ACE! How the Waste Management Phoenix Open Rose from the Ash Heap to become a Sponsorship Exemplar

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ACE! How the Waste Management Phoenix Open Rose from the Ash Heap to become a Sponsorship Exemplar

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Abstract

Waste Management leverages the PGA TOUR’s “People’s Open” in a manner that is unparalleled in the sport industry. The Waste Management Phoenix Open (WMPO) is not only a zero-waste event but also utilizes activation tactics that maximize this value proposition for consumers through sponsored activities that engage fans of all ages, backgrounds, and motivations. After an extensive analysis of the event and what makes it distinct, we propose a framework that we term ACE (Activation optimization, Cohesive value propositions, and Experientially focused programs), which can serve as a three-pronged test that event/property owners and sponsors alike can use to achieve desired results.

Keywords: sponsorship, event management, servicescape, fit, incongruence, activation

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When WM (formerly known as Waste Management), headquartered in Houston, TX, became the title sponsor of the Phoenix Open (henceforward, WMPO), some considered this sponsorship fit to be perhaps the worst they had ever seen—completely incongruent. Cohen (2010) stated:

[Waste Management] sees the upscale PGA TOUR as the route by which it can flush most people’s association of its services with those cesspit-sucking trucks in favor of its Think Green sustainability solutions. But what on earth does the Phoenix Open get? Six years’ worth of jokes about its crappy tournament? (para. 1)

Similarly, King (2009) said:

[The tournament’s] new name won’t do much to help the tournament’s unsavory image among golf’s elite . . . the historic golf tournament that draws more spectators than any other event on the PGA TOUR, held in ritzy Scottsdale, is now named after a company where most employees spend the majority of their day elbow-deep in dumpster juice . . . How trashy is this sport gonna get?” (paras. 1, 5–6)

The controversy made headlines because the PGA TOUR is a blue-chip property, often only catering to blue-chip sponsors, and the TOUR (as well as the game of golf) is unrivaled in catering to affluent fans (Schupak, 2018). The PGA TOUR’s policy for individual player endorsements (PGA TOUR, n.d.) indicates that decorum is expected and players are to avoid adversely fitting business activities (p. 1).

However, at the time the Waste Management sponsorship was signed in December of 2009, the worldwide economy was in dire straits, with recovery from the Great Recession in its nascent stages. Furthermore, the TOUR was struggling to find sponsors even before the economic downturn, with at least five PGA TOUR events needing to find new title sponsors for the 2010 season (Casacchia, 2010). Although financial terms of the Phoenix Open agreement were not released (Casacchia, 2010), Farmers Insurance signed a sponsorship for the TOUR stop outside of San Diego in January 2010 for only $3.5 million, a significant discount (Futterman & Blackmon, 2010). Due to the economic conditions and contraction in the golf industry, it can be reasonably assumed that Waste Management purchased its sponsorship at a severely discounted rate.

Despite the concerns evident at the time the sponsorship agreement was signed, the WMPO has been voted the Tournament of the Year four times (2014, 2015, 2018 and 2019) and won the award for Best Title Sponsor Integration in 2017. The sponsorship leverage has influenced the company’s awareness, as more than 500,000 fans attend the event each year on Super Bowl Weekend. Although the sponsorship agreement was anything but prestigious for the PGA TOUR when inked, the WMPO is now one of the most effectively managed, activated, and leveraged sponsorships across the entire sport industry.

Sponsorship effectiveness has been studied at length with significant research on sponsorship (in)congruence, but few studies have addressed how extreme incongruence might lead to success. Relying on literature in sponsorship (in)congruence, we seek to understand a paradox: how the WMPO’s extremely incongruent title sponsorship agreement with Waste Management has contributed to the tournament becoming one of the most popular sporting events in the United States.
The purpose of this paper is to demonstrate how, drawing from the sponsorship incongruence (and to a lesser extent, servicescape) literature, the WMPO has become a sponsorship success.

**Literature Review**

Sponsorship congruence, as defined by McDaniel (1999), is a “perceived match (or similarity) between an endorser’s image attributes, brand image attributes and/or the function of the product” (p. 167). This definition was used as it was coined regarding sport brands. Congruence between the event and sponsor, or “birds of the feather,” has been shown to contribute to effectiveness (Fleck & Quester, 2007). Cornwell et al. (2006) noted that although congruent sponsors have a natural recall advantage, it is possible to improve recall for incongruent sponsorships. Importantly, higher levels of sponsorship congruence do not automatically lead to increased sponsorship effectiveness (Fleck & Quester, 2007). Additionally, Fleck and Quester (2007) found that a level of incongruence could enhance responses to sponsorship, especially consumer attitudes (p. 993). Consumer perceptions of sponsorship incongruence can be shaped and molded through marketing tactics and proper sponsorship messaging (Dardis, 2009). Therefore, maybe the goal of a sponsorship should be neither an ideal match nor an extreme mismatch (Lee & Thorson, 2008).

The atmosphere (servicescape) and the extreme title sponsorship incongruence at the WMPO are unlike any other event on the professional golf circuit or across all professional sport. Given the WMPO's unique and differential characteristics, the event serves as a unique space for research.

**Method**

The overall purpose of this study was to understand how the WMPO became a success considering an extremely incongruent title sponsorship agreement with Waste Management and how the sponsorship has contributed to the tournament becoming one of the most popular sporting events in the United States. The WMPO warranted a case study approach because it is interesting and unusual (Simons, 2009; Thomas, 2011) when compared to other TOUR events (Honda, 2022). Therefore, the first goal was to determine what makes the WMPO qualitatively distinct. The next goal was to observe what makes the tournament award-winning from a fan perspective, as well as how title sponsor Waste Management embraces, perpetuates, and utilizes the tournament to become a sponsorship success.

The primary method used to achieve these goals was an ethnographic participant observational approach, using two days of spectator and sponsorship observations at the WMPO for the first two days of the tournament in 2020. Observations keyed on fan behavior and sponsorship activities. Additionally, more than 100 pictures and videos of the event were captured and observed. We classify this project as a case study; more specifically, a snapshot study because it is examined at one particular period in time (Thomas, 2011).

Although the first author was the only author on site at the 2020 WMPO, field notes and photos and videos were shared with the second author, and both authors engaged in open coding to generate concepts, subcategories, and categories (Strauss, 1987). Having both authors develop concepts, subcat-
egories, and categories via open coding independent of one another enabled the researchers to be confident in the qualitative findings.

Concepts are analytical in nature, emerging from many cases and observations and include observations from actions and events. For this study, actions and events included fan behavior on all holes and connecting areas, travel to and from the course, waiting lines, shots from golfers, the stampede, immersion in the stands, commercial areas, volunteer behavior, security measures, signage, activations and experiential marketing. Member checks (Creswell & Miller, 2000) of emerging findings were shared and validated with golf fans from the event, those who had attended the event in prior years, and those highly familiar with the event to aid in accuracy and credibility. Deductive techniques such as iteration (Spiggle, 1994) were also employed relying on the servicescape and sponsorship literature to help inform emerging findings. When these findings were juxtaposed against the several other PGA TOUR events the lead author had observed, it was clear that the WMPO was an outlier in terms of fan behavior, warranting a unique and isolated study. This also provided a negative case to previous findings (Morse, 2015).

Concepts such as heightened fan reactions, open drunkenness, extreme consumption, extravagant wear, and identifying sports apparel created a subcategory that we called embellished selves. These concepts were connected by fans’ needs to make a statement, stand out, or demonstrate freedom. Another subcategory emerged based on the fan controls in place, such as guided signage, heightened security, prominent volunteer presence, and contained party areas. This helped create a subcategory that we called control. Subcategories were then combined to create a category that we called controlled chaos. Similar processes were used to categorize sponsorship observations and tactics. These categories helped to inform our ACE framework.

Results

In this section, we describe observations from the field, including observations of and overheard comments from spectators, players, sponsors, volunteers, and event workers. These observations, which add to the sponsor’s overall value, emanate from the perceived feeling of freedom the event provides. The level of drinking acceptance and encouragement seemed to be at their height at the 2020 WMPO. Walking into the event, beer vendors flooded the servicescape, selling 32-ounce cans to eager fans—mostly young males in their 20s and 30s—from the early morning through late afternoon. Fans staggering as a result of early consumption was relatively common, and in some cases, patrons were seen unconscious. In one case, excessive alcohol consumption left a woman passed out on the sidewalk, but several fans and police officers attended to her immediately, helping to avoid a chaotic situation and underscoring the notion that the chaos is under control.

Importantly, the idea of controlled chaos provides sponsor Waste Management with a unique fan experience. At other TOUR events, breaking the rules and social norms can result in harsh penalties. However, this did not appear to be the case at the WMPO. As mentioned, fans come out in droves to the event, while at the same time taking on the tournament’s motto as their own: “The Greenest Show on Grass.” Although partying and embracing chaos, consumers still picked up their trash and seemed to
support the sponsor’s unique value proposition. This one-of-a-kind servicescape provides tremendous
value for both fans’ desire to attend the event and for sponsor Waste Management to be its best.

The servicescape and overall atmosphere at the WMPO also allowed patrons the flexibility to embellish their ideal selves, summoning not only professional sport affiliations but also pride in colleges and universities, hometowns, places visited, and other brand affinities. Although sporting events generally allow for free expression, the WMPO seemed to qualitatively exemplify this notion, especially when compared with other TOUR events. Embellished selves extended to patrons’ attire: Spectators were dressed “to the nines.” Mostly women and some men were seen across the golf course as if preparing for a fashion show or an elegant party. Even though such extravagant displays could be seen at the Masters and with a more Southern flair at the RBC Heritage Classic at Hilton Head, the WMPO spanned the fashion spectrum. Golf, for these folks, was used to create a desirable and positive presentation of oneself (see Goffman, 1959).

We posit that many of the WMPO fans attended more for the servicescape rather than the competitive aspects of the sport. Stated alternately, there was a relatively low level of identification with the WMPO or the sport of golf for these attendees yet the tournament’s servicescape functioned as a fun and attractive space to socialize and fraternize, which the WMPO noticeably provided. Although there may be a low level of identification for these fans with the tournament, patrons showing off their ideal selves at an event sponsored by a waste company underscores the unique and positive perception of the tournament and sponsor Waste Management. This perception is a drastic change from the perception when the initial sponsorship agreement was signed (see Cohen, 2010; King, 2009).

In short, the extensive fan latitude and spectator’s desire to show off the best of oneself provide a unique value proposition for Waste Management as the title sponsor of the Phoenix Open. In the next section, we show how Waste Management played a role in aligning and activating the positive aspects of the event to create an effective and sustainable relationship for all constituents.

Discussion and Implications

Waste Management’s ability to modify the servicescape and activate the title sponsorship has helped the tournament become successful despite perceived extreme incongruity. Embracing the controlled chaos and party atmosphere gives title sponsor Waste Management a unique value proposition for fans to support not found among other sport properties. From these findings, we extend the literature to propose a new framework to assess sponsorships, especially incongruent sponsorships. We argue that when title sponsors activate their sponsorship, provide a cohesive value proposition to consumers, and offer a unique servicescape experience, consumers will support the property regardless of sponsorship congruity.
Proposed Framework for Assessing Sport Sponsorships

Activation Optimization (A)

Sponsorship activation typically refers to actions that create marginal value (e.g., advertising messaging, hospitality, prizes, free samples, among others) to make a positive impact on consumer perceptions (Cornwell et al., 2005). Tournament organizers in Scottsdale mastered the tournament course’s physical layout (i.e., servicescape) to optimize Waste Management’s activation efforts. This forethought is evident from the moment a patron sets foot on-site, with visible sponsor activations from partners such as Waste Management, TopGolf, and Albertson’s in the entry tent. Although the WMPO is not exempt from the inclination of fans to congregate, the tournament also puts unique activation opportunities on the less populated areas of the golf course, such as the Craft Beer Desert Oasis and The Ridge presented by Taylor Morrison.

Activation optimization was also evident with the trick shot contest, aptly named “#Bintheredonethat” contest. This contest allowed patrons to kick, chip, shoot, or putt recyclables and post them on various social media platforms using the aforementioned hashtag for a chance to attend the following year’s WMPO tournament, all expenses paid. This contest represents a self-engineered experiential activity while leveraging the sponsor’s value proposition of the event, allowing opportunities for those not attending to still feel involved in a co-productive way. Furthermore, this activation promoted the concept of the “embellished self” as it encouraged fans to show off their best (golf skills), perfectly aligned with Waste Management. These opportunities promoted the Waste Management brand, which, albeit incongruent, consumers seemed to accept. By creating enjoyable and positive activations, sponsorship (in) congruity seemed unimportant among attendees.

Of all the unique aspects of the WMPO, none was more engaging than the 162-yard par-3 16th hole. Over the past two decades, tournament officials have enclosed the hole with grandstands for spectators, giving the hole a stadium-type, one-of-a-kind feel on the TOUR’s schedule. This “party culture” has become commonplace throughout the tournament and is expected at the WMPO, especially on this hole. Waste Management signs clearly mark nearly every aspect of the stadium, including the sidewalls, indicating clear sponsor support of the tournament’s signature occurrence. However, because the coliseum is fully enclosed, noise (i.e., chaos) leaking out to other parts of the course are controlled, not allowing it to impact other parts of the course. Whether intended or not, the enclosed space kept noise pollution to a minimum.

Cohesive Value Proposition (C)

A cohesive value proposition refers to the idea that all parties benefit from marketing and sponsorship efforts. The WMPO developed a cohesive value proposition, creating a stakeholder-centered experience. Observations from the WMPO indicated that fans were quite aware of the efforts of (and willing to vocally praise) sponsor Waste Management’s attempts to control any visual and behind-the-scenes waste. For a chaotic event of this magnitude (more than 500,000 spectators), zero-waste requires a herculean effort. According to the event’s sustainability report, zero-waste is achieved by diverting 100% of waste from landfills. It was a rarity to see any litter outside the bins or to find fans that were not
vigilant in separating their recyclables. The volunteers and those employed by Waste Management were constantly picking up the rare piece of loose litter. The efficiency and control with which the tournament operated were optimal, and it extended to other areas of the tournament as well, including the control of noise, parking, partying, and consumption. Even though known for its rowdy atmosphere, the servicescape was controlled as to not allow the goodwill of zero waste to be diminished.

Although not explicitly stated, the WMPO caters to a younger audience, skewed to spectators in their college-aged years and mostly males. The event has long been perceived as an extended fraternity party (Crouse, 2013), where many students from area colleges, primarily Arizona State University, use the event to signal the coming of spring. Although acting rambunctious and drinking alcohol extensively, this crowd adheres to the zero-waste mantra religiously and extreme noise is controlled within certain parts of the course and holes. Aligning sponsorship value proposition with something with which the consumers can authentically, personally, and completely buy into and care about is not only an effective marketing strategy but should be the ultimate pursuit for sponsors. In this instance, both sponsor and consumer are showing off their best (embellished) self, and providing a cohesive, valuable experience for all.

Experientially Focused (E)

Sponsors across the board attempt to engage fans experientially with activities designed to immerse the consumer in the sponsoring brand via active participation (Gillooly et al., 2017). The WMPO sponsors do this well, where experiential activities enliven the servicescape for fans of all ages, with the servicescape itself (i.e., the golf course) inherently and organically an experiential platform.

Based on Bitner’s (1992) exploratory research on servicescapes, it is evident that the WMPO capitalizes on several of the environmental conditions that ultimately lend itself to fan satisfaction. For example, in terms of ambient conditions, the WMPO is played during a time of the year when many northern states are still in deep winter, giving out-of-region fans a respite from the cold. The noise on the course is another enabling condition for consumers. Loud rock music could be heard in some of the party zones, such as the 16th and 17th holes, catering to fans, mostly younger, who enjoy music on the course. However, some fans (i.e., the more serious golf fans) prefer the quieter, more traditional notions of golf and its serenity. The tournament caters to these individuals as well, providing a serene expanse backdropped by a beautiful desert landscape, far removed from the rowdiness of the 16th hole. This servicescape atmosphere, unique for a golf tournament, was controlled in that fans could enjoy their preferred tournament experience (either calm or boisterous). This opportunity for a fan to cater their experience to personal preferences is uncommon in professional sport and another one-of-a-kind aspect of the WMPO. These various and diverse servicescape conditions provide a multisensory experience that appeal to diverse groups of fans, thereby satisfying many distinct consumer preferences and motivations.

The WMPO also utilizes the space/function attributes that Bitner (1992) addresses. For example, spacious walking paths and unobstructed prime viewing areas exist throughout the course, enabling fans to view golfers and other patrons with relative ease. Most walking paths (i.e., cart paths) were paved. Games for children were plentiful as well, such as a basketball booth and an aluminum can pitch game.
(#Bintheredonethat), where golf clubs were used to hit crushed aluminum cans into recycling receptacles. These artifacts made clear signals that patrons, families and children of all ages are welcome to the event (contrary to the tournament’s “party culture” connotation). All these areas were activated with Waste Management signage and logos.

Not only did the WMPO effectively use signs for leveraging and activation purposes, but they were also used to indicate ease of course navigation. Multi-tiered street signs, layered with directional areas for fan viewing, clearly designated the locations of fan viewing spots, specific holes, the practice range, merchandise areas, restrooms, exits, rideshare areas, bus drop-offs and lines, and entry points. On the exit sign, fans could read, “Thank You For Being the Greatest Fans in Golf,” in bright green letters that spanned a 40-plus foot expanse. These signs not only provided guidance but control in that fans were clearly instructed on how to act.

These artifacts provided an opportunity for both fans and Waste Management to show off their embellished selves. For spectators, it was almost ubiquitous to see cell phone cameras out to document the experience, with images frequently shared on social media. In large part, fans desired to document their experience as it showed off their best self and that they had an enjoyable experience on tournament grounds. For Waste Management, the universal on-site branding as title sponsor shows organizational pride in an industry that is not typically considered glamorous, with fans willing to accept (and praise) the company.

**Limitations and Future Research Opportunities**

A number of limitations to this study must be addressed. First, given that the work was qualitative in nature and is based on event observations only, these findings should not be generalized to all sponsorship activities. Although we believe the ACE framework adds significant value to both practitioners and academics, more research is needed to analyze this framework in other contexts, such as with sport teams or leagues. Furthermore, other professional golf events, events in other sports and even nonprofit events would be interesting contexts within which to test the ACE framework. Second, this research was conducted using observational tactics. Although accepted in the literature, other qualitative methods could have revealed different findings. Conducting a follow-up study on the WMPO using a different method would prove valuable to ascertain whether the ACE framework is applicable across research methodologies and to help ensure triangulation. Third, this study was cross-sectional and based solely on two days of observations and dialogue at the WMPO. Assessing these ideas in a longitudinal manner would provide a better understanding of why the WMPO is successful as a seemingly incongruent title sponsorship.
References


