

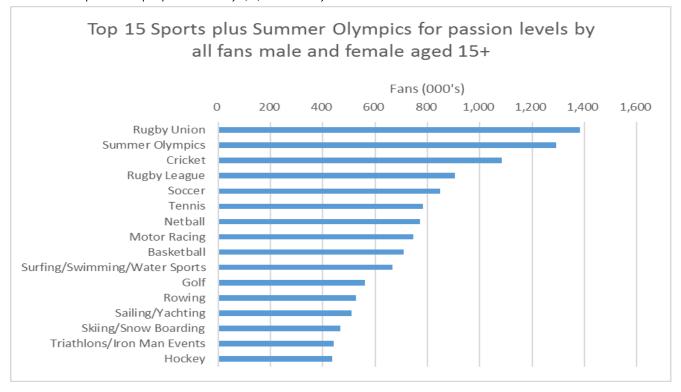
CONNECTING BRANDS IN SPORTS, ARTS, COMMUNITY AND ENTERTAINMENT

15 JUN 2016

Engaging with Sports Fans

To enable sponsors to fully assess how engaged they could become with any chosen sport, you need to be able to understand more than just the profile of the audience; its social and demographic structure, the media platforms that the sport engages their fans through, the consumption of media and how fans share their sports passion with each other. Sponsors need to establish the information sets around brand preference and consideration by the fans. Just because you think the sport could be a good fit for you, does not mean it will be.

The following are the top 15 sports plus the Summer Olympics as rated by the fans in the 2015/16 Nielsen BrandAdvantage Sports, Arts, & Entertainment report based upon passion levels of 7, 8, 9 or 10 out of 10



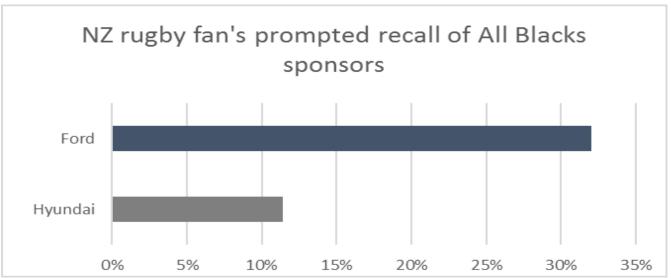
How talked about is the sport by the fans? In planning your engagement, how can your brand join the conversation in a relevant and invited way that will be seen to be contributing to the fan experience; and not be an intrusion.

Sponsors need to consider whether the category of sponsorship has been owned by a competitor in the past and how will you be seen in following another sponsor and how sticky is their brand engagement versus yours as often you will fine residual brand recall.

Funding the ability to tell your story in a relevant way (activation) is also an important factor. If you spend all or most of your funds on rights, as most sponsor do, and have little left for activating those rights it will be very difficult to establish an engagement for your brand with the fans, or for that matter, with your distributors, retailers and other commercial partners - ultimately, that sponsorship won't work for you.

There are many ways to engage, and not all of them involve buying rights directly from the sport itself. Some sponsors buy media rights with a good example of this being Hyundai as the sponsor of the Sky coverage of the All Black games, versus Ford, who is the Official car sponsor of the All Blacks. Hyundai are seen as a significant sponsor of the All Blacks, which, it is not, but gains that position with the fan all the same, and by spending less for their rights. Media rights holders (in this case a broadcaster) frequently obtain sell through rights in addition to their broadcast (which can be sold to other parties) and, hence, this category confusion is created.





Sponsors in many categories have their own ability to deliver media (visibility), which can be highly effective at creating early cut through and association, particularly those that can drive multi-audience engagements. Sanitarium with Weetbix is an example driving product sales leverage by the consumer of the product as opposed to the purchaser, driving media and packaging engagement, creating loyalty and on-going brand capital. FMCG sponsors have substantive and repeat engagement values due to their product stock turn rate and ability to change out packaging and average store visitation rates, verses those of a HCV product (High Capital Value) product like a car brand.

The biggest failing of engagement for most sponsors is relying on signage and brand presence as the key driver of engagement - the fans will tell you otherwise.

