



NEWSLETTER

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Capitalising on Sponsorship and Endorsement Opportunities

JOURNALISTS WHO have attended sporting events may note that sponsorship can be an exceptionally powerful marketing tool for sponsors to both establish and maintain visibility and name recognition of a particular company, brand or product. By developing an association with leagues, events, tournaments and teams, the sponsor becomes capable of reaching specific target audiences and aims to achieve a variety of marketing goals from the sponsorship, such as brand awareness. Meanwhile the event organiser receives an alternative method of raising finance. The endorsement of individuals, rather than sponsorship of events and teams, can achieve a similar marketing goal, tailored into an overall strategy of increasing brand/product awareness. This sometimes occurs in the most unusual combinations of celebrity and product, such as David Beckham's endorsement of Castrol Oil in Japan and Lleyton Hewitt's endorsement of toilet rolls in Australia.

It is important that event organisers have the ability to grant the sponsorship rights available at an event that it claims to grant; such as the venue rights at a stadium for a Cup final, as venues may have pre-existing stadium sponsorship deals and various advertising restrictions. As a general rule, a 'clean' venue allows for higher sponsorship values compared to a 'cluttered' venue, because the image is invariably more easily projected and recognisable to viewers. New technology certainly can also enhance the impact of sponsorship recognition, such as the introduction of electronic perimeter advertising (La Liga football in Spain) and pop-up images on TV screens, in addition to traditional methods of event-programme sponsorship and clothing endorsements.

A sponsor typically obtains a title sponsorship or 'preferred' official supplier rights, which include brand sub-categories, such as for drinks (soft/non-alcoholic and alcoholic categories) car manufacturers, banks etc. There are potential overlaps and occasional ambush-marketing pitfalls, which can potentially undermine a competitor's marketing campaign without having a fully serviced legal and commercial strategy in place.

Therefore great care and attention needs to be placed on entering into commercial sponsorship and endorsement deals affecting event owners, clubs and individuals; not least to preserve a company, club name or brand reputation while fully maximising the benefits of delivering a successful sponsorship and endorsement strategy. The current negative publicity surrounding football should certainly focus the minds of current and prospective sponsors to the benefits of 'get-out' or 'morality' clauses to insure against commercial partnerships, which change and become a burden.

If you require advice or assistance developing sponsorship/endorsement opportunities, please contact Nick Jones, head of Sport Media & Entertainment at Silverman Sherliker on 020 7749 2700 or by email at nj@silvermansherliker.co.uk