How can marketers get their athlete sponsorship pitch past the C suite or CFO?

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Sports brands invest millions every year into athlete sponsorship. It is a key driver and component of advertising budgets with a view to create exposure for the brand. With this in mind, endorsing an athlete not only achieves brand exposure, but encourages recognition, loyalty and increased product sales. It's a well beaten path, and if done right, can drive and yield great commercial benefit.

As a marketer, convincing your C-Suite or CFO to make the level of investment required could be the initial stumbling block. Robert Maher, Global Finance Executive of Oakley Inc. in California, shares his thoughts on how you can get your CFO to recognise its worth with these key benefits; all need careful consideration before you even get to the internal 'pitch'…

How much should you invest?

Whether your brand is going through the start-up, growth or maturity stage, your level of marketing investment may vary from 6% at the mature stage, to 18% for aggressive brand building and growth.

Non-sports brand Red Bull, invested significantly more in advertising during their start up years. They poured up to 30% into athlete and event sponsorship to kick start the growth of the company*.

Depending on the geography of your target audience, your athlete sponsorship and event sponsorship will be based on your brand awareness and regional objectives.

Athlete sponsorship will be part of an essential mix of sports marketing including teams and/or events, therefore a balance in spend is required to maximize and leverage both.

In addition, any investment in the sponsorship property alone doesn't end there. Activation and amplification is key, so consider doubling the budget to fuel the success of the sponsorship supported by a detailed proposal.

Selecting an athlete based on your objectives

The athlete(s) you sponsor requires careful consideration. When choosing an athlete, your decision will depend on the objectives you want to achieve. You should consider how you want to position your brand and your geographical penetration targets. Will the athlete have a global, regional or country specific relevance and can you align this to in-market strategic business plans?

"A good example would be the Brazilian market. Brazilian grass roots surfers need to be relevant and connect with target consumers, compared to marketing a top-ranked WSL American surfer in that same market."

Consider if the chosen athlete will align with your target consumer too. Find out if the athlete has an established following or if you'll require further investment to build their name. You could find a golden opportunity if the athlete is able to grow with or broaden your target consumer base. That will certainly reinforce the strategic requirement for the investment.

If you want to expand your product categories over time, think about how your athlete sponsorship could provide opportunities to branch out or extend.

The athlete's credibility and fan base is definitely worth considering – could their association with your brand help build your social media following and outreach?

When competing with other companies, think about where your logo will be visible on the athlete's clothing. Premium exposure offers the best visibility for your brand. For example, branding on an athlete's golf cap is premium, whereas logo placement on their shoes may prove less effective.

Should you consider exclusive or non-exclusive sponsorship, and will the athlete's other sponsors complement or conflict with your brand?

Discuss the potential of taking ownership of athlete branding from head to toe, or a key area. For

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example, you could claim the head for branding while leveraging a helmet, technology and goggles story for a winter sports athlete.

Lastly, consider whether the athlete will wear your branding in their everyday life. This can expand your potential to market other product categories such as sportswear, footwear or training gear, driving a 360-degree story for your brand and product offering, and supporting sales across the brand.

Once you having the right athlete determined, what will your CFO want to see? The evaluation, measurement and potential ROI checklist worth considering is …

- What will be your projected revenue growth in volume, margin and sales? And by when?
- How will your revenue improve around major sponsorship events before, during and after? And have you secured retail rights around these too?
- What brand awareness improvements are you targeting to achieve after sponsorship events and athlete exposure?
- How do you plan to maintain the improved brand awareness over time?
- How will you improve your efficiency on advertising spend to ensure you capitalize on the athlete? Consider if you will leverage and align spend on PR, social, POS and print material around the athlete to drive a 360-degree impact in the market.
- Can you foresee qualitative growth through the introduction and growth of revenue in existing or new brand-right product categories?
- How and to what level will the sponsorship drive traffic to your ecommerce/omni-channel platforms?
- How will the quality of distribution and sales by channel improve?
- How could logistical efficiency improve due to improved quality of distribution and customer base over time? This could be achieved over time through door expansion in National key account doors that are relevant for the athlete/sport.
- With the forecasted growth in revenue, how will you evolve the product offering over time in style/colour choice and design to drive improved adoption ratios?
- What is the correlation of retail sell through for the athlete's key outfits and styles during events, especially when they are on the podium?
- As you project to drive increased revenue, can inventory and working capital management also benefit over time with lower inventory levels, improved rotation and days sales inventory? (DSI, a key financial inventory management metric)

Athlete sponsorship can be a potential game changer. Successful endorsements can do so much more than sell a product. The athlete can become a 'human brand' in their own right, channelling them and your brand through a complete transformation. When you present an integrated commercial and marketing proposal for any sponsorship, this will ensure you have the whole business understanding the decision and the many benefits to be had.

*SOURCE Online article by Bradford Wieners dated 25 May, 2016, on www.bloomberg.com

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