

2015 -**SPONSORSHIP GUIDEBOOK** Top trends to ambushes

10P 10

- ▶ Sponsorship trends for 2015
- Sponsorships and activations
- Social sponsorships
- Sponsorship ambushes

Canadian
Sponsorship
Landscape Study





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#### INTRODUCTION



TOP 10 SPONSORSHIP TRENDS FOR 2015



TOP EVENTS IN CANADA



ABOUT ELEVENT AND ITS TEAM



THE 8TH ANNUAL CANADIAN SPONSORSHIP LANDSCAPE STUDY



TOP 10 SPONSORSHIPS AND ACTIVATIONS





#### TABLE OF CONTENTS

**TOP 10 SOCIAL SPONSORSHIPS** 



TOP 10 SPONSORSHIP AMBUSHES



2015 AND BEYOND













## The sponsorship world as we know it

t has already been an interesting sponsorship year. Not great, but interesting. The Olympics got off to a difficult start with the LGBT controversy, corruption issues and the state of the facilities. Top sponsors, despite having garnered top dollars, weren't all keen on activating one of the world's most sought after sponsorship properties. After all, the Olympic spirit is supposed to embody great human values, isn't it? Then, throughout the year, sponsors found themselves needing to take a stand on all manner of scandals: assaults, sexual misconduct, equal rights violations, racism, corruption and politics. In the midst of such nasty issues, many companies decided to withdraw, a few courageous ones demanded change, and the rest remained silent. Our industry will have to be better equipped to face such crises in the future. We believe that partnerships that serve the common good will always fare better. The world is watching.

We aptly named this document the 2015 Sponsorship Guidebook, but the content is not bound to a specific year or even a specific market. Given that our team has been working in sponsorship for a while, we felt it would be interesting to share our thoughts on perceived trends, ideas and concepts that made an impression on us. We had a lot of fun putting this together. We hope you enjoy it.

Don't hesitate to drop us a line. We'd love to hear from you.

The Elevent Team

#### ABOUT THE AUTHOR



Francis Dumais holds both a graduate degree in marketing (M.Sc.) and a B.B.A. (Marketing Major) from HEC Montréal. From 2009 to 2011, he conducted an international research project on the management of sponsorship portfolios within the world of Formula 1 racing with the participation of Ferrari and Renault, among others.

After working in Loto-Québec's sponsorship department (the province's gaming entity), Francis moved on to the Bleublancrouge marketing agency to oversee the Loto-Québec account, one of the largest in the province, with an overall budget of \$22 million. He now manages sponsorship at TELUS Quebec.

One of Francis's achievements was to generate commercial opportunities with the creation of a custom tool that cross-referenced 120 of Loto-Quebec's sponsored events with more than 10 of the products. While managing the account at the agency, he developed a unique, below-the-line activation allowing event-goers to control a giant jukebox on the stage prior to concerts,

true to Loto-Quebec's entertainment vocation. At TELUS, he worked to realign the company's portfolio and activation strategy to tackle communication challenges. He won both a Marketing Award and a Sponsorship Marketing Award for his innovative sponsorship strategies.

#### THE CONTRIBUTORS

- Catherine Brigden
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#### MEET THE TEAM



Jay has over 15 years of experience in marketing communications. He specializes in sponsorships, and worked on alliance marketing initiatives in the advertising world for several years. He also oversaw the sponsorship department at BMO Financial Group for the Quebec market. Jay's achievements include developing high-visibility sponsorship programs for the Olympics as well as building and managing prestigious partnerships for General Motors, BMO Financial Group, Saputo, TELUS and many others. Jay's track record has led to two awards from the Sponsorship Marketing Council Canada. He is currently Managing Partner of Elevent.



Normand Vaillancourt founded Bleublancrouge marketing communications agency in 1983. For more than 20 years, he served as the agency's creative and production director before taking over as its creative product manager in 2005, assuming ultimate responsibility for the quality and relevance of the firm's overall creativity. Serving the interests of all Bleublancrouge clients, Normand has been actively involved in every form of mandate and produced every type of campaign.

A born innovator, Normand Vaillancourt is passionate about both the creation and production sides of marketing communications. With his extensive experience touching on all aspects of these, he is one of the rare examples of the creative thinker who is also an inventive producer, a spawner of solutions: creative, technical and budgetary. Normand is a partner and strategic counsel in Elevent.



#### ABOUT ELEVENT



e are an agency specialized in sponsorship marketing strategies and evaluation.

Our mission is to offer sponsorship evaluation tools that are accessible and on the cutting edge of technology and research.

Our team combines decades of experience in evaluating sponsorships for major advertising agencies and national brands.

The brands that have put their trust in us have benefited from innovative solutions to complex communications challenges—because that's what makes us tick.

#### WHAT WE DO:

- ▶ Sponsorship strategies
- ▶ Target achievement and activation plan audit
- ▶ Partnership negotiation
- ▶ Performance assessment
- ▶ Partnership analysis and optimization
- Custom valuation and measurement
- Online tools

We are industry leaders in online sponsorship evaluation.

Discover the value we bring today.

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#### TOP 10 SPONSORSHIP TRENDS FOR 2015



## Shaping the future of sponsorship

ashions come and go, but there are always some trends that run deeper and tend to stick. Here are 10 of them, in no particular order, that have influenced—or will influence—our industry, from new technologies used for activations and increased competition among properties to social tendencies that affect how we plan and execute sponsorships.

#### **DIGITAL AND TECH**

#### Shiny and new

With the advancement of digital innovations, marketers are increasingly seeking new technologies to enhance their sponsorship activations and efforts. From mobile to geotargeting to geofencing, we are seeing a major shift in the sponsorship industry away from stationary tents and sampling to more sophisticated digital activations. To capitalize on this new technological landscape, marketers are re-evaluating and readjusting their approach to sponsorship and events.

In-venue entertainment is benefiting from various innovations. The now generalized use of smartphones that act as second screens can enable sponsors to provide added value and enhance their target audience's experience. The Barclay Center app is a good example of this. Barclay seized the opportunity to activate its venue sponsorship by creating an app that delivered exclusive content like videos, photos and news as well as valuable information for a better in-stadium user experience (post to scoreboard options, event schedules, in-app ticket purchasing, interactive maps and event seating charts).

Major League Baseball was one of the first to use Apple's iBeacon in 28 stadiums during the 2013 season. Phase two was rolled out in even more venues in 2014. The aim was to improve the visitor's experience by allowing iPhone owners to check into games automatically and to collect special offers. New features will provide users with additional content and interactive functions.

In addition to improving the fan experience with on-site tactical teams and events, new technology offers an interesting commercial potential, especially for sponsorship activation. For instance, Coca-Cola tested a new concept in stadiums throughout Brazil during the 2014

World Cup, where it sent location-specific offers to consumers. The capacity to target people directly according to their exact position can benefit both consumers and the brand.

So is the adoption of digital just a fad? We don't think so. Beyond the associated 'cool' factor that a brand may gain by activating with a shiny new device or a 'wow' technology, there are many business benefits to digital activation. First, it can be much cheaper than a standard on-site event presence. While the up-front technological investment may be more costly than a standard activation, it has the potential to reach more customers and increase a brand's footprint and message at a nominal cost. Second, it can provide

a specific measurement of your brand's impact and presence. Through this, marketers can customize their desired metrics and use the data to gain greater customer insights.

But, while this technology has enormous potential, digital activation remains underutilized. For smaller sponsors, the technological investment is perceived as too great to support a single event. And, despite the aforementioned benefit of broadening customer engagement, in many cases companies don't have the capability to apply the data and turn it into a relevant and actionable brand-building strategy.

The challenges extend to consumers as well. Your audience may not have adopted the technology required to participate in the

activation. And even if they find themselves armed with the newest phone or the right social media account, it's impossible to know if they'll be motivated to participate. Whether it means downloading an app or having the latest device with the required functionality, it's virtually impossible to guarantee that your audience will connect and then interact with your activation—and your brand.

And just as the second screens can be used to complement and enhance your sponsorship, they also have the potential to sabotage an activation. Mobile-supported activations open the door to ambushers when you ask consumers to turn their attention from the main event (or your brand) to their personal devices. This was clear during the 2012 London Olympics when Nike, Pepsi, Burger King, and Google all used an online video to get a piece of the action for free.

As the digital landscape continues to shape how marketers carry out their sponsorships, it's more important than ever to ensure that activations are relevant to consumers. Technology is a means to an end, not an end in itself. Through the adoption of digital technology, the goal for sponsors should be to create a memorable and relevant brand experience. But it doesn't end there.

A successful activation must also produce results—results that deliver against the overall strategy. Because in the absence of results, all you're providing is very expensive digital entertainment.

Fenway Park
Boston Red Sox

FRIDAY, APR 4 SCHEDULE >

Milwaukee Brewers
VS
B Boston Red Sox

Check In MyTickets

BALLPARK

Major League Baseball was one of the first to use Apple's iBeacon in 28 stadiums during the 2013 season. Phase two was rolled out in even more venues in 2014.



#### **UNCHARTED TERRITORIES**

Don't jump on the bandwagon

As sponsors mostly aim for blue chip properties, it's clear that a large portion of tier one events are seeing a succession of different sponsoring brands, to the general indifference of the public. Some brands have found interesting avenues in uncharted or less popular territories, such as the Paralympics, grassroots sports and small local events and fairs. Pabst sponsors small, local, and underground events to reinforce its cool and independent vibe. The Home Depot created a local program to improve municipal infrastructure, such as outdoor hockey rinks in cities across Canada.

Going smaller has genuine advantages. First, it's easier to claim a space in the consumer's mind in a less crowded context. Second, the rights fees and activation costs are significantly lower. Furthermore, if done respectfully of the crowd's attachment to the property, such partnerships can lead to an authentic connection with your target and the chance to turn fans into advocates for your brand.

Big companies sponsoring small organizations can bring some challenges, as their respective objectives often diverge. For a big brand to go small, there must be a strong rationale. Pabst needed to align itself with the underground music movement to support the product's popularity with Brooklyn hipsters. The brand couldn't go big without alienating its newer and cooler consumer base. Smaller art and indie music events were a natural fit.

There is a definite opportunity for smaller properties to capitalize on and showcase their uniqueness when they approach sponsors. But it is a challenge, as companies find themselves bombarded by a growing number of proposals from an ever-larger property pool.

Sponsors can find gems by going off the beaten path. To own the sponsorship space while supporting smaller properties, brands should invest larger sums in activation to counter the smaller media plan and lesser visibility of small organizations.

# THE ERA OF "CO-" (CREATING, FUNDING, WORKING, ETC.)

Come out and play

If the emergence of social networks brought us an era of sharing and networking online, the new trend is to get involved and participate. Crowdsourcing and crowdfunding have gained definite momentum recently: Kickstarter has redefined how creative ideas can be brought to life and even NASA has turned to the public for help with the "Be a Martian" website, which enables the public to participate as citizen scientists to assist the teams studying data.

The crowdfunding trend has segued into sponsorships in interesting ways. For instance, the popular Japanese F1 driver Kamui Kobayashi used it to create a platform for fans to donate money to help him get a spot in a car race. The Europear cycling team allows fans to support them for as little as 10 euros in exchange for unique benefits. Fans are increasingly involved in donating to their favourite teams to be a part of the action. Such examples show that opportunities exist for properties to create more engagement with their fans, and in return, more value for the sponsors.

The trend has gathered momentum, as fans have a natural tendency to get involved with their favourite organizations. In addition, both properties and sponsors are getting better at harnessing the huge potential for co-creation. Coca-Cola recently succeeded in involving soccer fans during the 2014 FIFA World Cup with the Happiness Flag, which was created from content provided by fans using social media—and thus ensuring exponential visibility for the brand.

With that in mind, it's crucial for properties to understand fans and craft a program where participation and engagement targets their core motivation. The iconic Montreal Canadiens did just that with a new fan program called Club 1909, which ushered the team into the digital world and pushed the envelope by rewarding fans for each of their actions supporting the team.

Some brands have found interesting avenues in uncharted or less popular territories, such as the Paralympics, grassroots sports and small local events and fairs.

#### **HUMANISM**

#### Show your true values

Over the past few years, companies that subscribe to a cause, such as TOMS shoes and Patagonia, have shown interesting growth, no doubt due in part to their brand identities, which are closely tied to the cause they are serving. In parallel, we've also seen a trend emerge where marketers increasingly use sponsorship to promote a worthy cause or highlight an ethical aspect of their organization.

Chipotle's motto is to serve high quality food quickly. This evolved into a company mandate focused on food with integrity, meaning the best ingredients produced with respect for the animals, the environment and the farmers. They used partnerships and branded platforms to push that message to their consumers in an original and relevant way, with a Chipotle game created and branded that invited people on a journey to bring real food back to the people.

Other companies have succeeded in adding a social element to their marketing with sponsorships. For example, P&G's now famous "Proud Sponsor of Moms" campaign used a great marketing insight to create a fund for the mothers of Olympic athletes so they could attend the Games. The "Thank you, Mom" advertisement was just the tip of the iceberg, as P&G developed a whole program providing transport for the athletes' mothers and offering additional services after their arrival. The sponsorship gave P&G the authenticity to tell that story, beyond giving the IOC money to be associated with the mythical rings, and helped the company promote its overall strategy targeting female consumers.

Danger can lie in such social claims. Brands must engage in concrete actions to gain consumer acceptance. And for their initiatives to feel legitimate, the company's values have to align naturally with the cause they're supporting. There are many infamous examples of brands selling pink products to support breast cancer foundations, with no real relevance to their brand.

Communication programs like P&G's demand a lot of energy, so it's important for sponsors to be in for the long run and for the right reasons.

#### **KNOW YOUR AUDIENCE**

#### Dive deep

Firms are increasingly using big data to tailor marketing communications to groups according to their specificity. Sponsorship too will benefit from such a shift in hyper segmentation and bull's-eye targeting. Properties are getting more sophisticated in knowing their own crowds. Plus, brands are putting together programs to better understand consumers, such as reward and loyalty programs.

One of the most interesting examples of this in sponsorship is O2's privilege program. The European telecommunications company has built both an online platform and an app to provide a vast array of benefits to its members—all according to their specific tastes. O2 sponsorships are key to the platform as O2's modus operandi is to secure a prominent venue and a tier one sports team in their different markets.

The platform serves as an activation tool for O2. Once consumers are on board, the offers are targeted according to their specific preferences, and the cost of reaching them is reduced to almost zero compared to traditional media buys that are costly and imprecise.

As the capacity to gather data and analyze it increases, properties and brands should make the most of their information systems to pinpoint consumer insights and fine-tune activation programs to specific tastes and needs.

## SPONSORSHIPS KEY TO BUILDING MARKETING ALLIANCES

Closeness breeds success

In some occurrences, the relationship between the sponsor and the sponsee is so relevant and natural, they transform into true alliances between brands.

An example of such an alliance is Shell and Ferrari. Their partnership, which spans over 50 years, extends from pure branding to product development ventures. This has been featured in many of Shell's commercials, where they've highlighted the fact that the premium fuel sold at the pump is quite close to the one used in the Formula 1. Shell is also the only partner that has the exclusive rights to feature Ferrari road cars (GT) in their commercials. This is hugely important because the mythical brand doesn't do any advertising. These initiatives provide both brands with extremely rich content to promote their partnership in meaningful ways.

Such closeness between two companies involves a certain level of risk and requires a deep engagement and confidence from both sides. However, the payoff can be quite impressive. These alliances are more difficult for rivals to emulate and can give both players a true competitive advantage in the market. For instance, Acer was able to craft a premium image by using its technological partnership with Ferrari over the years to co-design a Ferrari line of computers. The partnership was not merely an example of cobranding, as an employee of the Ferrari racing team participated in the creation of the new computers. This gave Acer an edge in European markets.



### SPONTANEOUS ACTIVATIONS

 $Be \overline{agile}$ 

We now live in a world of instant gratification. We want it, and we want it now. Technology has made access to content easy and has further exacerbated our desire to get what we want without the wait.

Most sponsorship revolves around an event of some sort: a climax that has all eyes focused on the property. Traditionally, sponsors sought to occupy as much space es possible—before, during and after the event.

e desire for instantaneity inspired some brands to create spontaneous activations. One famous example is Oreo's timely Tweet during the 2013 Super Bowl when the San Francisco 49ers faced off against the Baltimore Ravens. The agency set up a war room during the game to offer realtime engagement with fans and to better leverage the costly When the lights went out in the stadium, their "You can still dunk in the dark" Tweet instantly went viral.

uch activation requires extreme agility. You need a simplified chain of command for the approval of messages, and a war room where production can be handled by a single team in minutes.

Activations have a far shorter expiry date than ever before. Even if most companies aren't able to create an Oreo-like setup, they do need to deliver certain elements quickly, like a video recap of the event, which can be posted in a 24- to 48-hour time frame.

## MULTI-LEVEL STRATEGY Own the space

in different layers or levels, from the individual athlete all the way to the governing body and broadcaster. Multi-level strategies have been used to reinforce a sponsor's link to a specific sport, with each level having its own benefits. Venue sponsorships bring visibility. The team offers what money can't buy: an experience and a deep connection with fans.

A championship brings extra credibility: the "official product"

and the broadcast sponsorship serve as great awareness tools

and effectively eliminate the possibility of wannabe ambushers.

In most professional sports, properties can be classified

Sponsorship strategists now have to think in 3D when looking at a new sponsorship opportunity and consider sports as whole rather than looking at a single property.

"You can still dunk in the dark" Tweet instantly went viral.

## LOW RIGHTS (NO RIGHTS), HIGH ACTIVATION

If you build it, they will come

Red Bull produces its own events from scratch and maintains 100% control of the process. This means the company has only production fees to cover (no rights fees) and has the freedom to create an event that fits perfectly with the brand.

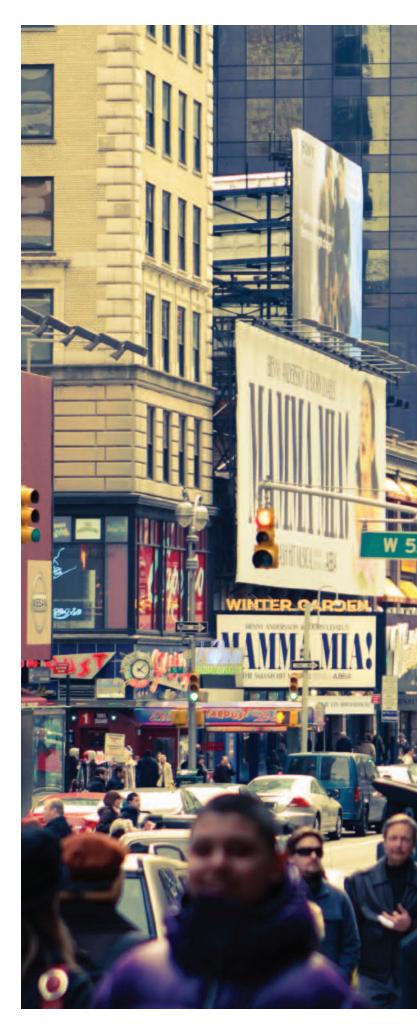
This practice was pioneered by the tobacco industry in the 1990s, when it was more costly to sponsor the event than to own it outright. By supplying all the revenue, tobacco companies could effectively control the event's image, marketing, and other sponsorship and merchandising activities.

Red Bull made the model popular, and it's quickly catching on, as many tier one properties are out of reach of the average sponsor's budget. This trend is common within the beer industry. Molson Dry created its own string of concerts under the umbrella "Party Pros" and, more recently, Pabst launched the Project Pabst Festival, a three-day music event in Oregon.

Sometimes a non-profit organization overshadows its sponsors, which tends to limit the positive benefits that stem from such an association. Instead, some brands are choosing to own a broader cause without having ties to a specific non-profit organization. As mentioned earlier, P&G now owns the "Mom" label in consumers' minds. In Canada, Bell has associated itself with mental health. It has no formal partnership with a specific organization, but it has created a 360 degree campaign—using traditional and new media as well as a celebrity endorsement—to raise money for various mental health organizations (which are not explicitly named in the campaign). The result: Bell has succeeded in owning the mental health cause in its market.

The "no rights trend" could put increased pressure on properties in an already competitive environment. With more sponsors considering the "in-house" alternative, there could also be a market trend towards lower rights fees. That approach also has its downside. In terms of legitimacy, it's harder to gain consumer acceptance, especially in the case of sporting events, where authenticity is key.

The "no rights trend" could put increased pressure on properties in an already competitive environment."







## INCREASED COMPETITION BETWEEN PROPERTIES

It's getting crowded out there

The end of the last decade saw an increase in the number of non-profit organizations and small events jumping into the sponsorship game in search of new revenue. This phenomenon is particularly acute in the arts, culture, and corporate social responsibility (CSR) worlds, as it helps compensate for the loss of revenue due to government cutbacks.

Offer now exceeds demand, with two direct consequences. First, sponsors now have an unprecedented amount of choice. Second, it has forced properties to acquire sponsorship competencies to better sell and manage their partnerships.

The vast choice for sponsors can be as tempting as a buffet. But there is the danger of expanding the portfolio into a non-strategic alignment just to protect the market from opponents.

The increased competition among properties will force older and more established organizations that might be out of touch in terms of branding and positioning to innovate and follow the example of sponsors who are realigning their sponsorship programs to be more relevant to their brands and objectives.

The vast choice for sponsors can be as tempting as a buffet.





## THE 8TH ANNUAL CANADIAN SPONSORSHIP LANDSCAPE STUDY

## Highlights from the 2014 edition Variations from year to year

he Canadian Sponsorship Landscape Study (CSLS) is an annual survey of Canadian sponsors, properties and agencies. It provides a good overview of the sponsorship industry in Canada.

#### **AUTHORS:**

Dr. Norm O'Reilly, Lead Researcher Elisa Beselt Adam DeGrasse

## HIGHLIGHTS FROM THE 2014 EDITION VARIATIONS FROM YEAR TO YEAR

	2013 – 1.77B
Canadian industry size	2012 – 1.57B
1.77B +12.7%	2011 – 1.59B
(estimates)	2010 – 1.55B
	2009 – 1.43B



### 2015 projected growth (source IEG)

NORTH AMERICA 21.4B – UP 4% ■

**GLOBAL 57.5B – UP 4.1%** ■



Activation ratio
\$0.62 PER DOLLAR – DOWN 20%

+

Pre-sponsorship evaluation

9.9% OF BUDGETS - DOWN 5%



#### **Evaluation**

3% OF OVERALL BUDGET – UP 0.3% 50% of respondents spend \$0 on evaluation

#### Sponsorship marketing budget

One of the key measures of the value of sponsorship is to examine the overall ratio of spending on sponsorship as a percentage of sponsors' overall marketing communications budgets.

2010 – 22.3%

0.62 - 110

2013 – 23.1%



#### Sponsorship mix – spending by category types



Professional sport 28.3%



Amateur/Olympic sport 22.5%



Cause marketing 14.7%



Festivals, fairs, annual events 12.6%



Arts 4.9%



Entertainment, tours, attractions 1.9%



Media 4.2%



Education 2.9%

## Activation spend (percentage of overall spend)

**INTERNAL MARKETING - 2.6%** 

PR - 6.6%

SOCIAL MEDIA - 6.9%

**BRANDED CONTENT – 11%** 

**PRODUCT SAMPLING – 12%** 

**HOSTING/HOSPITALITY - 12.9%** 

**ADVERTISING - 20%** 

#### Cash vs. sponsorship revenue

VALUE IN KIND – 23.6% CASH – 76.4%

Investment geography (percentage on overall budget)

INTERNATIONAL-13.5%

NATIONAL - 23.8%

MULTI-PROVINCIAL - 10.7%

PROVINCIAL - 19.2%

REGIONAL – 18.5%

**LOCAL - 14.3%** 

## Concerns facing the industry

DEMONSTRATING ROI 24.5% – UP 3.1% 📥

HR AND EXPERTISE 20.4% − UP 7% 📥



BUDGET CONCERNS 8.6% – DOWN 3.8%





NEW PROPERTIES 12.6%

SPECIFIC TYPES 16.9%

TECHNOLOGY 18.3%





#### TOP EVENTS IN CANADA



#### A snapshot of how Canadians consume entertainment

sing the data compiled by CROP, we charted the relationship Canadians have with cultural and sporting events. Discover the trends and preferences of different demographic groups and regions of the country.

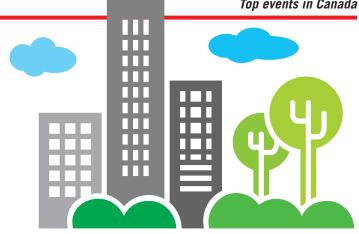
#### **ABOUT CROP:**

A leader in marketing research and public opinion surveys, CROP intervenes in a wide range of diversified fields including marketing, communications, public affairs, human resources and management. Founded in 1965, CROP specializes in the psychology and behavior of consumers and citizens.

22 > 23 Top events in Canada

# CROP\_

Survey conducted with Canadians on their event attendance in the past two years.



## CANADA IS KNOWN FOR THE DIVERSITY OF ITS EVENT OFFERING, WITH MUSIC FESTIVALS DOMINATING THE LIST



#### DIFFERENT TYPES OF EVENTS APPEAL TO DIFFERENT AGE GROUPS

Preferred type of event by age group





41%
Gastronomy
25-34









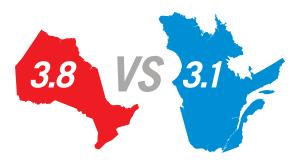
55-64

65+

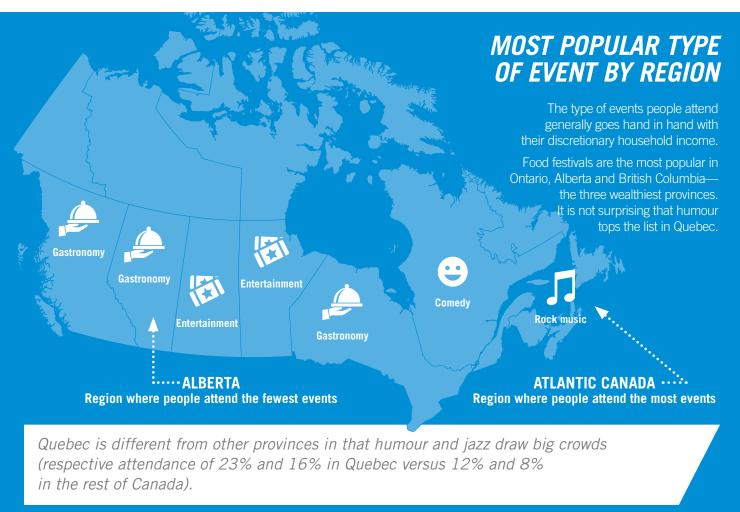


#### PEOPLE WHO ATTENDED EVENTS DID IT AN AVERAGE OF 3.6 TIMES IN THE PAST TWO YEARS

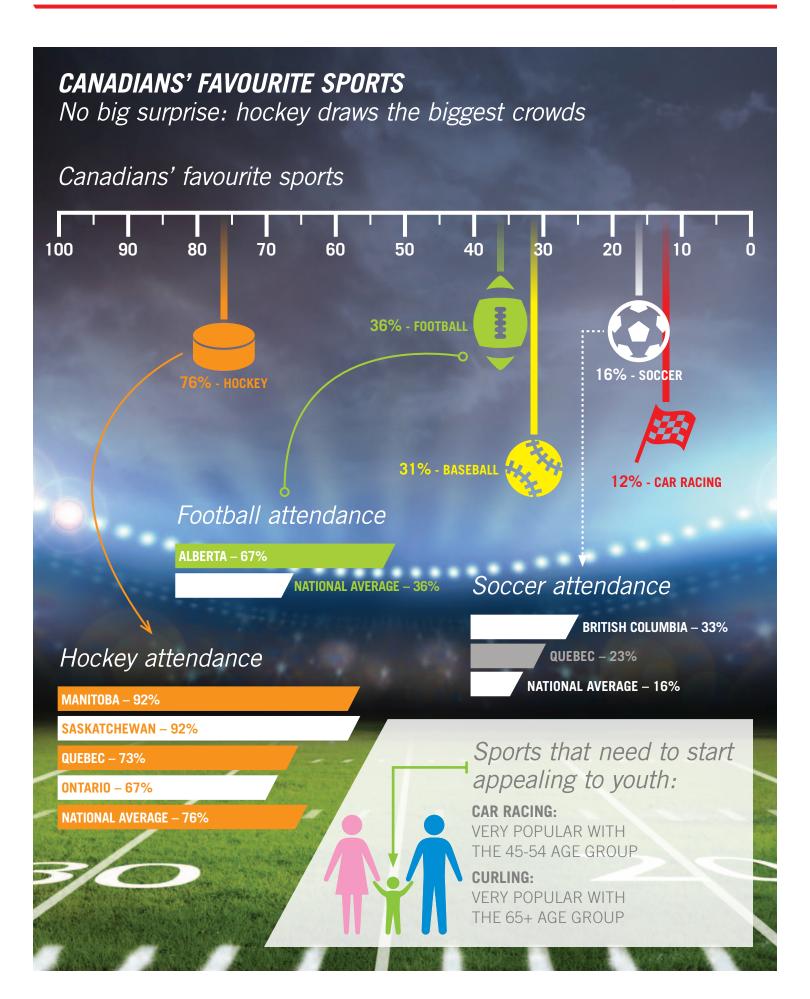




- 3.8 Ontarians attended events the most often.
- 3.1 Quebecers attended events the least often.



24 ▶ 25 Top events in Canada





#### PARTICIPATION ≠ ATTENDANCE

Golfing is the sport the most people play in Canada, but attendance at golfing events doesn't reflect this popularity.





## CROF

2015 © CROP and elevent

**Sources** 

CROP:

Panorama Program:

Web survey conducted from November 21, 2014 to January 4, 2015 with 2,284 Canadians aged 18 and older (1,042 respondents in Quebec). Canadian Heritage:

Sport participation 2010 research paper, February, 2013



# TOP 10 SPONSORSHIPS AND ACTIVATIONS



#### TOP 10 SPONSORSHIPS AND ACTIVATIONS

#### The best in sponsorship

As sponsorship matures and goes through different phases, we see that the most exciting partnerships tend to have three ingredients in common: they're creative, they're relevant and, at the end of the day, they have the results to show for it.

Here are some of our team's favourite partnerships and



#### **CHIPOTLE** Storytelling

The premium burrito chain has changed the way we look at the fast food industry--and has a healthy growth to show for it. Their clear positioning is supported with clever 360-degree communications around sponsorship and uniquely created assets. The "Cultivate" campaign includes a beautifully animated short evoking the story of a farmer who returns to his sources in order to produce real and quality food. To engage consumers beyond a simple ad, Chipotle created a follow-up campaign around a scarecrow game, which was available for free. The game invites players on a journey to bring real food back to the people, and in so doing involves them with the brand values in a relevant way. The brand then went further in creating its own environment with the Chipotle Cultivate Festival, a free event in three U.S. cities celebrating food, ideas and music—an event that the brand can own and leverage in various digital outlets.



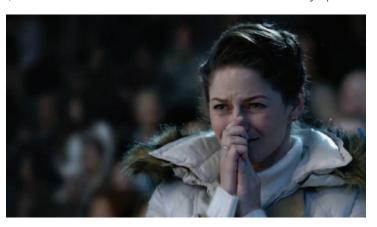
The social claims espoused by the festival have a solid foundation within the company, which gives the brand the legitimacy to use them in their sponsorships. For such a partnership to work, there must be shared values between the company and the property. Because Chipotle has control over these assets, it can precisely measure the usage and track popularity in time—valuable tools to determine the platform's return on investment.

## P&G "PROUD SPONSOR OF MOMS"

Olympic activation platform

The Moms program emerged from a key consumer insight: women are the main decision-makers when it comes to the company's most iconic brands, like Pampers, Duracell and Tide. That insight served as the foundation for the Olympic activation program. What makes this partnership brilliant is how it allowed the company to own new turf in the consumer's mind, as no brand had ever focused on athletes' parents in the

past. Such a feat would have been difficult to pull off with traditional advertising alone. P&G didn't just produce great marketing materials. They literally invested in the athletes' moms, enabling hundreds of them to travel to the Olympic venues to watch their children in action. The company's leadership also recognized that the true value of partnerships reaches its full potential over time. The long-term success of this initiative boosted sales by \$500 million in the wake of the 2012 London Summer Olympics.



Budgets such as these are out of reach for many companies, but there are nonetheless some key learnings to be drawn from such a large-scale sponsorship: it must have a strong strategic base, it must have a legitimate claim to the positioning within the property, and the investment must be for the long-term—and for the right reasons.

#### GOPRO + RED BULL

Who would have thought that such a small, odd-looking piece of hardware, launched in 2004, would be such a game changer? The camera became popular in extreme sport circles as an alternative to professional digital equipment. From these small groups of influencers, the popularity of the product grew, and so did the brand. GoPro now uses sponsorship as a clever way to position its product in context, to create content and to reinforce its brand image. The product has become much more than just a camera. Like Apple—which became a love brand in every sector it conquered—it has transformed into an inspirational object.

GoPro's association with Red Bull is especially spectacular, allowing millions of viewers to enjoy epic accomplishments every day via extreme stunts and events, mostly available online. "Be a Hero" and "Gives you Wings" are perfect examples of synergies generated naturally by the know-how of two partners.

Sponsorship based on content creation can be a powerful value generator, allowing brands to boost their image. Red Bull showed a lot of savvy in this regard by creating various outlets (Red Bull TV, Red Bull Media House, Red Bull Mobile) to broadcast their content and track the success of each piece.



#### 02 PRIORITY

O2 tackled market challenges with an innovative platform. By 2010, a shift had occurred in the mobile communication industry: as the market was reaching maturity in Europe, its consumer base was expanding but new clients were getting increasingly harder to obtain. Telecommunications companies had to shift from an acquisition to a retention strategy, which meant less movement among players and a higher cost per acquisition.

O2 then developed a client-centric sponsorship program aimed at retention for a lower cost. In the UK, the program was built around the naming rights to the Millennium Dome (now named simply the O2) and the Manchester United soccer team, both tier one properties. The O2 priority program is a CRM that allows customers to register and receive special benefits according to their tastes. When a client wants to attend a show at the O2 venue, he or she purchases tickets in advance. Once on site, the client can avoid lines with priority entry. Within the venue, special areas—like the O2 Lounge—are accessible only to clients. This kind of experience drives brand loyalty: O2 doesn't merely satisfy its clients, it delights them.

The platform has other advantages. For one, it makes communication between users and the brand seamless. Plus, once the user is registered, the cost is close to zero. Both of these actions help build greater affinity between the client and the brand.

The company was also able to determine the value of its sponsorship efforts in terms of retention. When clients indicated a desire to change providers, they were divided into one of two camps: those who were exposed to the sponsorship program and those who were not. The results were significant and positively compensated the sponsorship investment.



There are multiple learnings to take away from the O2 program. First: the relevance of the marketing efforts undertaken in direct response to the marketing challenge. Second: the tremendous advantage of being able to gather data and contact clients directly. And finally: the measurement method that drew a direct line between the sponsorship actions and the return on investment, thus protecting the future of the program.



#### **GE OLYMPIC SPONSORSHIP**

The corporation founded in 1892 has grown into a varied product and service category: energy, healthcare, aircraft engines, rail transportation, water treatment facilities, etc. The firm's expertise proved to be an excellent fit when it came to the massive project of building the necessary infrastructure required to host the Olympic Games. As an official sponsor, GE was well positioned to help the Organizing Committees for the Olympic Games (OCOGs) offer infrastructure solutions for the various venues, including power, lighting, water treatment and transportation, as well as medical equipment for the athletes.



Such a partnership gave GE the opportunity to enter new markets where their presence had been limited, as was the case with the Beijing Olympics, and led to incredible business potential beyond the Games themselves. Furthermore, the newly built infrastructure served to showcase GE's potential in the fields of energy efficiency and sustainable development.

While some aspects of the sponsorship were designed to increase the company's reputation and brand image, the crux of the program was to generate more revenue from the sponsorship in terms that could be easily measured. Though not solely focused on the consumer side of sponsorship, the GE program offers a great example of how partnerships can stimulate business development and growth opportunities.

#### POM WONDERFUL

The Greatest Movie Ever Sold

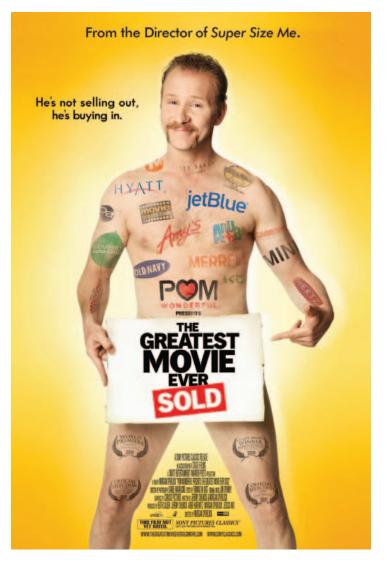
The omnipresence of product placement and sponsorship is the basis of this documentary, which reveals the intricate world of endorsement deals and product placements. All in all, 22 companies participated in the film, including Hyatt, JetBlue, Mini Cooper and POM, with the latter offering \$1 million for title sponsorship. Six hundred brands, however, turned down Spurlock's offer to become sponsors of the film in exchange for visibility.

Most of the brands that participated probably got their money's worth, as the film grossed \$638,476 in the U.S. alone and garnered significant media attention. POM definitely benefited from all the awareness and from increased product trial. Because of the restrictive sponsorship agreement based on the film's audience that was not met, POM had to pay a lot less than the advertised amount.

The process shown in the documentary is very close to the real deal. The viewer can interpret sponsorship, endorsement or product placement as either a good or a bad thing, but the film does succeed in showcasing our job as never before seen.

Because of the sympathetic tone of the film and Spurlock's ability to not take himself too seriously, the spillover effect on partner brands was positive overall.

Six hundred brands, however, turned down Spurlock's offer to become sponsors of the film in exchange for visibility.





#### PABST BLUE RIBBON

Rising from the ashes with underground sponsorship

The brewery that produces Old Milwaukee, Colt 45 and Pabst was established in Milwaukee in 1844. The iconic Pabst beer rose to the top four in the U.S. until it peaked in the mid-1960s, followed by an impressive 40-year decline in sales, with the brand losing 90% of its market volume between 1978 and 2001.

Unexpectedly, the brand later became popular among young trendsetters. Armed with that insight, a new marketing team, with Neal Stewart acting as Senior Brand Manager, started to shift the downward slope with very limited means and went on to reinforce its popularity.

What drew new consumer segments to the brand, besides its low cost, was that the unpopularity of the beer actually made it cool. Bike messengers and Brooklyn hipsters appropriated the brand for themselves and redefined it. It was a counter-intuitive approach, and the marketing efforts to sustain the movement had to follow suit—or risk alienating precious influencers.

Starting small, the team got to know the new generation of Pabst drinkers in bars, which led to the brand's involvement in grassroots events that supported the clients' lifestyles. Money was not the first door in. Instead, the company provided beer and goods and lent a hand making flyers for the sponsored events.

PBR partnered with all sorts of small events: scooter rallies, kickball and dodgeball tournaments, fashion shows, bike messenger races, indie music shows, local businesses, post-collegiate sports teams,

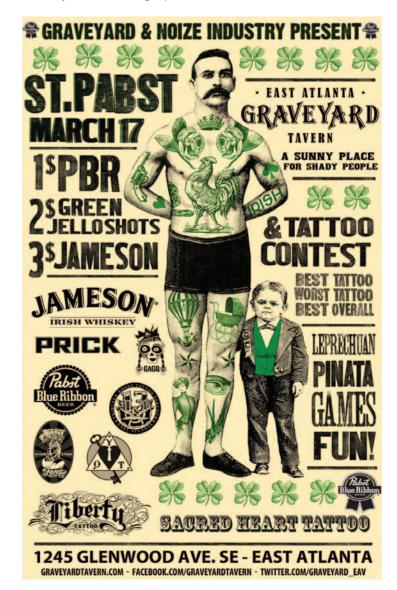
dive bars, radio programming and art exhibition openings.

Despite the apparent lack of cohesiveness within the portfolio, all the events had a common umbrella: they appealed to a marginal group and the event-goers were embracing the brand presence rather than being repulsed by the commercial aspects of sponsorship. That strategy proved quite successful, with sales jumping by 5% in the first year to 15% in 2003.

The growing popularity of Pabst as a sponsor soon meant that the brand had a host of partner events from which to choose.

The criteria? It had to have niche popularity, be consumer-centric, have buzz potential and, most importantly, be unique. The brand was rebuilt almost exclusively on word of mouth. Even without traditional advertising, the absence of ads was viewed as a positive in the eyes of consumers. PBR continued its growth, staying true to the strategy that broadened its appeal.

A movement truly takes hold when consumers can own the brand, with sponsorship merely there to support it. PBR is a fantastic example of ultra-segmented and grassroots marketing. When all the competitors are battling for the same position, it's rewarding to take the path less traveled. As a brand gets popular, it's important to stay true to its core fans and not alienate the people who made it popular in the first place. For PBR, the sales numbers made it clear that they were on the right path.



What drew new consumer segments to the brand, besides its low cost, was that the unpopularity of the beer actually made it cool.



## ANDRE AGASSI AND JACOB'S CREEK

#### $\overline{Open} \overline{Up}$

Although Jacob's Creek enjoyed a leadership position in the market, some elements hindered the brand's growth. The high volume and popularity of its low price-point wine were limiting the sales of other premium products. Furthermore, the "True Character" brand positioning wasn't understood by most consumers. Spirits brands in Australia also face a significant communication challenge. The country prohibits paid media advertising by alcohol brands before 8:30 p.m. and some Asian markets restrict it altogether. The company wanted to get around these issues and the sponsorship of tennis assets helped them do just that.

Besides its sponsorship of the ATP Australian Open, Jacob's Creek found the right fit in Andre Agassi, the Tennis Hall of Famer who embodied the brand values perfectly. Consumers could relate to his struggle for greatness as revealed in his tell-all book, which reflected the brand's "True Character" positioning. The activation was anchored in a campaign called "Open Up", which featured the star opening up in very personal interviews, presented by Jacob's Creek. The initiative had wide appeal, mostly because of the quality of the content.

The campaign gained earned media because of this, which broadened the reach even further. The broadcaster of the Australian Open acquired the short films to include in their programming, and Qantas put the content on all its domestic flights during the Australian Open. The film series was broadcast in 83 million homes in Asia and Australia.

The use of multiple levels of tennis sponsorship (player, league, broadcast) reinforced the desired brand image. The videos featuring Andre Agassi were a smart and original activation vehicle to reach the public. Plus, the brand used clever outlets to deliver its message. In the end, it was content that people wanted to see and share, and the ability to secure broad distribution of that content is what helped the brand reach its goals.

Despite the inherent risks, celebrities have a wide appeal and can be a source of content creation. With the right media mix, the results can be great. The key is to think in terms of what will appeal to consumers rather than focusing exclusively on brand stories.

#### JACOB'S CREEK<sup>\*</sup> True Character

THE OPEN FILM SERIES







#### **BEATS BY DR. DRE**

The ingenious brand endorsement strategy used by Beats contributed to the huge amount (reported at \$US3 billion) Apple paid to acquire the brand in 2014. Besides the famous rapper lending his name to the brand, many music artists partnered with the headphone company, like Pharrell, Nicki Minaj and Lady Gaga, for whom the brand created an exclusive model (Heart Beats). Beats teamed with other companies like HP and Chrysler to equip the computers and cars with enhanced audio—partnerships that helped enhance the stature of both brands.

Beats also endorsed a number of sports stars like LeBron James. But the stunt that made the most noise was the guerrilla marketing done at the London Summer Olympics. By giving British athletes special edition headsets bearing the Union Jack, Beats got worldwide media coverage within the sporting venues, where sponsors aren't allowed.

Beats defined its brand image by the celebrities who were using the product. It can be a risky strategy, as two out of every three endorsement deals tend to end in a scandal. But, by building a portfolio of brand ambassadors, the payoff can be huge, as celebrities are at the forefront of media outlets around the world. Beats' overall approach is a mix of co-branded products, celebrity endorsement, guerrilla marketing, content creation and even the occasional sponsorship ambush. The brand succeeds in using a variety of partnership tools in a creative way, thinking far outside the box and constantly pushing boundaries.







## TOP 10 SOCIAL SPONSORSHIPS



## Making the world a better place

he rise of social or cause-related sponsorships is undeniable. Why? Because they stand at the crossroads of consumer preoccupations and a company's willingness to make a positive contribution to some of the challenges in the world. That pressure is increasing and so is the appeal for communication initiatives that can help both the brand and the world around us. In 2015, projections for sponsorship spending on causes is expected to total \$1.92 billion in North America alone, which represents 9% of the overall sponsorship market, up 3.7% from 2014 according to IEG.

Social partnership is the joining together of organizations from different sectors of society to tackle social problems. It requires involvement in the planning and implementation of activities by two or more organizations, joint-problem solving and a commitment of resources from all partners. The partnership is aimed at addressing existing gaps in society and can comprise one or more of the following: advocacy, awareness raising, knowledge sharing, research and development, the implementation of new standards, service provision and market creation.

Most effective social partnerships are intrinsically linked with the broader strategy guiding the core business. If not, brands can easily become the target of criticism for versing in a kind of communication washing.

Fortunately, we live at a time when we can use our role as marketers to do good. We need to raise the bar collectively in regards to such inspiring partnerships and foster participation and involvement from both brands and consumers in a transparent and relevant way. Here are 10 of our favourite innovative and noteworthy social sponsorships.

36 ▶ 37 Top 10 social sponsorships

## **NATURE VALLEY**

## Helping preserve U.S. National Parks

The General Mills brand that created the granola bar category back in 1973 partnered up with the National Parks Conservation Association in America. Their commitment is twofold: they provide money and volunteers to help with restoration projects.

To reinforce their commitment to the National Parks, the brand created the Nature Valley Trail View, which won a gold Lion at Cannes in 2012 in the Branded Content & Entertainment category. The concept was based on Google Street View technology, and it enabled users to visit parks and trails as if they were there, thus raising awareness on the various conservation efforts. The team went on to construct their own camera, equipment and GPS tracker to capture beautiful 360-degree imagery along the trails.



The teams hiked for three months, covering 333 miles of trails in three of the most popular parks: Grand Canyon, Yellowstone and the Great Smoky Mountains (more were added later). The initiative was in line with Nature Valley's core customers—true nature lovers—and provided them with a new experience of great interest. Backed by strong PR, the campaign generated over \$30 million in earned media impressions in the first week. Within two weeks, the site had generated more than 100,000 unique visits and 300,000 page views.

Social causes can generate a lot of media buzz, and that was definitely the case with Trail View, which gained a significant amount of earned media, especially on popular websites. Indeed, the feat was newsworthy and proved to be a great way to engage consumers, who can be very sceptical when brands start making social claims. To succeed, the "social positioning" must be crystal clear and backed by concrete efforts on the brand side. Otherwise, it risks being perceived as just another type of social washing for commercial gain.

## DUPONT GLOBAL COLLABORATORY

DuPont was faced with an image problem. Chemical companies don't generally have a great reputation and people were wondering what role, if any, the company was playing in global issues. That posed a challenge for DuPont, which is involved in various fields, from the food industry to energy and protection. The objective was to become a thought leader on global concerns like fuel, protection and food, and, in so doing, to shed a more positive light on their brand image.



DuPont had been involved in traditional sponsorship, the most prominent being its 21-year association with Jeff Gordon NASCAR's #24 car. That association provided tremendous visibility and helped brand awareness, but it did nothing to help tackle its aforementioned communications challenges. The company's solution was a move into branded content, with themes in line with their various fields. The initiative was named the Global Collaboratory, with an aim to solve "global challenges together" using science and innovation to improve the world (energy, food, environment). DuPont switched its ad purchase to a content platform and had to relinquish editorial control to partners such as the BBC, which produced the Horizon show, and National Geographic, which provided pictures. The end result was very high quality content with sober branding and a respectful approach. These initiatives were paired with more heavily branded twominute capsules on YouTube covering various DuPont stories.

In the background, DuPont had to earn the trust of key stakeholders in the various fields in which the company was involved. DuPont gave those leaders an essential tool to support them in order to address global food challenges. Working with the Economist Intelligence Unit, DuPont established the first Global Food Security Index (GFSI). Available in 105 countries and accessible through an interactive website, the GFSI became a unique resource in the struggle against food insecurity.

Both the food index and the content may have been below-the-line initiatives, but they were grounded in the company's core business and sought to demonstrate DuPont's intended positioning through concrete involvement. DuPont is no longer a staid "chemical



company." It has transformed into a trusted and respected collaborator in the fight for food security in the 21st century.

### HOME DEPOT FOUNDATION

The Home Depot (HD) is the world's largest home improvement retailer. Being the last entrant in an established Canadian market, HD had to show that they were not only an outside firm but also part of the community they inhabited. The company has strategically aligned its CSR activities with areas in which the existing core business and corporate infrastructure can have a social impact and be relevant to their business. In Canada, the company created a foundation to help the youth, to fight homelessness and to build affordable housing.

On the homelessness front, HD published a White Paper on youth homelessness and pledged \$10 million to fight it with The Orange Door Project, which supports renovation and repair projects, life skill development programs and research and collaboration programs that benefit homeless and vulnerable youth with the help of community partners.



The foundation has become a facilitator for other charities that are working on affordable housing projects by injecting funds to undertake repairs and refurbishments of social homes. It also supported 143 local charities through grants for small-scale initiatives and neighbourhood improvement projects. It leverages its partnership with Habitat for Humanity, the organization's major partner, in many ways, involving store associates and employees in volunteer efforts, clients in fundraising and cause marketing programs, and vendors in the provision of materials and discontinued products.

The Home Depot CSR and social partnerships program has a lot of merit. The fact that it tackles social gaps within the realm of its business increases the positive sentiment towards the brand, as consumers see the social gestures as more altruistic and authentic.

Furthermore, the company involved many other stakeholders in the initiatives, as well as their own staff at different levels of the business, which leveraged the respective strength of each of its partners.

One of the most interesting aspects of this initiative was how HD employees invested time and resources in trying to bridge the cultural gap between non-profit organizations and corporations. Over the long-term, the results of such a focused investment are likely to have a substantial impact. Increasingly, corporations are looking to be more actively engaged in the causes that they support rather than simply providing undesignated funding.

One thing to keep in mind is that the issues charities are trying to tackle must align with the corporate partner's vision, values and culture in order to deliver maximum benefits to both players.

## **COCA-COLA AND WWF**

Polar bears have been symbols of the Coca-Cola brand since 1922. With climate change directly affecting the polar bears' habitat, it was natural for Coke to get involved. The company partnered with WWF and its polar bear conservation efforts in 2007. Their goal was to raise awareness and funds through the Arctic Home campaign. Globally, Coca-Cola funds WWF with a global budget of \$40 million.

The aim of the program was to inspire Canadians to participate in helping conserve the home of the polar bear, and to inspire personal action from Canadians through financial donations to WWF and awareness of the joint partnership between WWF and Coca-Cola to support polar bear and arctic conservation. The program included an integrated, multi-year campaign with TV, experiential marketing, special limited edition packaging, in-store displays, online and social advertising, and cause-related marketing with donations made upon purchase.

The campaign led to an increased awareness of climate change and direct donations to polar bear protection, which funded

concrete actions in the artic, from more accurate models of sea ice

conditions to polar bear population surveys and local government initiatives.

The partnership has gone beyond the polar bear efforts as WWF also helps Coca-Cola work towards sustainability with the conservation of freshwater resources around the world, the improvement of water efficiency within Coca-Cola's global manufacturing operations and reduced CO<sup>2</sup> emissions. Overall, the efforts make good business sense as they have led to a higher volume of sales.



38 ▶ 39 Top 10 social sponsorships

That partnership with WWF makes economic sense for Coca-Cola, as they work in tandem to improve the supply chain globally, with the goal of becoming a more sustainable business. WWF wins by working with a big corporation to implement concrete changes that will have an impact on the environment. For such an initiative to work, it is imperative to have the buy-in of senior leadership as well as shared values and ambitions.

### AMERICAN EXPRESS

### National Trust for Historic Preservation

Amex launched an innovative cause-related marketing effort in 1983 to raise \$1.7 million to preserve the Statue of Liberty. Since then, the company has supported two major initiatives in partnership with the World Monuments Fund and the National Trust for Historic Preservation.



These initiatives aim to increase public awareness of the importance of historic and environmental conservation, preserve global historic and cultural landmarks, educate visitors on sustainable tourism and strengthen local communities through preservation efforts.

The cause became Amex's symbol and is now a fixture of its brand identity, with the Statue of Liberty featured on many of its cards. Credit cards also happen to be a great fit with cause marketing campaigns as donations can be easily collected. And communications of CSR efforts with customers are made easy with monthly credit card statements.

This partnership was innovative at the time of its inception, and the company decided to make it its flagship cause. Going for unchartered territory can lead to interesting asset creation and help companies stand out from the majority of causes which are tied to health, education and youth.

### **CANADIAN TIRE**

### *Jumpstart*

Hockey is Canada's national sport, but equipment costs can discourage some families from sending their kids to the arena at all. In fact, one in three Canadian families can't afford to enrol their kids in organized sports and physical activity (Vision Critical, 2011). Canadian Tire Jumpstart is a national charity dedicated to removing financial barriers so kids across Canada have the opportunity to play and get active.



Giving kids a sporting chance.

Jumpstart helps kids between the ages of four and 18 by assisting with the costs associated with registration, equipment and transportation for sports and physical activity programming. Active kids are healthier, and playing sports also helps foster confidence, leadership, productivity and creativity.

The program uses a unique model, made up of a network of volunteers across 330 local chapters in Canada. These chapters work collectively with over 3,100 Jumpstart community partners across the country like the local Municipal Parks and Recreation Department, the local Boys and Girls Club and the YMCA/YWCA, to help them submit applications for Jumpstart funding as well as identify kids from financially disadvantaged families who would benefit from participating in sports and physical activity programming.

The program has the ambitious goal of bringing 30,000 kids between the ages of four and 18 into minor hockey programs over the course of three years. The company soon expects to bring its one-millionth young person into youth sports since Jumpstart began in 2003.

This chosen cause could not be more relevant to Canadian Tire's brands, which also include Sport Chek and Mark's. Not surprisingly, it has resonated strongly with the company's target market. Canadian Tire is helping to build not only new players, but customers for life.



40 ▶ 41 Top 10 social sponsorships

### **UBER**

## No Kid Hungry

The disruptive startup is using the power of its customer base to help fight hunger in its home market. Uber partnered with No Kid Hungry, a campaign of the non-profit Share Our Strength. In the U.S., one in five children struggles with hunger. Share Our Strength's No Kid Hungry campaign is working to put an end to child hunger by ensuring all children get the healthy food they need, every day.



Uber set an initial—and ambitious—goal of providing three million meals for children in need by allowing riders to make a \$5 donation through the app. The company is no stranger to bending the rules, as they did with the Apple store policy prohibiting in-app donations. By adding \$5 to the cost of a ride, it allowed users to donate seamlessly and at the same time worked around Apple's rules. The users generously gave the equivalent of five million meals in just five days. Besides donations, Uber's app was an incredible driver of awareness for the cause.

In addition to direct cash donations, Uber created other causerelated initiatives. In selected cities, customers could book a renowned chef for a home delivery or order lunch on the fly using the Uber app and its network of drivers, with all proceeds going the cause.

Though the partnership is fairly recent, one has to admire the novel approach to raising money which gets Uber users and drivers involved and transforms simple customers into a community with a sense of belonging. The spectacular results of this campaign generated a lot of press for both Uber and the cause.

All in all, the partnership reinforced Uber's unique positioning as a company that does things differently. They proved that they could use that thinking in all aspects of the business, including corporate social responsibility. Finally, the ride dispatch service understood the importance of the user experience and ease of use, which definitely contributed to the impressive results.

### **HANES**

## The Salvation Army and Invisible People

Socks might seem like a disappointing present for most people, but they happen to be "...the most requested but least donated item needed at shelters. It's like gold to the homeless. Most people don't think about having cleans socks. We take it for granted", stated Mark Horvath, a former homeless person and founder of Invisible People, a site dedicated to telling the stories of the homeless and of the organizations trying to help.

Over the years, Hanes, the number one sock brand, donated millions of socks to the needy through its Hanes for Good social responsibility program and its long-time partnership with The Salvation Army, the well known worldwide non-profit that provides the basic necessities of life like food, shelter, and warmth, operates shelters for the homeless and provides disaster relief and humanitarian aid to developing countries.



The brand cleverly used the holiday season to push a somewhat different message by raising awareness on how a simple gesture can make a difference and by encouraging people to make donations and run virtual sock drives on Facebook.

This initiative worked because it was different. Though not a popular or sexy cause for an underwear manufacturer, it tackled a real problem head on and consumers appreciated it for its sincerity and generosity.



## **THE DOVE**Self-Esteem Fund

The advertising industry often projects a perfect image in which consumers can picture themselves living a happy and fulfilled existence. But some discordant voices are rising in regards to the overtly sexual images used in advertising, along with the preteen models and overly thin girls clad in designer clothes.

In 2004, Dove, a Unilever brand and iconic soap, launched the Campaign for Real Beauty in order to be "an agent of change to educate and inspire girls on a wider definition of beauty and to make them feel more confident about themselves", and in 2010, Dove created the Self-Esteem Fund to do just that.

The first Campaign for Real Beauty featured women whose appearance didn't fit with the stereotypical norms of beauty. The ads asked viewers to judge the women's looks (oversized or outstanding? wrinkled or wonderful?) and invited them to cast their votes online. The campaign provoked discussions and debates about beauty stereotypes. Follow-up campaigns kept the momentum going by showing the radical use of photo software to touch up original images of models or by using a specialist in robot portraits to draw women according to a stranger's description. Surprisingly, the stranger could offer a more accurate and beautiful portrait than the women could of themselves.

The Self-Esteem Fund, created in the wake of the 2010 campaign, partners with other existing organizations (such as Girl Scouts) and encourages women everywhere to mentor the next generation and celebrate real beauty. The Fund focuses on educational programs and activities that encourage, inspire and motivate girls around the world. The initiatives have reached over seven million girls so far with these programs, with the global goal of reaching 15 million girls by 2015.

A Dove-sponsored study prior to the campaign revealed some shocking facts about women's opinions about themselves. Among the findings was the statistic that only 2% of women around the world would describe themselves as beautiful. A repeat study was done six years later to find that the number had moved up slightly to 4%. Anxiety about looks begins at an early age. In a study of over 1,200 10-to-17-year-olds, a majority of girls, 72%, said they felt tremendous pressure to be beautiful.

Dove really struck a chord with its target consumers, which reinforced the fact that the program was based on sound insight. The brand chose a disruptive cause, especially given that it was coming from a manufacturer of beauty products and cosmetics, who generally make ads that are in line with common stereotypes. By going against the grain, Dove was able to champion a cause that reflects society's concerns and speaks to a large number of women. Furthermore, the idea to create forums where consumers could voice their concerns was a great way to get people involved. And we love that Dove went even further and backed its insight and progress with sound data. By funding surveys and studies, it garnered greater legitimacy and the leadership to address the issue head on.







## TOP 10 SPONSORSHIP AMBUSHES



## What is ambush marketing?

mbush marketing is when a non-sponsor tries to associate itself with an event by using communication techniques that lead consumers to believe that the company is acting as an official sponsor. There are many different sponsorship ambush tactics. The most notorious involve buying media during the broadcasting of an event or in the vicinity of an event (i.e. out-of-home advertising). Others may develop promotional materials using a theme that echoes the event or even sponsoring a similar event to create confusion.

Has this morally disputable practice diminished due to the increasing legal protection granted to a property and its sponsors (as is the case with the Olympics)? To a certain degree, yes, but ambushers are finding even more creative ways to glom onto an event within the boundaries of the law.

Elevent does not condone ambush tactics because of their negative effects on a property's future income. That said, we thought we'd go back in time to share some of the more memorable attempts, as well as some insights on how they can be countered.

## 1984 LOS ANGELES OLYMPIC GAMES

Kodak (Actual sponsor: Fuji)

THE ORIGINS OF AMBUSH MARKETING

During the 1976 Montreal Olympics, there were 628 official sponsors, which led to the dilution of the Olympic brand and smaller impact for, and awareness of, official sponsors. The Los Angeles Olympic Games saw a complete overhaul of the sponsorship structure in order to increase private funding of the event.

The restructuring of sponsorship rights and the implementation of exclusivity was an overwhelming financial success with a surplus of more than US\$250 million in sponsorship revenues, making it the first Olympics to be entirely privately funded. This new strategy saw many companies frustrated at being left out, and it paved the way for marketers to try to associate their brand with the event, even illegitimately.

In the camera sector, Fuji won the bid, leaving a frustrated Kodak sponsoring the U.S. broadcast. The tactic worked as the public did end up considering Kodak to be an official Olympic sponsor.



Reebok

### **PADDY POWER**

Euro 2012

PLAYER STRIPTEASE

After scoring his second goal during a match that pitted Denmark against Portugal, Arsenal player Nicklas Bendtner proudly lowered his shorts to his knees, showcasing his underpants branded with Irish bookmaker Paddy Power's logo, while millions of spectators sat glued to their TV sets.



## PUMA - 1996 ATLANTA OLYMPICS

(Actual sponsor: Reebok)

LINFORD CHRISTIE WEARS PUMA CONTACT LENSES

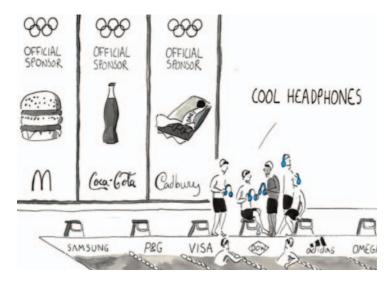
This over-the-top branding attempt saw Linford Christie,
Olympic gold medal sprinter, wearing contact lenses
with the Puma logo during a press conference before
the game in Atlanta. The stunt didn't sit too well with official
sponsor Reebok, which had paid \$40 million for the exclusive
rights to the event.



## BEATS LONDON 2012 OLYMPICS

(Actual sponsor: Panasonic)

Beats, the U.S. business founded by rapper Dr. Dre and music executive Jimmy lovine, opted for an approach that had been used by sporting apparel companies in the past: the use of spokespeople. The only difference was that the company didn't pay the athletes to endorse the product. Special edition headphones were distributed for free by a carefully trained armada whose mission was to cross paths with athletes. Some athletes used their new toy en route to the competition, providing valuable airtime coverage and appreciative Tweets from several well-followed athletes, all without the hefty price tag of a sponsorship.



## AMERICAN EXPRESS AND THE OLYMPICS

(Actual sponsor: Visa)

In terms of classic rivalries, credit card competition comes in a close second after the proverbial Cola Wars. Over the years, a few fierce battles have taken place on the Olympic front between Amex and Visa.

In the most memorable episode, sponsorship was used to fuel comparative advertising campaigns during the 1992 Barcelona Olympics. Visa's tagline was "The Olympics don't take American Express," with images of ticket windows being slammed shut in the faces of American Express cardholders. The US\$20 million they had paid to the IOC for their official sponsorship ensured they received no complaints about the campaign. However, American Express

responded with more style, pointing out in its own ad campaigns that "To visit Spain, you don't need a visa."

## **LULULEMON - 2010 VANCOUVER OLYMPICS**

(Actual sponsor: The Bay HBC)

OLYMPIC SPIRIT

Lululemon, a Canadian company, didn't want to be left out of the action during the Vancouver Olympics, in spite of a law designed to protect the official sponsors by restricting the use of certain elements associated with the Olympics, like the name of the city, the dates, and so on.

Lululemon cleverly went on to create a line of clothing close to the Vancouver 2010 theme naming a line of T-shirts, hoodies and mittens in honour of the "Cool Sporting Event That Takes Place in British Columbia Between 2009 & 2011." The line featured various country colors: Canada, the United States, Germany and Sweden—the four countries most likely to be present at the Games.

The collection, which sold out rapidly, garnered the retailer a public rebuke from VANOC executives.

### **NIKE - WORLD CUP**

(Actual sponsor: Adidas)

NIKE AMBUSH OF THE WORLD CUP

The famous Nike "Find your greatness" ad that aired during the World Cup used a football theme and real players endorsed by Nike. When you watched the Nike and Adidas campaigns one after the other, it was hard to tell who the official sponsor actually was.

This ambush campaign saw an extensive use of the web, and the originality of the Nike video gave them the win in the battle for views. Plus, the introduction of Nike soccer apps was designed to reinforce the brand's association with the sport, without having to pay rights fees.



46 ▶ 47 Top 10 sponsorship ambushes

## LI NING – 2008 BEIJING OLYMPICS

(Actual sponsor: Adidas)

Although there is a lot of misinformation around this perceived ambush attempt, the results were nonetheless impressive.

It is a popular misconception that the Beijing Games, officially sponsored by Adidas, had been ambushed quite spectacularly by Chinese sportswear brand Li Ning. The eponymous Ning, a former gymnast, was chosen to light the Olympic cauldron at the opening ceremony of the 2008 Games. The decision effectively gave his company a free 10-minute advert across China and the world, as the suspended Li Ning encircled the top of the Bird's Nest stadium before lighting the flame. The decision to grant Li Ning very valuable airtime understandably angered Adidas.

This wasn't the first time that Li Ning had been perceived as cashing in on his rivals' hard work. Li Ning's corporate logo already bears an uncanny resemblance to the famous Nike swoosh, and the company's slogan "Anything is Possible" echoes the Adidas tagline "Impossible is Nothing."

## BAVARIA – 2010 FIFA WORLD CUP SOUTH AFRICA

(Actual sponsor: Budweiser)

FIFA: 0 BAVARIA: 1
In the incident described below, Bavaria's success lies not in the action itself but in the media storm it managed to generate. Thanks to FIFA, the incident is now renowned as being one of the most effective pieces of ambush marketing in sporting history.

#### Round 1

The first coup occurred during the 2006 World Cup in Germany, when dozens of Dutch men watched the Netherlands play in a Stuttgart stadium in their underwear after stewards ordered them to remove their orange lederhosen bearing Bavaria's name.

Professor Simon Chadwick, who heads up the Centre for the International Business of Sport at Coventry University, explains: "The world's press went barmy over this because a large number of Dutch fans watched the game in their underwear in the stadium because they had nothing else to wear. Clearly the ambush failed because they didn't get into the stadium. But in another sense it worked perfectly because suddenly everyone across the world was talking about it. I'd never heard of the Bavaria Beer company and now I have, so even though it failed the fact it was so brazen resulted in many people across the world getting to hear about the brand."

#### Round 2

FIFA officials ejected 36 female fans from a game (arresting and later releasing two others who were accused of violating the "Contravention of Merchandise Marks Act", a law passed in South Africa for the World Cup making ambush marketing illegal) for wearing unbranded orange miniskirts that were provided by Bavaria.

### **NIKE AND THE OLYMPICS**

(Lifetime Achievement Award)

CONVERSE, REEBOK AND, LATER, ADIDAS PAID DEARLY FOR NIKE'S SHENANIGANS

Los Angeles 1984 (Actual sponsor: Converse)

Converse was the official sponsor of the 1984 Olympic Games held in Los Angeles, yet Nike built large-scale murals near the Los Angeles Coliseum, which displayed the Nike Logo and several of the athletes competing in the Games wearing Nike attire. After those games, marketing research found that more consumers thought Nike was the official sponsor than Converse, the actual sponsor.

### Barcelona 1992 (Actual sponsor: Reebok)

Nike, the world's largest sportswear manufacturer by market share, held a press conference with the U.S. basketball team at the 1992 Olympic Games in Barcelona, despite rival Reebok being the event's official sponsor. Nike's audacity was compounded when team stars and brand ambassadors Michael Jordan and Charles Barkley accepted the gold medal for basketball and covered up the Reebok logos on their uniforms.

### Atlanta 1996 (Official sponsor: Reebok)

Nike bought extensive out-of-home advertising space in the city of Atlanta. The large Nike banners on city buildings could be seen on the TV broadcast. A brand new Nike store was built near the Olympic village and became a major attraction. Michael Johnson's famous gold shoes were another of Nike's many attempts to ambush Reebok's 1996 Olympic sponsorship.

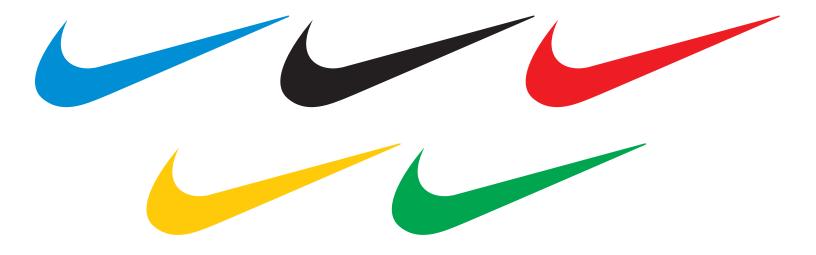
#### **London 2012 (Official sponsor: Adidas)**

For the London Summer Olympics, Adidas paid about \$60 million for its official sponsor status. Though not a sponsor, Nike did a great job getting its shoes on the feet of Olympians.

For its long-standing relationship with Olympic ambushes, Nike deserves a lifetime achievement award. The brand should be proud, as it fits with the bad boy image it seeks to project.

Read more by clicking here





## TIPS TO AVOID AMBUSHING:

- ▶ Expect the unexpected Ambush attacks won't come in a form you anticipate.
- ▶ Government protection has its limitations Even the stringent laws in place for the London and Sochi Games didn't stop ambushers.
- ▶ Remember that customers don't care They won't share your moral indignation over an ambush event. They might event support it as a David and Goliath combat.
- ▶ Don't overreact to an ambush It will only compound the problem (e.g. Bavaria).
- Start early and occupy as much space as you can. This is easier if you choose a well-defined target audience and the right channels to reach them.
- ▶ Clearly state your position as the official sponsor and demonstrate your leadership.
- ▶ Some ambush attempts work well because their advertising is clearly cooler than that of the official sponsor. Make sure to create great publicity materials.

The key is to use every possible asset to develop a longterm association with an event. Sponsorship can provide a true competitive advantage that can't be replicated by competitors. It's important for a brand to use the space it occupies within the event to communicate its positioning and value proposition.



# 2015 AND BEYOND

## 2015 AND BEYOND



## Closing remarks

or years now, many have predicted that sponsorship would be the next big thing, the future of advertising, and yet the sponsorship revolution has yet to happen. Why? It takes finesse to excel in such a complex communication environment, as sponsorship taps into a whole range of marketing tools—advertising, digital, PR, experiential marketing—and creates a result where the sum is greater than its parts. But more than anything, for sponsorship to really succeed, we need to establish more rigour in measuring its assets and outcomes.

If you're taking the time to read this, chances are we're preaching to the choir. But, as you know, organizations have their fair share of doubters. To be a true marketing discipline and for sponsorship to grow exponentially, we need a solid structure, relentless measurement and dedicated metrics. We tend to agree with Kevin Roberts (CEO Worldwide of Saatchi & Saatchi), who said that "Sponsorship is talking about the wrong stuff and some of the stories are juvenile. It's trying to compete with traditional media with the old-fashioned metrics, and it's going to lose." Indeed, measuring outputs doesn't tell the whole story and certainly doesn't tell us if it's doing anything for the brand.

## **CLOSING REMARKS**

## Continued from previous page

Collectively, we have a mission to inject more credibility into sponsorship. The "Does it work?" question also emerged for advertising in the 1960s. How did the ad industry react? Together, agencies came up with a measurement system to respond adequately to detractors. Sponsorship has many of those, as Sen. John Kerry famously illustrated when he said: "Sponsorship is an idiotic abuse of taxpayer money," in reference to companies that received bailout money from the government in the wake of the 2008 financial crisis.

A good place to start would be to have a standardized evaluation method that we use both before and after sponsorships to track progress and to speak the language that everybody understands in business: money. That's what we set out to do with a suite of sophisticated measurement tools. Although we recognize that media equivalencies are not a perfectly suited medium, media value can't be ignored.

As the qualitative assessment of a partnership becomes more sophisticated than a subjective approach rated arbitrarily on a scale of 1 to 5, relevant measurements will become a powerful decision-making tool for marketing professionals. We created qualitative scales by diving into the extensive sponsorship research of the last 20 years to figure out what academics have already solved with their hard work, and incorporated the findings into the Elevent measurement tool. We believe that qualitative measurements can be stronger and more precise and that their use will grow in the near future.

Valuation methods are tools in a broader sponsorship ecosystem, where multiple factors must be taken into account. The goal is to increase sponsorship knowledge to push the boundaries further and create new converts.

While the biggest challenge remains evaluation, we recognize that there are other important obstacles on the road to boosting sponsorship's credibility. What follows are our thoughts on a few of them. Visit our blog to comment and keep the discussion rolling.







#### **STAGNANT OR LOWER BUDGETS**

It is tempting for leadership to cut back on the marketing spend when times are tough. Sponsorship budgets are an especially easy target as sponsorship is a long-term tool and rarely produces sales that can be directly linked back to the activation. I often give the example of the Swiss watch I offered myself for a special occasion in my 30s. I bought that specific brand because of a sponsorship I first saw when I was seven. Talk about long term.

The lower cost of sponsorship valuation and the possibility of building in-house sponsorship measurement systems complete with promotional staff, a tablet and an online survey tool can be the first step in justifying the importance of the spend.

#### SPONSORSHIP'S ROLE WITHIN THE COMPANY

Sponsorship can be directed towards consumers, business prospects and company stakeholders. It can increase purchase intent, motivate employees, build awareness, improve the company's image, create a relationship with consumers and increase product knowledge. I find myself constantly reminding people that sponsorship is like that Swiss knife. Keep spreading the word.

#### INSUFFICIENT ACTIVATION BUDGETS

Some budgets are so imbalanced that very little is left for activation. As we know, activating a partnership is essential if you want to generate outcomes and reach objectives. Aim for lower entry levels or smaller properties and invest massively in activation.

#### LACK OF FOCUS, SCATTERED SPONSORSHIP PORTFOLIO

Some sponsorship portfolios are all over the place. While there may be a very real business strategy to such a diverse arrangement, it's often better to focus on one ownable theme. Portfolios can be like trying to turn a ship around due to the often long-term deals. Make small steps toward your goal and stick to it.

### ABSENCE OF EFFICIENT AND AFFORDABLE TOOLS

We are working on that. Seriously.

#### **SPONSORSHIP EXPERTISE**

Sponsorship is barely taught in business schools. And even when it is, the real learning happens out in the field. There are very good speakers, conferences and blogs out there. Just be sure to select your content wisely.

We believe that qualitative measurements can be stronger and more precise and that their use will grow in the near future.



# LET GO OF THE OLD WAY OF DOING THINGS.

In sponsorship marketing, new tools and trends emerge almost daily. At Elevent, we're excited to share these discoveries as they happen. Stay on top of things through our blog, and subscribe to our monthly newsletter for ideas and analysis from industry experts.

### **INSPIRED INFORMATION:**

- Vital news source
- Cutting edge sponsorship science
- Deep analysis of industry trends
- Free access

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SPONSORSHIP E-VALUATION AND STRATEGY



Creating valuable, lasting sponsorships is an art. And Elevent is passionate about it.

Our simple, powerful e-valuation toolkit makes it easy to understand the things that drive partnerships and provides actionable information to make them stronger and more profitable.

