the results of matches due to the actions of someone else and thus might not have viewed their behaviour as their fault.

In business, the maximisation of profit is key to an organisation’s success – this pursuit of profit brings with it stresses, strains and pressures on employees and management. The notion of a spiral of pressures suggests that *“one is likely to commit the kind of corruption that increases or protects one’s status and that high pressures on performance thus seduce people to engage in any type of corruption that increases one’s performance”* (Den Nieuwenboer & Kaptein, 2008:138). Individuals then feel that in order to continue to perform at the attained level, they have to continue to break the rules – *“performing well through corruption will automatically increase the threat to identity, starting a self-perpetuating spiral of increasing pressures to commit corruption”* (p.138). Out of the three spirals of corruption, it is the opinion of the researchers that this has the most relevance in sport. As previously stated, winning a gold medal at the Olympics or a global championship can increase the awareness and popularity of an athlete, making them an attractive target for potential sponsors. This, in turn, increases the earning potential of athletes, whose careers tend to be shorter than in many other professions. It is the lengths that these athletes will go to, like the use of performance-enhancing substances, to achieve this success that becomes an issue and then, once they have attained the desired level of achievement, popularity or earning, what they choose to do to maintain this. In order to remain at the pinnacle of their sport and the public ‘face’ of organisations, an athlete might have to continue to use these substances, thus ‘starting a self-perpetuating spiral’. This is perhaps also true of the ‘Spygate’ scandal in Formula One motor racing in 2007. In a sport where the difference between victory and defeat is milliseconds, advances in technology give a team advantages over others and all would prefer a level playing field – except, of course, the winning team. During the 2006 and 2007 seasons, the two leading teams, McLaren and Ferrari, fired spying allegations at each other, stating that each team had top-secret technological information about their rival. In this case, as one

team develops new technology and the other uses whatever means necessary to get this information, the team would have to continue to commit corruption (spying) in order to keep up with their competition, thus increasing the pressures and necessity of such activity.

The final spiral discussed by Den Nieuwenboer & Kaptein (2008), the spiral of opportunity, suggests that "*the risk of getting caught and/or punished is such that it does not deter (potential) perpetrators*" (p.139). This is particularly the case if managers within an organisation are either failing to punish those conducting corrupt activity or, perhaps even more serious, if the managers are actually conducting the corrupt activity. It could be argued that this spiral of opportunity describes, to a certain degree, the match fixing scandal that rocked Italian football. Players and officials at some of Italy's biggest clubs, including Juventus and AC Milan, were involved in systematic fixing of matches during the football season. Den Nieuwenboer & Kaptein (2008) also state that "*the more corruption has been tolerated and is prototypical, the greater the difficulty to punish it*" (p.139). This is definitely the case in Major League Baseball when it comes to dealing with the issue of steroid use.

DEFINING THE PROBLEM

In order to fully understand corruption as a phenomenon and to eradicate it, it is vital that a relevant and useful definition is found. Many researchers have attempted to define corruption, predominantly in the political and business worlds, each following a similar interpretation of the subject. In its simplest form, corruption has been defined as "*dishonest or illegal behaviour*" (Collins English Dictionary). Treisman (2000:399) defines it as "*the misuse of public office for private gain*", and Ashforth & Anand (2003, in den Nieuwenboer & Kaptein, 2008:134) suggest that corruption is "*the misuse of authority for personal, subunit and/or organisational gain*".

These definitions of corruption are obviously valid when investigating behaviour of sports officials and corruption in the governance of sport – FIFA and the International Olympic Committee (IOC) have been the subject of scathing reviews in recent years from journalists. Investigations into the awarding of Olympic hosting rights (in particular, Salt Lake City) provide an example of a 'misuse of authority' (of a bidding committee) for 'organisational gain' (the decision to choose that city as host of the Olympics and the associated rewards that accompany such a choice). British journalist, Andrew Jennings, has written extensively about how those in power of FIFA and the IOC have used 'public office for private gain'. It can be argued, however, that these definitions are not relevant when discussing corruption committed by athletes.

One definition of corruption from outside the world of sport that might assist in the development of a sports-focussed one comes from

Senior (2006), who argues that in order for corruption to occur, five conditions have to be met simultaneously "when a corrupter (1) **covertly** gives (2) **a favour** to a corruptee or to a nominee to influence (3) **actions(s)** that (4) **benefit** the corruptor or a nominee, and for which the corruptee has (5) **authority**" (p.27). This appears to describe match fixing – the 'relationship' between the fixer and the player or players of the sport.

The media has on occasion revelled in reporting corrupt activity in sport. Stories like the 'Skategate' scandal in 2002 (when Canadian skaters Jamie Sale and David Pelletier were awarded a gold medal at the Winter Olympics after it was discovered that the French judge had been pressured to vote for a Russian victory) and the two 'Spygate' stories (in the NFL and Formula One) have kept sport on the front pages of the newspapers as well as the back. When Pakistan cricket coach Bob Woolmer died during the last Cricket World Cup held in the West Indies, the media widely reported that his death was being investigated as a murder, believing that Woolmer had been killed after refusing to throw matches during the tournament.

Although there have been a plethora of reports in the media regarding corruption in international sport (and continues to be so), there is a lack of academic research into the subject. In the small amount of published literature available, there appears to be much debate as to what actually constitutes corruption in sport. Sociologists Hughes & Coakley (1991) suggest that corrupt behaviour (or to use their term – 'positive deviance') in sport occurs when individuals do everything in their power to be seen by peers and wider society as 'athletes'. The thrill of competition drives the athletes to pursue careers as long as possible at the top levels of sport. They over-conform to the sport ethic (work hard, play hard). The use of performance-enhancing drugs is one way of doing this – by being a success on the track or field of play, the individual is seen as an 'athlete'. According to Hughes & Coakley, athletes do not tend to view their over-conformity as being deviant and suggest that "*through positive deviance people do harmful things to themselves and perhaps others while motivated by a sense of duty and honour*" (p.311). On the other hand, sports economist Wolfgang Maennig (2005) suggests that "*in sport, corruption may take the form of behaviour by athletes who refrain from achieving the level of performance normally required in the sport in question to win the competition and instead intentionally permit others to win, or behaviour by sporting officials who consciously perform their allocated tasks in a manner at variance with the objectives and moral values of the relevant club, association, competitive sports in general and/or society at large*" (p.189). Maennig (2005) fails to recognise or acknowledge doping as a form of corruption in sport. Firstly, he argues that corrupt activity is a failure to perform, whereas using illegal substances in sport (in this case, anabolic steroids, human growth

hormone, EPO, etc) leads to super-performance by an athlete. Secondly, for corruption to occur in sport, more than two people need to be involved; doping, according to him, only needs one.

It is clear that these two 'definitions' of corruption are at odds – how can an athlete be doing everything to over-conform to the sport ethic, to be seen as an athlete, and allow an opponent to win?

This lack of an all-encompassing definition of corruption in sport is indicative of the problem facing the industry. There is a general lack of 'standardisation' in not only what corruption in sport actually is but also in dealing with corruption – for example, certain performance-enhancing drugs are banned in some sports and not in others; and bans given to athletes in some countries for doping offences are much more lenient than in others. Until recently, Major League Baseball has almost ignored the use of performance-enhancing drugs in the sport whilst other sports have sought to eradicate these types of substances by taking a more hard-line approach to testing and punishments to those who decide to use them. The punishment for failing a drugs test for the first time in baseball now is a fifty-game suspension and second offences lead to a 100-game ban (this is a new punishment in Major League Baseball – it was a ten-game suspension for a first offence, a 25-game ban for the second); other sports, like cycling, tend to deliver a more substantial punishment – usually a minimum of two years.

Within the sport of athletics, it is obvious that there is a disparity between punishments given to those who use performance-enhancing substances. On one hand, there is the case of controversial British athlete, Dwain Chambers, who failed a drugs test in 2003. Chambers tested positive for a cocktail of performance-enhancing substances after working with Victor Conte and BALCO (the same organisation linked to American sport stars Marion Jones, Tim Montgomery and Barry Bonds, among others). He received a two-year ban, customary in international athletics for this type of offence. He was also given a lifetime Olympic ban by the British Olympic Association, preventing him from competing at any future Olympic Games in a British vest. On the other hand, Ukrainian athlete, Lyudmila Blonska, failed a drugs test in 2003 (stanozolol) for which she was given the customary two-year ban. She competed at the Olympic Games in Beijing in 2008 and won a heptathlon silver medal – within days of the medal ceremony, she was stripped of the silver and banned for life from athletic competition for failing another test, this time for methyltestosterone. Had she been a British athlete, she would never have been given the opportunity to compete at the highest level after her first failed test.

It is here that the work of Heidenheimer (1989) into what is called 'shades of corruption' can be applied to the field of sport. Heidenheimer (1989) classifies corruption into three categories – 'black' corruption,

'white' corruption and 'grey' corruption. 'Black' corruption is the type of activity that is widely condemned by all levels of society (like the fixing of sporting contests); 'white' corruption is the behaviour that is almost ignored by society, seen as an activity that doesn't necessarily warrant punishment (for example, gamesmanship); and 'grey' corruption, as is usually the case, is what falls in between the two (for example, doping offences and the punishments given). This is indicative of the problem in dealing with corruption in sport in that the 'width' of this 'grey' area varies between sports and between countries – until this 'grey' area is standardised or eradicated, corruption in sport will continue to be an issue that needs to be dealt with by all those involved and affected by it.

There are a number of reasons why the researchers do not feel that there is a definition of corruption in sport that fully describes the issue or encompasses all of the factors within it. Firstly, the idea of positive deviance suggested by Hughes & Coakley (1991) highlights how an individual strives to be seen as an 'athlete'. Although the researchers recognise that the use of performance-enhancing substances could be one way of achieving this (in that banned substances tend to increase or improve performance), how does fixing the result of a contest or accepting bribes for information about a venue or injuries lead to the 'athlete' label?

Secondly, the failure to acknowledge doping as a form of corrupt behaviour raises questions for the researchers in that it does involve more than one person. The athlete is the one that actually uses or takes the substances but there is a network of people working with the athlete to obtain them. In some cases, coaches are involved in the use of these drugs – for example, athletics coach Trevor Graham has been banned from the sport for life for his part in the BALCO scandal.

Thirdly, neither definition offered mentions the importance of an exchange of money or benefits between parties involved. According to Senior's (2006) definition, there has to be a benefit to at least one person in the arrangement. This might be financial, in the form of a gambling success, a bribe or a lucrative sponsorship or endorsement agreement, or intangible, the promise of higher status within a team. In further response to Maennig's (2005) omission of doping as a form of corruption, if doping causes one or more parties to receive money (in the form of bonuses and/or sponsorship and endorsement agreements) that they would otherwise not have received, then surely it is a corrupt behaviour.

There are examples of behaviour by sports people that can be questioned – for example, if a captain of a football team finds out personal information about the referee in charge of their next match and uses this information to gain advantage in the game, is this corruption or gamesmanship? For the purposes of this research, this behaviour is not seen as corruption for two reasons. Firstly, there is no way of measuring

this type of behaviour. Referees would need to report this activity but then it would need to be quantified to be able to determine the extent to which a player is trying to influence the referee. This measure of 'influence' would then be subjective, based on the ideas or opinions of the individual or group who designed the scale utilised to quantify the behaviour. Secondly, professional referees 'should' be able to ignore this type of behaviour and not let it affect their own performance. The types of behaviour that are seen as corruption in this research can be both measured and recognisable as having a negative effect on a sporting contest.

After taking into account these concerns and the explanations of corruption offered in other fields, we propose a new definition upon which to build the research project:

"Corruption in sport involves any illegal, immoral or unethical activity that attempts to deliberately distort the result of a sporting contest for the material gain of one or more parties involved in that activity"

Using this definition, the researchers can identify cases of corruption in international sport and begin to form a typology of this type of behaviour.

METHODOLOGY

In order to develop a definition that takes into account the entire phenomenon of corruption in sport, the Centre for the International Business of Sport has compiled an extensive database of cases of corruption in international sport. To fully assess the extent of the issue being investigated, it was decided by the research team that, at this stage in the research process, cases would be collected from all sports and from all countries. The database currently contains in excess of 2,000 cases of attempts (or alleged attempts) to distort the result of a contest by 'illegal' or 'immoral' means or activities by officials that result in financial gain in a manner that breaks the rules or code of conduct of the sport. In documenting these cases, the year of the 'incident', the nation of origin of the scandal (i.e. the country of birth/residence of an athlete or official, the location of a league, the country bidding to host a major sporting event), the athlete/team/official concerned, the sport participated in, the type of corruption involved and the impact of such behaviour is listed. The information presented in the database is from an extensive documentary analysis, including books, peer reviewed journals, print and web-based news media and data from sport's governing bodies. It should be noted that the documents analysed at this point in the research have been from English- and German-language sources, given the language expertise of the research team.

| YEAR | COUNTRY | ATHLETE(S) INVOLVED | SPORT | TYPE | IMPACT |
|------|--------------------------|------------------------|-----------------|--------|--|
| 1992 | East Germany | Katrin Krabbe | Athletics | Doping | Banned for 1 year by the German Athletics Federation (DLV) testing positive for clenbuterol; further 2 year ban imposed by IAAF Had won the 100m and 200m double at World Athletics Championships in Tokyo in 1991 Sued IAAF claiming that their ban was illegal (tested positive for clenbuterol months before IAAF placed product on banned list) Out-of-court settlement of £378,850 + 4% interest for the period from 1994 Became a united Germany heroine before doping scandal ruined her brief career |
| 1996 | United States of America | Ken Caminiti | Baseball | Doping | Had an alcohol abuse problem which he admitted in 1994 After retiring from baseball, admitted that he had used steroids during the 1996 season where he won the MVP and in subsequent seasons Also tested positive for cocaine. Died in 2004 from a drug overdose-induced heart attack at the age of 41 |
| 2000 | Romania | Valeriu Calancea | Weight-lifting | Doping | Part of the Romanian team expelled from the Sydney Olympics and banned for one year for doping offences Tested positive for methandienone |
| 2001 | Holland | Edgar Davids | Football | Doping | Banned for five months and fined £32,000 for testing positive for nandrolone Denied that he had knowingly taken the substance, claiming that a homeopathic medicine might have caused the high levels of nandrolone in his system Italian FA had originally asked for a much more severe punishment as he was playing in Italy at the time of his failed test |
| 2003 | United Kingdom | Dwain Chambers | Athletics | Doping | Worked with Victor Conte and became embroiled in the BALCO scandal Tested positive for THG, testosterone, EPO, HGH, insulin, modafinil and liothyronine Banned for two years Banned from competing in the Olympics for life by BOA |
| 2005 | South Africa | David Britz | Rugby Union | Doping | Banned for two years after testing positive for the steroid, boldenone First South African rugby player to test positive since 2003 |
| 2006 | United States of America | Floyd Landis | Cycling | Doping | Failed drugs test after providing 'A' and 'B' samples with elevated levels of testosterone Victory in Tour de France in 2006 not recognised by organisers Phonak (the Swiss-based team) fired Landis as captain/rider Provided samples during 17 th Stage of race with an 11:1 ratio (far in excess of 4:1 limit) |
| 2007 | Ireland | Kafuu | Horse Racing | Doping | Newmarket 19 th October 2007 Tests on urine from Kafuu, trained by Jeremy Nosedo, positive for dexamethasone (banned substance) |
| 2008 | Denmark | Peter Riis Andersen | Mountain Biking | Doping | Barred from Beijing Olympics for blood doping (EPO) and subsequently dropped from Danish team and banned for two years A medical student Retired from the sport after his ban was announced |
| 2008 | Italy | Andrea Baldini | Fencing | Doping | Won silver medals at the 2006 and 2007 World Fencing Championships Failed a drugs test and lost his place at the Beijing Olympics |

Table 1 Sample of doping cases in international sport

| YEAR | COUNTRY | ATHLETE(S) INVOLVED | SPORT | TYPE | IMPACT |
|------|--------------------------|---------------------|-----------------------------|--------------|--|
| 1919 | United States of America | Chicago White Sox | Baseball | Match fixing | Four of the team were found to have fixed games in the 1919 World Series making sure they would lose for a bonus from gamblers, although it was rumoured that as many as eight members of the team were involved in the 'fix' Became known as the Chicago Black Sox |
| 2000 | India | Mohammad Azharuddin | Cricket | Match fixing | Former Indian captain Had been named in a Central Bureau of Investigation report into corruption in cricket Fixed matches for a bookie, Ajay Gupta, with the help of team-mates Nayan Mongia and Ajay Jadeja; denies charges Banned for life from the sport |
| 2000 | South Africa | Hansie Cronje | Cricket | Match fixing | Sacked as South African captain when allegations were made about Cronje accepting money from an Indian bookmaker (Ajay Gupta) Gupta admitted paying Cronje £28,000 on the third day of a test to ensure a South African loss and for future information Allegations that Cronje had accepted more than £82,000 to supply information about matches Cronje died in an aeroplane accident in 2002 |
| 2003 | United States of America | Harvey McDougle | American Football (College) | Match fixing | Charged with trying to fix University of Toledo Rockets' football games UT president and Ohio attorney general appointed a special counsel to investigate University of Toledo basketball and American football programmes and interview athletes |
| 2004 | Portugal | FC Porto | Football | Match fixing | Part of the Apito Durado (the 'Golden Whistle') scandal Found guilty of match fixing during the 2003/04 season after allegedly bribing referees (the same season they won Champions League) Club fined 150,000 Euros and docked six points (2008) Jorge Pinto Da Costa, the club's president, banned for two years – he has now been found not guilty on these charges |
| 2005 | Italy | Genoa | Football | Match fixing | Despite winning promotion to Serie A (the top tier of Italian football), they were relegated to Serie C for match fixing Paid opponents Venezia \$300,000 to ensure a Genoa victory President and general manager of the team were banned for five years from the sport Two Venezia players banned for six months |
| 2007 | Belgium | Paul Put (coach) | Football | Match fixing | Banned for life for match fixing His club, Lierse, was relegated to the third division for their part Players were paid to throw matches during the 2004-05 season, generating betting gains in China |
| 2008 | China | Lin Dan Chen Jin | Badminton | Match fixing | Suspicious that in March '08, Dan (world No.1) lost to Chen and then lost again to Chen in April '08 – getting Chen Jin into final of Asian Championship, ensuring a world ranking of 4 (for Chen) ensuring that the Chinese team had an extra player for Beijing Journalists at All-England (March) had their final report written the night before the actual final! |
| 2008 | Germany | DJK Lowe II | Football | Match fixing | All 11 players on the team have been banned from playing for a year They lost 54-1 to Rheinkassel-Langel II – officials believe that the game was thrown to improve Rheinkassel's position over Germania Nippes, their archrivals Also docked 12 points for next year |
| 2008 | United Kingdom | Dean McKeown | Horse Racing | Race fixing | Banned for 4 years by the British Horseracing Authority (BHA) as part of corruption probe Has since had his riding licence revoked – 'non-trier's rule' |

Table 2 – Sample of match fixing cases in international sport

The construction of the database has been designed as a dynamic process, meaning that further cases will be identified throughout the

research project. By collecting information about corruption in sport in this way, the researchers are able to identify a number of key themes from the data, including a typology of corruption, a differentiation between competition and non-competition corruption, the prevalence of certain activities in different sports and in different countries (for example, is doping in horse racing as prevalent as race fixing? Have American athletes been caught more often using performance-enhancing substances than some of their competitors?), and the punishment given in each case. This will then be extended to investigate how these individual cases impacted upon sport marketing strategy.

A TYPOLOGY OF CORRUPTION

From the information presented in the database, it is clear that corruption in sport is not country- or sport-specific. This is especially concerning given the fact that it is not just the sports where athletes or players are paid large salaries, receive substantial win bonuses and are more well known by fans and businesses, or countries that have leagues or championships that can afford to pay these wages and bonuses that are affected by corrupt behaviour. 'Smaller' sports, like fencing, badminton and mountain biking, are affected by corruption just as more popular sports are. As the database is constructed throughout the research process, it is justifiable to suggest that further cases of corruption in these sports will appear and need to be considered by sport managers and marketers.

In terms of the types of corruption becoming apparent, Maennig (2005) suggests that these cases can generally be divided into two categories. Firstly, there is 'competition corruption', that involves activities by athletes and/or those officials who have a direct responsibility for the outcome of a sporting contest (i.e. a referee or umpire). The second category, 'management corruption', involves non-competition decisions made by sporting officials and governing bodies that include the awarding of host city status for major sporting events, negotiation and allocation of rights (e.g. broadcasting, merchandising), the awarding of contracts for construction of sporting venues and the governance of sport. Whilst cases that fall into this second category of corruption will be part of the overall database and will be discussed in the overall project, they will not form part of the main focus of the research – it is the 'competition corruption' that is of main interest for this project in the Centre for the International Business of Sport.

Using these two categories of corruption in sport as a foundation, a typology can be introduced that will form the basis for further collection of data and analysis. This is set out in Table 3.

| Competition Corruption | Management Corruption |
|---|---|
| Use of Performance-Enhancing Substances | Vote Rigging and Undue Influence in Elections |
| Match Fixing | Embezzlement |
| Gambling | Bribery |
| Points Shaving | |

Table 3 Proposed typology

IMPLICATIONS FOR SPORT MARKETING

There are a number of implications of corruption for sport marketing that vary depending on the type of corruption involved. One fact that remains, however, is the fact that corruption undermines sport management and marketing activities.

Sponsorship and endorsement revenue can and will be affected by this type of behaviour – why would organisations invest in agreements with sports and athletes tarnished by corruption?

In the academic discipline of sport management, there is a lack of research about the issue of corruption in international sport and, although there is a growing body of literature about the sponsorship of sport, there is no research investigating and evaluating the issue and its impact on the sport-sponsor and athlete-sponsor relationships. Wilson et al (2008) have evaluated how player transgressions, like alcohol or spousal abuse, impact upon the sport-sponsor relationship but this is away from the sporting arena – in the athlete’s personal life. They state that *‘an understanding of the dynamics of sport-sponsor relationships and the potential damage created by player transgressions is critical, particularly given the lack of existing relevant research’* (p.105). (NBA star Kobe Bryant and the marketing fall out from his rape allegation is an example of this.) It is the opinion of the researchers that the same is true of the investigation of the damage of corruption on the sport-sponsor and athlete-sponsor relationships – there is a lack of existing relevant research.

As previously highlighted, success in the sporting arena can lead to athletes being targeted by organisations to be part of sponsorship and endorsement agreements. At the World Athletics Championships in Rome 1987, Ben Johnson *“beat [Carl] Lewis in the 100 metres and set an astonishing new world record of 9.84 seconds... With his new star*

property pronounced clean, Johnson's agent immediately started negotiating millions of dollars in sponsorship" (Simson & Jennings, 1992:169). In one of the most notorious cases of the use of performance-enhancing drugs in sporting history, these deals would have been adversely affected by Johnson's failed drugs test a year later at the Olympic Games in Seoul.

It might also be suggested that relationships between a sport, team or athlete and the media, fans and/or other stakeholders will be adversely affected by corruption. The media 'interest' in a case of corruption in sport may lead to fans and sponsors losing interest or faith in a particular team or athlete, affecting not only the potential revenue generation of the team or athlete concerned but also those around them, including other teams in a league or other athletes on the start line of a race. The Tour de France is an obvious example of this. Many of the cyclists who take part in the annual race abide by the rules and race 'clean' but, because of the growing number of cases of doping in the sport, it is expected that teams will struggle to find sponsors and the television audience for the event will fall, in turn affecting the value of future television contract negotiations.

In sport management literature, it is apparent that sport allows organisations to build positive brand equity and competitive advantage. How is this positive brand equity and competitive advantage affected by corruption in sport?

What impact does this type of behaviour have on the companies that have invested millions of dollars in sport? How do sponsors react if it is reported that their star endorser has used performance-enhancing drugs or fixed the result of a match? Or if an event is rife with cheating? Are sponsors becoming more cautious in their use of sport as a means to reach target audiences? What impact does this cautiousness of sponsors have on athletes in their pursuit of sponsorship and endorsement agreements?

Now that a definition and typology of corruption in sport has been devised, the wider research project can begin to answer these questions.

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