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Investigating the Sponsorship Challenges of Lobi Stars FC: Understanding Barriers and Exploring Strategic Solutions

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Abstract

Sponsorship plays a vital role in the financial sustainability and competitive development of professional football clubs, particularly in emerging football economies. Lobi Stars Football Club (FC), one of Nigeria's prominent football teams, continues to face persistent challenges in attracting and retaining corporate sponsorship despite its historical significance and competitive presence. This study investigates the key barriers hindering effective sponsorship engagement at Lobi Stars FC and explores strategic solutions to enhance sponsorship appeal and long-term partnerships. Using a qualitative research approach, data were collected through semi-structured interviews with club administrators, sponsors, and sports marketing experts, complemented by document analysis of sponsorship records and media reports. The findings reveal that inadequate brand visibility, limited digital engagement, weak corporate governance structures, inconsistent on-field performance, and insufficient stakeholder communication significantly constrain sponsorship opportunities. Additionally, macro-environmental factors such as economic instability and low commercialization of the domestic football league further exacerbate these challenges. The study proposes strategic solutions including the development of a comprehensive sponsorship framework, strengthening digital and media presence, professionalizing club management, leveraging community engagement initiatives, and aligning club values with sponsor brand objectives. By addressing these structural and strategic gaps, Lobi Stars FC can improve its marketability and create mutually beneficial sponsorship relationships. The study contributes to sports management literature by offering context-specific insights into sponsorship challenges within African football clubs and provides practical recommendations for administrators seeking sustainable financial growth through strategic sponsorship development.

Keywords: Sports sponsorship, Football club management, Lobi Stars FC, Sponsorship challenges, Strategic sports marketing

Introduction

Football is one of the most commercialized sports worldwide, with sponsorship serving as a central pillar for revenue generation and long-term sustainability. In established football markets such as Europe, corporate sponsorships provide critical financial support, enhance global brand visibility, and fund infrastructural and talent development initiatives (Meenaghan, 2013; Bühler & Nufer, 2010) [8, 5]. Clubs such as Manchester United, Real Madrid, and FC Barcelona thrive on multimillion-dollar sponsorship agreements with global brands like Adidas, Nike, and Emirates Airlines, reducing their dependence on ticket sales while securing financial stability (Deloitte, 2022) [7]. In contrast, football sponsorship in emerging economies faces unique challenges. Nigerian clubs, particularly those in the Nigeria Professional Football League (NPFL), struggle to attract consistent and long-term sponsorship due to economic instability, weak marketing frameworks, and poor governance (Ogunbiyi & Adetunji, 2021) [11]. Although the NPFL has benefited from sponsorship arrangements with major brands such as Globacom, Star Lager, and Bet9ja, these deals often suffer from inconsistency and limited continuity, undermining their long-term impact (Adetunji, 2022) [1]. As a result, many Nigerian clubs remain financially fragile and overly reliant on government funding, which is often inadequate and subject to political influence (Akinbode, 2020) [2]. Lobi Stars Football Club of Makurdi exemplifies this reality.

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Founded in 1981, the club has achieved notable successes, including winning the Nigerian Super League in 1999 and the FA Cup in 2003 (Ugbegili *et al.*, 2016) ^[16]. Despite its legacy, Lobi Stars continues to face persistent sponsorship difficulties, largely due to weak branding, inadequate digital presence, poor financial transparency, and limited fan engagement (Ogunleye, 2019) ^[12]. These challenges hinder its ability to attract reliable corporate partners and sustain competitiveness in both domestic and continental competitions.

Understanding the sponsorship challenges of Lobi Stars FC is critical for designing practical solutions that not only enhance the club's financial sustainability but also contribute to the growth and commercialization of Nigerian football. This study, therefore, investigates the barriers preventing Lobi Stars FC from securing sustainable sponsorships and explores strategic approaches to strengthen sponsorship acquisition and long-term viability.

Literature Review

Sponsorship in Football

Sponsorship is widely recognized as one of the most important sources of revenue for football clubs worldwide. It provides financial stability, enhances brand visibility, and supports infrastructural and player development initiatives (Cornwell & Kwon, 2020; Meenaghan, 2013) ^[8, 6]. In Europe, elite clubs such as Manchester United and FC Barcelona derive substantial income from long-term sponsorship agreements with global brands like Adidas, Chevrolet, and Emirates, which not only fund club operations but also strengthen their global market presence (Mullin, Hardy, & Sutton, 2014) ^[9]. Sponsorship has therefore become a critical factor in the competitiveness and sustainability of football organizations (Smith, 2018) ^[14].

Sponsorship in Emerging Football Markets

In Africa, and Nigeria in particular, football clubs rely heavily on sponsorships due to limited television rights and inconsistent match-day revenues. However, clubs face challenges in attracting and retaining sponsors, largely due to weak marketing strategies, inadequate media coverage, and economic instability (Adetunji & Adewale, 2021) ^[11]. Studies show that while European clubs activate sponsorship through advanced digital marketing and co-branding campaigns, Nigerian clubs often lack the expertise and resources to implement such strategies effectively (Buhari & Ahmed, 2020). This gap significantly reduces the appeal of Nigerian clubs to corporate investors.

Barriers to Sponsorship Acquisition

Several factors have been identified as barriers to effective sponsorship acquisition in Nigerian football. These include poor brand positioning, limited global visibility, weak fan engagement, and financial governance concerns (Nwankwo & Chika, 2022; Ogunbiyi & Adetunji, 2021) ^[10, 11]. Economic volatility also discourages companies from committing to long-term sponsorships, as businesses prioritize short-term advertising investments during downturns (Smith, 2018) ^[14]. Moreover, clubs based in smaller cities, such as Makurdi, often struggle to compete with teams from commercial hubs like Lagos and Abuja, where corporate sponsors are more concentrated (Taylor, 2017) ^[15].

Effective Sponsorship Strategies

Research highlights that football clubs with strong digital presence and fan engagement tend to attract more corporate partnerships. Clubs in Europe, such as AS Roma and Borussia Dortmund, have successfully leveraged social media platforms to build sponsorship opportunities through creative content and interactive fan campaigns (Pegoraro, Scott, & Burch, 2018) ^[13]. Similarly, in the Nigerian context, teams like Enyimba FC have improved their sponsorship prospects by strengthening their digital branding and merchandise strategies (Nwankwo & Chika, 2022) ^[10]. Community engagement and corporate social responsibility (CSR) initiatives have also been shown to improve sponsorship attractiveness, as sponsors increasingly align with socially impactful clubs (Smith, 2018; Buhari & Ahmed, 2020) ^[14].

Sponsorship Trends in Nigerian Football

Sponsorship patterns in Nigerian football have shifted in recent years, with growing emphasis on digital activations and partnerships with betting companies, fintech firms, and telecommunications providers (Adetunji & Adewale, 2021) ^[11]. However, inconsistent league administration, corruption, and inadequate broadcasting arrangements continue to limit the commercial viability of clubs (Amis & Silk, 2005) ^[3]. Regional teams such as Lobi Stars FC remain particularly disadvantaged, as their limited visibility and dependence on government support reduce their attractiveness to private sponsors (Ogunleye, 2019) ^[12].

Research Gap

Despite the importance of sponsorship in sustaining football clubs, there remains a lack of context-specific academic research focused on Nigerian clubs. Much of the existing literature emphasizes European models, which are not directly transferable to Nigeria's unique economic and administrative environment (Amis & Silk, 2005; Cornwell & Kwon, 2020) ^[3, 6]. This gap underscores the need for studies like the present one, which investigates the sponsorship barriers of Lobi Stars FC and explores strategies tailored to the Nigerian context.

Materials and Methods

Research Design

This study employed a qualitative research design to investigate the sponsorship challenges, strategies, and solutions for Lobi Stars Football Club. A qualitative approach was considered appropriate because it enables in-depth exploration of the perceptions and experiences of stakeholders. Semi-structured interviews served as the primary method of data collection, providing flexibility while ensuring alignment with the research objectives.

Study Area

The research was conducted in Makurdi, Benue State, Nigeria, focusing on Lobi Stars FC, a professional football club competing in the Nigeria Professional Football League (NPFL). The club is a prominent sporting institution in the state, with an established fan base and a history of sponsorship engagement. The study area included the club's operations, its local supporters, corporate sponsors, and the surrounding socio-economic and sports marketing environment.

Population and Sampling

The study targeted stakeholders directly connected to the sponsorship operations of Lobi Stars FC. These included club management officials, representatives of corporate sponsors (current, former, or potential), fans and supporters, sports marketing experts, and local media representatives. A purposive sampling technique was used to identify participants with relevant knowledge and experience. In total, 20 respondents were selected, comprising:

- Club management officials
- Representatives of corporate sponsors
- Fans and local supporters
- Three sports marketing experts
- Two media representatives

This approach ensured diversity of perspectives while maintaining focus on the research problem.

Data Collection Instrument

Data were collected using a semi-structured interview guide containing open-ended questions on sponsorship challenges, strategies, and potential improvements.

Validity and Reliability

To ensure validity, the interview guide was reviewed by two experts in qualitative research and sports marketing. A pilot test involving three participants from the target population was conducted to assess reliability. Feedback from the experts and pilot test informed revisions that improved clarity and consistency of the instrument.

Data Collection Procedure

Interviews were conducted both face-to-face and virtually, depending on participant availability. Each interview lasted between 30 and 45 minutes. With participant consent, discussions were audio-recorded to ensure accurate capture of responses. Ethical protocols were observed, including informed consent and confidentiality.

Data Analysis

Data were analyzed thematically, following Braun and Clarke's (2006) framework. The process involved transcription of interviews, repeated reading of transcripts for familiarization, coding of relevant segments, grouping codes into themes and sub-themes, and interpretation of the themes in relation to the research objectives. This approach enabled the identification of recurring patterns and deeper insights into the sponsorship dynamics of Lobi Stars FC.

Results and Discussion

Sponsorship Challenges of Lobi Stars FC

Interviews with club officials, corporate representatives, fans, sports analysts, and media professionals revealed several recurring barriers limiting Lobi Stars FC's ability to secure sustainable sponsorships.

A prominent issue was the club's inconsistent on-field performance, which reduced its attractiveness to corporate sponsors seeking visibility through successful teams. Respondents emphasized that businesses prefer associating with high-performing clubs that guarantee media attention, strong fan loyalty, and positive brand exposure. This finding aligns with previous research suggesting that sporting success is a critical driver of sponsorship appeal. Another major challenge was the lack of a permanent home stadium.

Lobi Stars has frequently played outside Makurdi due to stadium renovations, weakening fan engagement and reducing opportunities for in-stadium branding and promotional events. Participants noted that a stable home base is essential for sponsors to activate their brands effectively, a point consistent with findings by Taylor (2017)^[15] on the role of facilities in sponsorship attraction.

Weak governance and financial transparency were also highlighted as barriers. Frequent leadership changes, political interference, and limited accountability in financial management discouraged potential investors. Sponsors expressed concerns about whether their funds would be managed effectively, reflecting similar challenges noted in Nigerian football governance studies (Ogunleye, 2019)^[12].

In addition, respondents emphasized weak branding and digital presence. Despite the increasing role of digital platforms in sponsorship activation (Cornwell & Kwon, 2020)^[6], Lobi Stars has not fully leveraged social media, high-quality content creation, or fan-driven campaigns. This gap reduces corporate interest, especially when compared to more digitally active NPFL clubs such as Remo Stars and Enyimba.

Finally, external factors such as economic instability, competition from bigger clubs, and limited media coverage further constrained the club's sponsorship potential. Sponsors were reluctant to commit in an unpredictable business climate, while the dominance of established teams in Lagos, Kano, and Port Harcourt diverted sponsorship attention away from regional clubs like Lobi Stars.

Sponsorship Trends in Nigerian Football and Their Impact

The findings also revealed that current sponsorship trends in Nigerian football have shifted toward digital engagement, betting partnerships, and performance-driven deals. Clubs with strong online visibility and competitive track records attract greater corporate attention (Adetunji & Adewale, 2021)^[11]. Although Lobi Stars has improved its social media presence, it still lags behind competitors in content packaging, fan engagement, and modern sponsorship activation strategies. This has limited its ability to demonstrate a return on investment (ROI) to potential sponsors.

Strategies to Improve Sponsorship Acquisition

Stakeholders identified several strategies to overcome these barriers. First, restoring Aper Aku Stadium in Makurdi as the club's permanent home was considered essential for revitalizing fan engagement and creating sponsorship opportunities through branding and match-day promotions. Second, professionalizing management and ensuring transparency were emphasized as critical to building sponsor trust. Establishing dedicated teams for sponsorship acquisition, marketing, and branding was recommended.

Third, respondents suggested enhancing digital and media presence by producing high-quality social media content, live match updates, and behind-the-scenes storytelling to increase visibility and attract sponsors. Clubs such as Borussia Dortmund and AS Roma have successfully used such strategies to secure international sponsorships (Pegoraro, Scott, & Burch, 2018)^[13]. Fourth, community engagement and youth development programs were proposed to strengthen the club's local brand identity and align with corporate social responsibility (CSR) initiatives,

which are increasingly attractive to sponsors (Smith, 2018) [14].

Discussion

The results underscore that sponsorship acquisition for Nigerian football clubs is shaped by both internal weaknesses (poor branding, weak governance, lack of digital engagement) and external constraints (economic instability, limited media coverage, and regional disadvantages). These findings support existing literature on the sponsorship challenges of African clubs (Buhari & Ahmed, 2020; Ogunbiyi & Adetunji, 2021) [11] while adding context-specific insights into the realities of Lobi Stars FC.

A key implication of the findings is that performance on the pitch alone is insufficient to guarantee sponsorship. Instead, a holistic approach involving brand development, digital marketing, transparent governance, and fan engagement is required to appeal to modern sponsors. By adopting innovative sponsorship activation strategies and diversifying beyond government funding, Lobi Stars FC can improve its commercial viability and serve as a model for other regional clubs in Nigeria.

Conclusion and Recommendations

Conclusion

This study examined the sponsorship challenges facing Lobi Stars Football Club and explored strategies to strengthen its ability to attract and sustain corporate partnerships. The findings revealed that sponsorship difficulties are shaped by both internal and external factors. Internally, inconsistent on-field performance, weak governance structures, poor financial transparency, and limited branding and digital presence undermine the club's commercial appeal. Externally, economic instability, competition from larger clubs in commercial hubs, and limited media coverage further restrict the club's sponsorship prospects.

These results highlight that the sustainability of Nigerian football clubs cannot rely solely on government funding or sporting performance. Instead, success in attracting sponsorship requires a holistic approach that combines strong organizational governance, professionalized marketing, innovative sponsorship activation, and robust community engagement. Lobi Stars FC, like many regional clubs, stands at a critical juncture where embracing structural reforms and modern sponsorship strategies will determine its long-term viability and competitiveness.

Recommendations

Based on the findings, the following recommendations are proposed:

1. Restore a Permanent Home Ground

- Rehabilitating and consistently using Aper Aku Stadium in Makurdi would enhance fan engagement and create opportunities for sponsors to activate their brands through in-stadium promotions.

2. Professionalize Club Management

- Establishing dedicated sponsorship and marketing units, staffed with professionals skilled in sports business management, will improve transparency and strengthen sponsor confidence.

3. Enhance Digital and Media Presence

- Expanding the club's digital footprint through social media campaigns, live match updates, and creative storytelling will increase visibility, attract younger fans,

and provide sponsors with measurable return on investment.

4. Strengthen Community Engagement and CSR Programs

- By initiating youth development projects, grassroots football academies, and community-driven campaigns, the club can align with corporate social responsibility agendas, making it more attractive to socially conscious sponsors.

5. Diversify Revenue Streams Beyond Sponsorship

- Developing merchandise, match-day experiences, and partnerships with local businesses will reduce overdependence on government allocations and create a more stable financial base.

6. Build Strategic Media Partnerships

- Collaborating with local and national media outlets to ensure broader coverage of matches and club activities will increase visibility and marketability.

By implementing these recommendations, Lobi Stars FC can reposition itself as a commercially viable football brand capable of attracting long-term sponsorships. More broadly, the findings emphasize the need for Nigerian football clubs to embrace modern sponsorship practices that integrate governance, branding, digital engagement, and community impact as key pillars of sustainability.

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