

FULL OF SOUND AND FURY SIGNIFYING NOTHING: THE IMPLEMENTATION OF AMBUSH MARKETING LEGISLATION

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ABSTRACT

One of the conditions for hosting mega-events, such as the Olympics, World Cup Football and the Rugby World Cup, is that the host country develop and implement event-specific legislation to support efforts to reduce the frequency and impact of ambush marketing (in the case of New Zealand the Major Events Management Act). Legitimacy is then bestowed on both the local organizing committee and host nation because such legislation means they are conforming to the mandates established by an international sports organization. However, the execution and application of such legislation has been infrequent. The purpose of this presentation is to explain the under-utilization of event-specific ambush marketing legislation with the 2011 Rugby World Cup serving as the backdrop. Based on data collected from semi-structured interviews with New Zealand intellectual property lawyers and event managers, as well as marketing, advertising and sport marketing executives (and incorporating a historical perspective of previous mega-events), the results indicate a number of factors explaining the under-utilization of the legislation. This presentation offers suggestions why ambush marketing organizations are so rarely prosecuted under the event-specific such legislation. The difficulties with enacting prosecutions should not suggest that this type of legislation is ineffective from a prosecution perspective, but rather the value of event-specific ambush marketing legislation is that it successfully deters ambush marketing by creating an additional set of possible, significant transaction costs (e.g. fines, prosecution, negative media exposure) for the ambushing organization.