

# Lecture 9

Tuesday, March 21, 2017 8:01 AM

## Pepsi

- Trying to reach a younger audience
- Nascar as a property is really popular
- Gordon was a champion at that time, the best driver in Nascar
- Knowing how americans love Nascar and connect to them
- Good idea for pepsi to use him
- Youtube not traditional medium for advertising (not 30s commercial)

## Marketing

- Definition and key concepts of marketing and sport marketing
- Unique aspects of sport marketing
  - Product produced and consumed at the same time
- Many confuse marketing with promotions and sponsorship
  - Sponsorship part of promotions

## Publicity vs sponsorship

- Publicity inadvertent
- Sponsorship is planned
- If have a good sponsorship can get publicity from that
- Main goal of sponsorship = have a return

## Advertising

- Part of the promotional mix
- Its planned
- Controlled the fact wearing adidas jersey, greatness
- Its paid for

## Publicity

- Result of worthy news that the media will cover
- Not paid for by the red blacks

## Sponsorship

- Mix of advertising and publicity
- Michael phelps
  - Most ppl recognize him
  - For a swimming sport its good cuz its not a big sport
  - UA sponsoring him, hoping to get a return from that
  - Subway sponsoring for him too, they get publicity they didn't pay for because the media will cover michael phelps, they're interested in him and he will probably be wearing one of those brands
- Can be with an individual or a specific event
- Olympic is an event
  - VISA sponsorship of the olympics
  - Both international global brands
  - Why would Visa sponsor the olympics?
    - Platform to launch new products, global platform
    - When travel ppl dont wanna bring cash, they use cards.
- Tim Hortons sponsoring grassroots hockey

## NFL sponsorship

- Sponsorship offers exclusivity

## Jerseys

- Barca used to give money to UNICEF
- Signed with Qatar, 44 million \$ per year

## Définition and rights

- Buying the rights to something
  - Rights to use the logo, an athlete, event
- Exclusive time for commercials
- Rights to designation
  - The official product of the games , e.g.
- Sponsorships need to be approved ahead of time for Olympics

## Sponsorship... a brief history

- Extension
  - Use more ways to communicate
- Makes sense to do sponsorship cuz can get an investment

## Sponsorship tool

- When research for a sponsor need to know what they're into

## Key concepts

- Activation
  - Amount of additional \$ the sponsor will put in
  - ★ ◦ Companies will activate their sponsorships by using different types of promotions
  - Activation may be an extra 200 M\$ to launch a campaign on Olympics
  - Olympic torch
    - Main sponsors are RBC and Coca Cola (already paid lets say 100M\$, but will pay extra money)
    - 100M allows to use the logo
    - Coca Cola also invested in the special glass bottles = that is activation

## Ambush marketing

- Tim Hortons cant directly associate to the olympics, will use ≠ strategies to get some advertising or publicity. They sort of ambush it

## Sponsorship process

- 38 started again

## Pre-sponsorship

1. Develop your property/product
2. Build long term relationships
  - Key part
3. Build organizational capacity
  - Need capacity of people, and money
4. Strategic planning

## Negotiation of sponsorship

1. Confirm the "Fit"
  - Waterproof makeup
    - Maybe Maybelline? Just came out with waterproof makeup
  - Speedo, finesse
  - Do research on the company and see if it could be a good match
2. Define terms of contract
3. Discuss leveraging/activation

## Sponsorship exploitation

1. Develop evaluation framework
2. Promote collaborative planning
  - Noticed maybelline has a deal with Jean Coutu in Quebec, so combined both
  - Olympian in quebec too
3. Implement the tools of differentiation
4. Dedicate human resources

If get good relationship with sponsor they might be able to get you more sponsors too

Diving/synchr swimming

- Mastercard looking for new logo
- The swim team already had 12 hours of broadcasting on CBC
- Then approached MasterCard and told them want to put MasterCard logo around the pool like in hockey
- Then got 200 K to put the logo around the pool during broadcasting
- Got more deals a few years later
- At some point they couldn't continue sponsoring and gave them one year, and helped them find a new sponsor, not as big as MC but got National Bank

Choosing a sponsorship

- He would use a stopwatch to time the amount of time of coverage of the MC logo
- Why would he do that? In order to have stats... and when pitching to MC or to another company for sponsorship can know its not BS when you say ill get you coverage
- Can then do mathematical calculations
  - Get 45 min coverage
  - Usually there's a 5000\$ cost per min or w/e, then say i want 90000\$

Sponsorship objective

- Point of purchase
  - Win this if you fill the voucher in cheerios box
- Awareness
  - Blackberry during the decline wanted to use f1 to show ppl that hey were still here despite all the news
- B2B
- Differentiator
  - VIP suites
- Community involvement
  - Tidbit hockey
  - Lift jersey say i just played hockey im thirsty
    - Brings traffic in, dad will bring kid for his free drink, but the dad will buy coffee and hell buy the kid tidbits
  - Involved in community, good corporate citizen
    - Image and reinforcing the brand within key targets
- Image based benefits
  - Coca cola sponsors to get the image out there

Iveco. A good sport to sponsor? Rugby

Reinforcement and transfer

- #2 what is shared by both
- 1 and 3 transfer between both

Why sponsorship fails

- Ambush marketing