

A Focus on Sponsorship

Making sponsorships work better for your brand

Sponsorship is a multi-billion industry around the world, with an estimated global spend of €33 billion. Spend has actually increased since 2009. For Ireland, however, sponsorship spend has declined by 6% to €125 million (IEG Sponsorship Report), but still a very significant marketing expenditure. As a large percentage of brand budgets are being spent on sponsorship, it is vital to get sponsorship management right.

Sponsorships will be more positively viewed by users of a brand – as they are already aware of the brand, they will be more in tune with it and are more likely to be more positively predisposed to it. The challenge of any sponsorship is to increase brand awareness and build brand status among non-users as well as to reinforce perceptions among current users.

Sport sponsorships are by far the largest sponsorship category

New sponsorships are popping up all the time. With the recently opened Aviva stadium in Dublin, we can see that sponsorship represents a huge investment. Sponsorship is a great means of broadening a brand's competitive edge, particularly in terms of brand equity and image. Sponsorship should also impact on the loyalty and credibility of a brand.



Sponsorship of TV programmes is now the norm

The fact that broadcast sponsorship has become an accepted part of the current television screenscape, demonstrates its popularity and relevance. This kind of sponsorship can work well and build confidence and credibility in a brand – assuming the correct programme is used! The stronger the viewer's connection with the programme, the more effective the sponsorship is in creating a positive image of the brand. Think, for example, of Bailey's sponsorship of Desperate Housewives, Avonmore's sponsorship of the RTÉ weather and Littlewoods Ireland's sponsorship of Coronation Street. These sponsorships are repeatedly at each ad break in prominent positions – so that even among those who fast-forward ads, these sponsorships are still clearly visible and memorable for many.

Sponsorships can be where we least expect them and can be unconventional

Other types of sponsorship can be more subtle, but include product placements in both music videos and TV programmes. One recent product placement was in a Lady Gaga music video - 10 different products were placed throughout the video with the most unusual one using Diet Coke cans as hair rollers.



Jonnie Cahill, Head of Communications and Sponsorship in O2, is very enthusiastic about O2's sponsorships *"it gives a share of voice in a way that's differentiated and it subsequently connects you to the things that your customers are passionate about and by doing that it instils life and meaning and energy in your brand promise above and beyond simply just your identity"*. Jonnie continues *"when you bring brilliant activation to your consumers, they really embrace it. Your job as a sponsor is not to brand things - your job as a sponsor is to enhance the experiences of the people who care about that property most important is that people's experience at rugby or around rugby is better because we're involved, and if you can achieve, that consumers appreciate that and that appreciation flows into your brand equity.*

Sponsorships are more than just a halo effect and need long-term investment to be effective

Sponsorships help to create big brand status - consumers need to be aware of your brand but they also need a reason for using your brand. However, to build sustainable brand equity, long-term investment is needed in sponsorships and this needs to be done in a compelling and interesting way. Back to Jonnie Cahill on Cork GAA *"it does allow you to actively demonstrate your beliefs as a brand ... we've been with Cork for eleven years, that says to consumers that we are solid, we're steady, we stick with people"*.



Major sponsorship associations take time and money to build - they will not happen (or disappear) overnight. This is especially crucial when one brand takes over a sponsorship from another. Eircom was the sponsor of the Irish Soccer Team for many years and it will retain this association among many people for quite some time. However, with the right scale and type of media support, the new sponsor (3) can, and will, be associated with the event – but just not tomorrow.

Appropriate sponsorship leads to effective sponsorships

The key to any effective sponsorship is to achieve the best fit for your brand. This fit will more efficiently and convincingly deliver the main message to consumers about the brand. In some cases, the brand fit may be fairly obvious - for example, Nike sponsors the Australian Open – but, in general, the fit will need to be created. This needs to be done in a memorable and relevant way and is generally done through various support media. If a sponsorship is effective, in time the link between the brand and the sponsor will become obvious. On O2 and the Irish rugby team, Jonnie Cahill says *"we bring the supporters closer to the team because we're a communications company so you have at one level the fit, and at the second level, the relationship between the how of the activation and your role in people's lives."*



Many research studies have been conducted that demonstrate that if there is an appropriate link between the sponsorship and the brand, there will be improved awareness and impressions of the brand. In turn, this will provide a greater return on investment for the brand. Findings from a broadcast sponsorship study by Millward Brown conducted on behalf of ITV revealed a strong correlation between sponsorship that was seen to be appropriate and the creation of positive brand impressions.

'Better impression of brand'



Source: ITV sponsorship study 95-97 Appropriateness of sponsorship

Using the right celebrity is also vital

Celebrity sponsorship is becoming more and more popular - celebrities commonly endorse products and participate in advertisements. Naturally, just as getting the right fit for a sponsorship is; the choice of the right celebrity is equally important. The celebrity needs to deliver on credibility and have similar values and aspirations to the brand. However, as the world saw recently with Tiger Woods, there is no guarantee that the celebrity will be effective in generating positivity towards a

brand throughout the sponsorship period. A celebrity's fall from grace can negatively impact on the sponsoring brand overnight.

Gary Lineker and

Perhaps one of the biggest and longest-running celebrity sponsorships is Gary Lineker in the Walkers crisps campaign. He comes across as likeable and genuine and is a good ambassador for them. If it doesn't fit, the endorsement may lack credibility and be detrimental to the sponsorship.



The effectiveness of your ad can also be determined by how well a celebrity is known among your target audience. Using a celebrity is expensive and does not guarantee the success of a campaign but the right celebrity can be hugely beneficial to the brand as in the case of Walkers.

Celebrities can create freshness and excitement with established brands. For example, L'Oreal replaced Claudia Schiffer by Cheryl Coyle in their ads. Even though the campaigns were similar, L'Oreal updated the ad with a more prominent figure within the public eye making the ads more relevant to the current target market. A good ad has to be credible without the celebrity - but the celebrity can add an additional layer to the sponsorship.

Be mindful there can be downfalls to any sponsorship

There can be several drawbacks to any kind of sponsorships, especially when using a team or personality in your sponsorship. As celebrities endorse multiple products, the viewer must be able to link your brand to the celebrity during the few seconds of airtime. We cannot control a celebrity or a team. If your team is not performing in the current season, this can affect your brand. For example, we found that the lack of performance of the Irish Rugby Team led to lower positive associations than previously towards O2. When the team won the Triple Crown and the Grand Slam in one year, associations improved significantly. That is not to say that if a team does poorly there will be no benefit of the sponsorship. It will just be less effective. *"Your sponsorship and your fit can never be built on winning because it's beyond everybody's control and with the best will in the world, if you've built the relationship, predicated on victories particularly in sports sponsorship, it'll be a short relationship I don't know if Ireland will win five games next year or no games next year but I know I'll be there and that's the difference."*

So, plan for sponsorship success – and be prepared to face down a fall!