

Sponsorship Accountability Metrics (SAM) Results

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Marketing Accountability Standards Board
of the Marketing Accountability Foundation



SAM Project

Project	Sponsorship Accountability Metrics (Ebben, Meier)	Strategy Document 'What is Known' about Sponsorship Objectives, Measurement, Brand Fit*, and Return Relative to Other Marketing Tactics. Construct Road Map.
Issue Addressed	Lack of Identified Sponsorship Metrics That Tie to Brand & Business Outcomes	
Project Objective	Determine Sponsorship Contribution to Brand and Business	
Expected Outcome	'Road Map' for Brand Sponsorship Investment & Activation, based on Marketing Objectives	
When	2017/2018	

*Taking into account the brand, its category and product lifecycle.

Definition of Sponsorship

Sponsorship refers to a cash or in-kind fee paid by a sponsor to a property or entity (e.g. a sports, entertainment, or non-profit event or organization) in return for access to the leverageable marketing resources associated with that property/entity*

*Marketing-Dictionary.org

Examples

- **USAA relationship with Wounded Warrior Project**
- **Bud Bowl – Budweiser created asset enabled by NFL media relationship**
- **Diet Coke relationship with Taylor Swift**
- **McDonalds (former) relationship with Olympics**
- **GE logo on Celtic jerseys**
- **Naming rights for stadiums - AT&T stadium in Dallas**
- **Red Bull Air Races and extreme sports events**
- **Movie such as Nissan Rogue with Star Wars**
- **Music tour/event sponsorship such as Coachella and SXSW**

Sponsorship Accountability Issue Identified in Forbes-MASB Marketing Accountability Executive Forum (December 2017)



Extensive Report of Joint Survey Research



“...despite the continued growth of sponsorship investment and the repeated sentiment from Marketers that there is a need for improved measurement and assessment of sponsorship’s business impact, there has been little progress toward this goal.”

Source: ANA/MASB Sponsorship Accountability Report, July 2018

Highlights the Ongoing Need for Advanced Sponsorship Measurement and Confirms Only Slight Progress Toward Goal

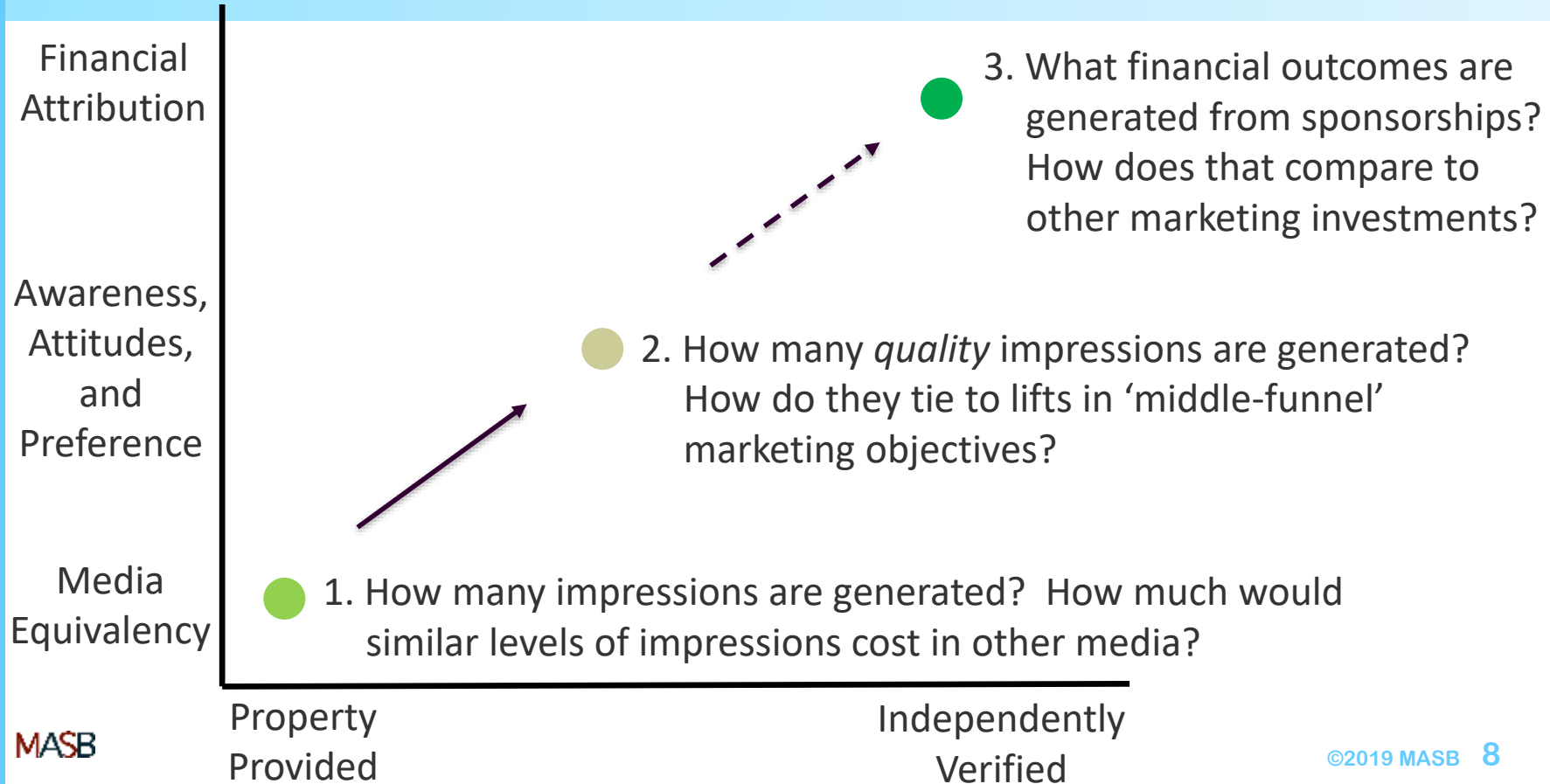
In all cases where there are comparisons available, results did not change in 2018 vs. prior surveys including:

- Over 60% of Companies Do Not Have a Standardized process for measuring return on Sponsorships.
- Among the 40% of Marketers that do have a standardized measurement process..
 - Satisfaction in measuring sponsorship ROI/ROO has been consistent

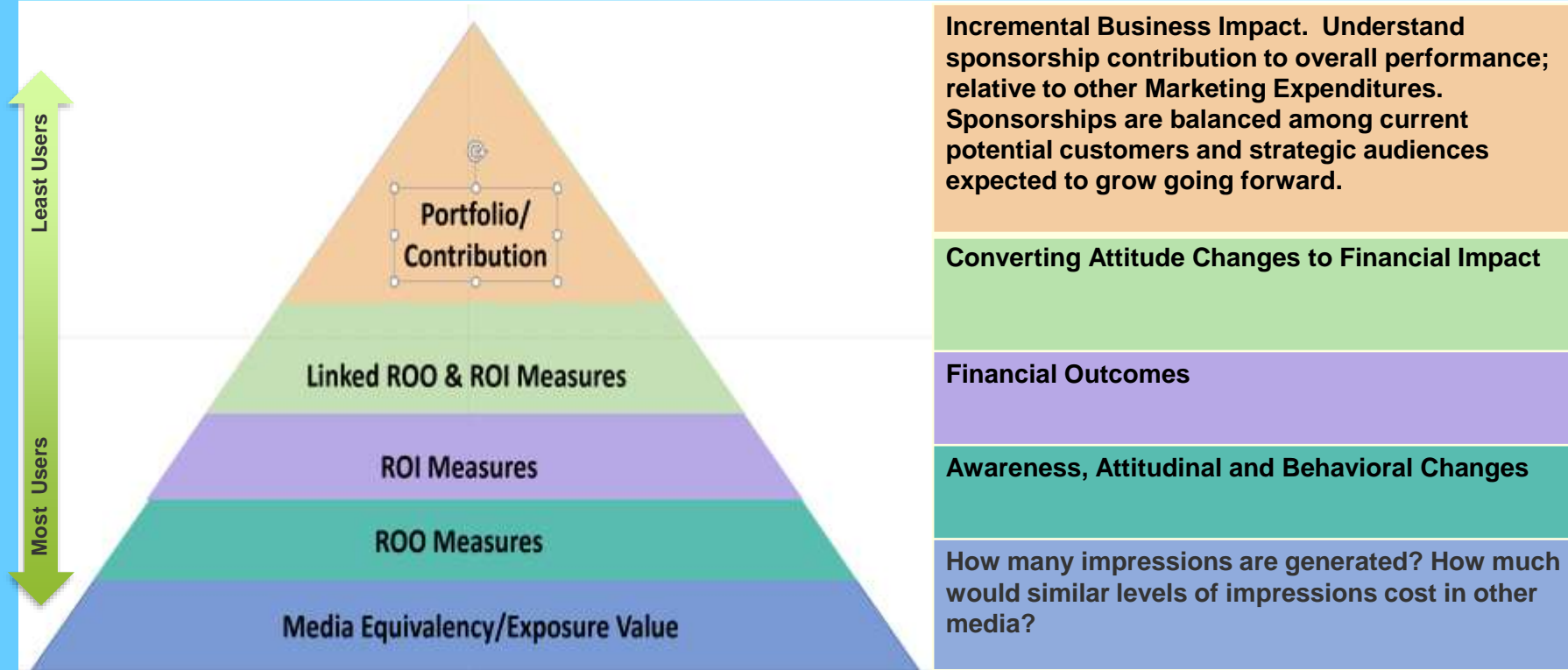
ROI:	2018	2013	2010	ROO:	2018	2013	2010
	64%	62%	61%		73%	68%	67%

- Top metrics used to measure sponsorship ROI/ROO are the same
- About 40% do not have a budget for sponsorship measurement
- Spending on sponsorship measurement as % of sponsorship rights is similar
- Most spend 5% or less as a percentage of sponsorship rights
- Measurement by sponsorship properties continues at prior levels

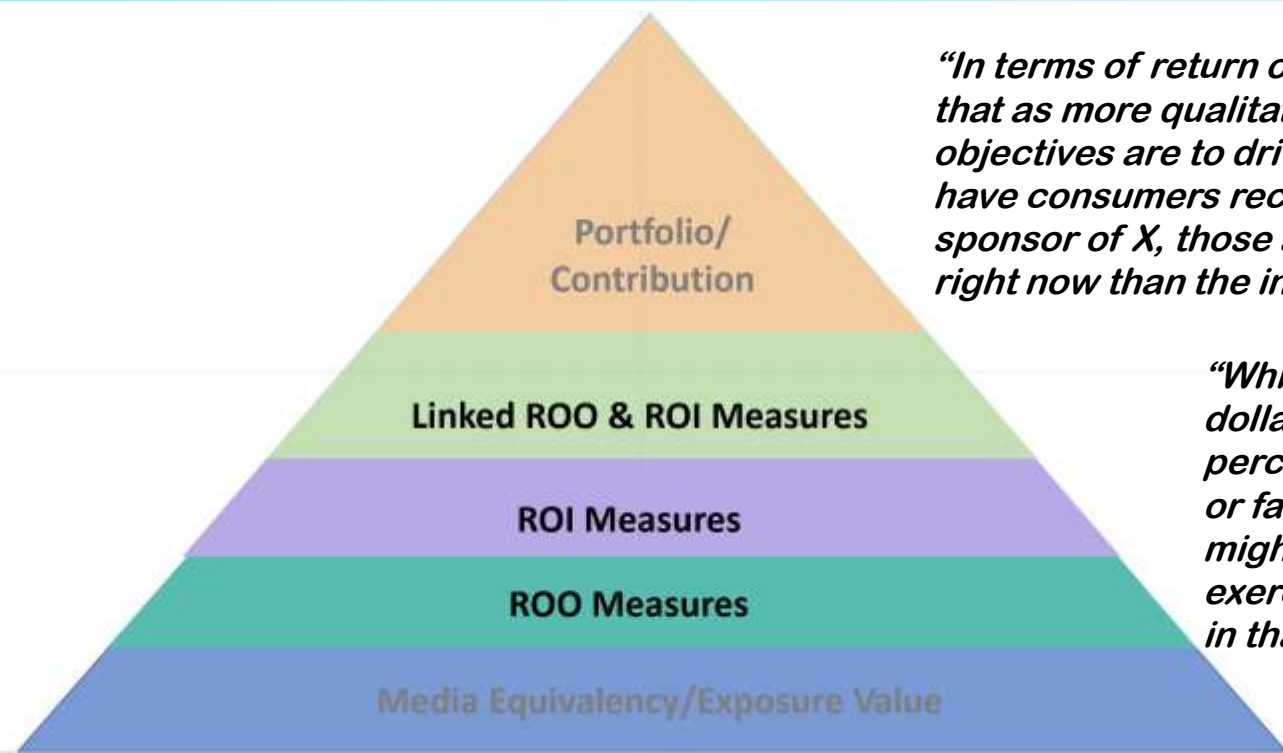
Sponsorship Accountability Has Three Distinct Phases - 3rd Is Measuring Financial Outcomes Including vs. Other Marketing Investments



Evolution of Thinking: Measurement Hierarchy



Prioritizing ROO Measures and Linking to Financial Results can benefit more Marketers



“In terms of return on objective, we see that as more qualitative. So if our objectives are to drive awareness and to have consumers recognize that we’re a sponsor of X, those are more measurable right now than the investment piece”

“While we could estimate some dollar values, what it’s worth per percentage point of awareness or familiarity of whatever that might be, it’s a pretty artificial exercise. So we haven’t used it in that sense of an ROI”

ROO: Brand Preference Should Be a Key Sponsorship Metric - Underutilized at 57%

	Used	Value
Awareness of brand	78%	71%
Awareness of company's/brand's sponsorship	73%	58%
Attitudes towards brand	71%	67%
Amount of total media exposure	69%	60%
Amount of social media exposure	63%	60%
Brand preference	57%	70%
Amount of TV exposure	53%	50%
Entertainment of key customers/prospects	51%	59%
Sentiment of social media exposure	45%	62%

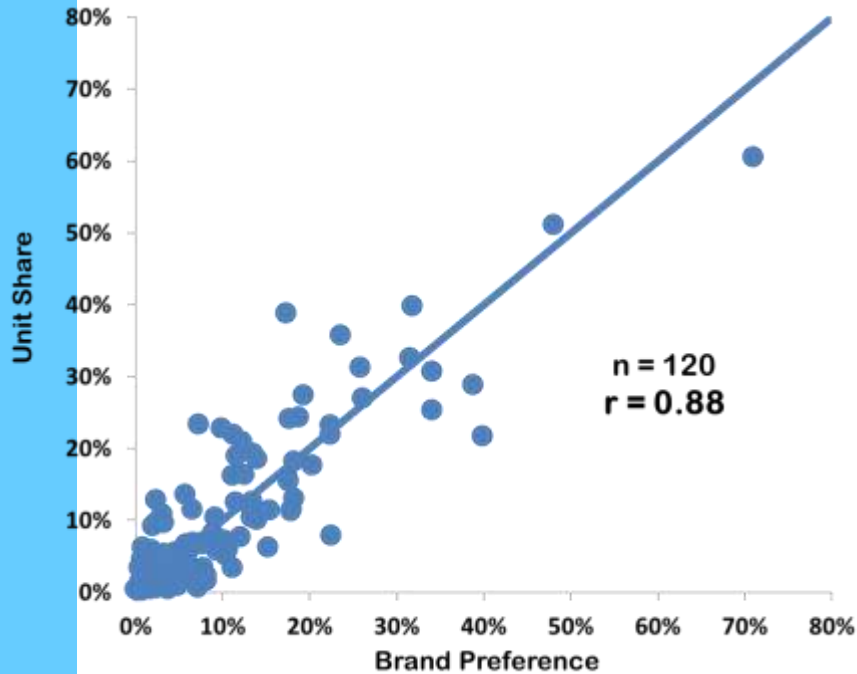
- Three quarters of survey respondents reported using Awareness – it is the basic starting point for understanding sponsorship impact on brand
- Attitudes towards brand next in popularity as they often tie to specific campaign objectives

Consistent with MASB Long-term Brand Investment & Valuation Study

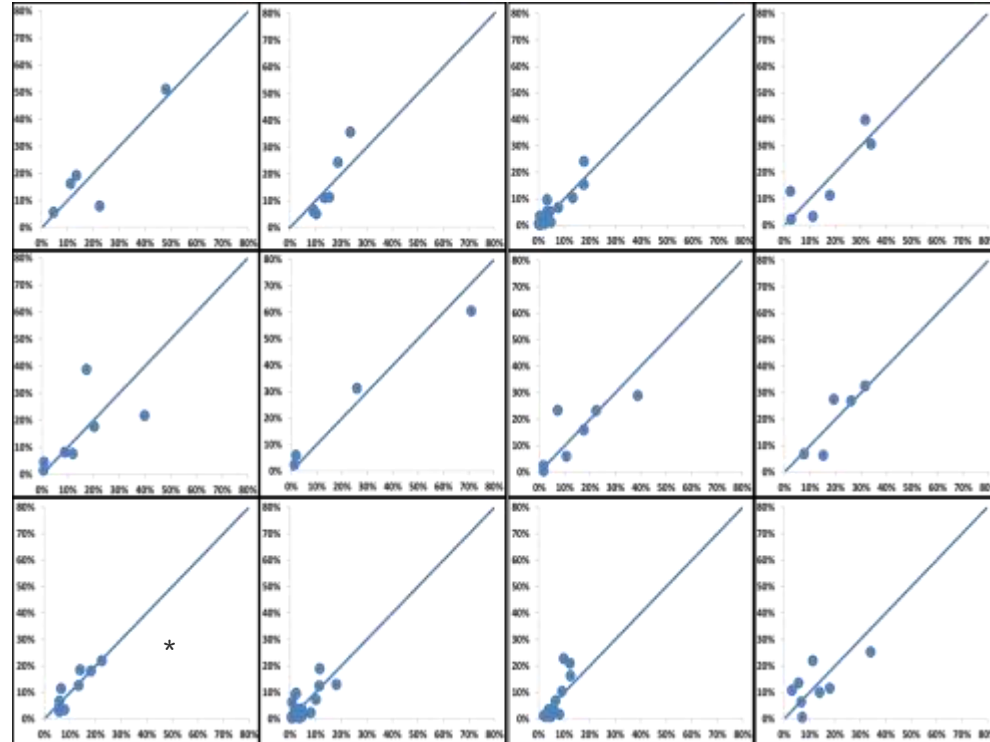
- 18 months of Continuous Tracking
- 12 **diverse** categories, 120 brands
 - Product prices from 30¢ to \$35K
 - Few competing brands to highly fragmented
 - Weekly purchase cycles to years
 - Spontaneous purchase vs. deliberative with influencers
- Financial and brand strength metrics
 - Unit Share, Price, Distribution
 - Awareness, Attitudes, and Brand Preference
- Robust, representative samples (eg n=7,200 consumers for preference)

Brand Preference Plays Pivotal Role in Financial Outcomes from Brand Marketing

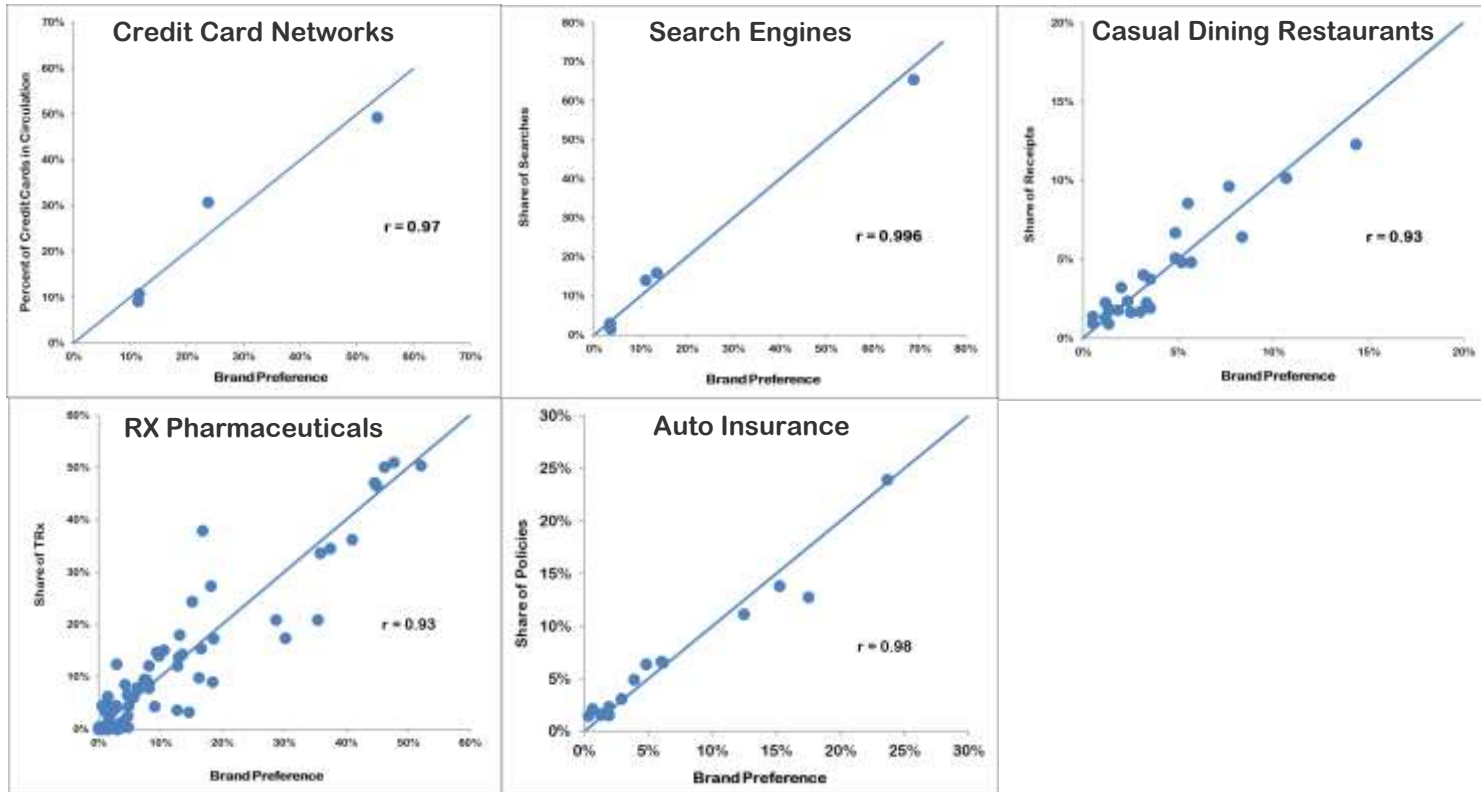
Across All Twelve Categories



Within Each Category



These Relationships Continue to be Validated in Additional Categories



Capability is Unique to Brand Preference, Provides Link from Marketing to Finance

	Share Variance Explained
Brand Preference	80%
Awareness – Unaided	44%
Value	44%
Brand Loyalty	43%
Purchase Intent	26%
Awareness – Aided	26%
Brand Relevance	18%
Advocacy	13%

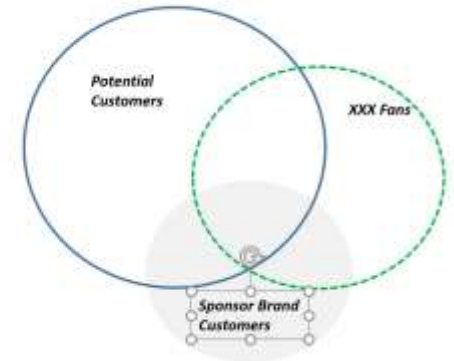
- Of over 40 marketing measures examined, 7 showed substantive, consistent relationships
- Of these, brand preference not only showed strongest relation to share but also was shown to capture variance of other metrics – acting as a ‘cornerstone’ measure

Example: Linking ROO to ROI by Estimating Financial Impact

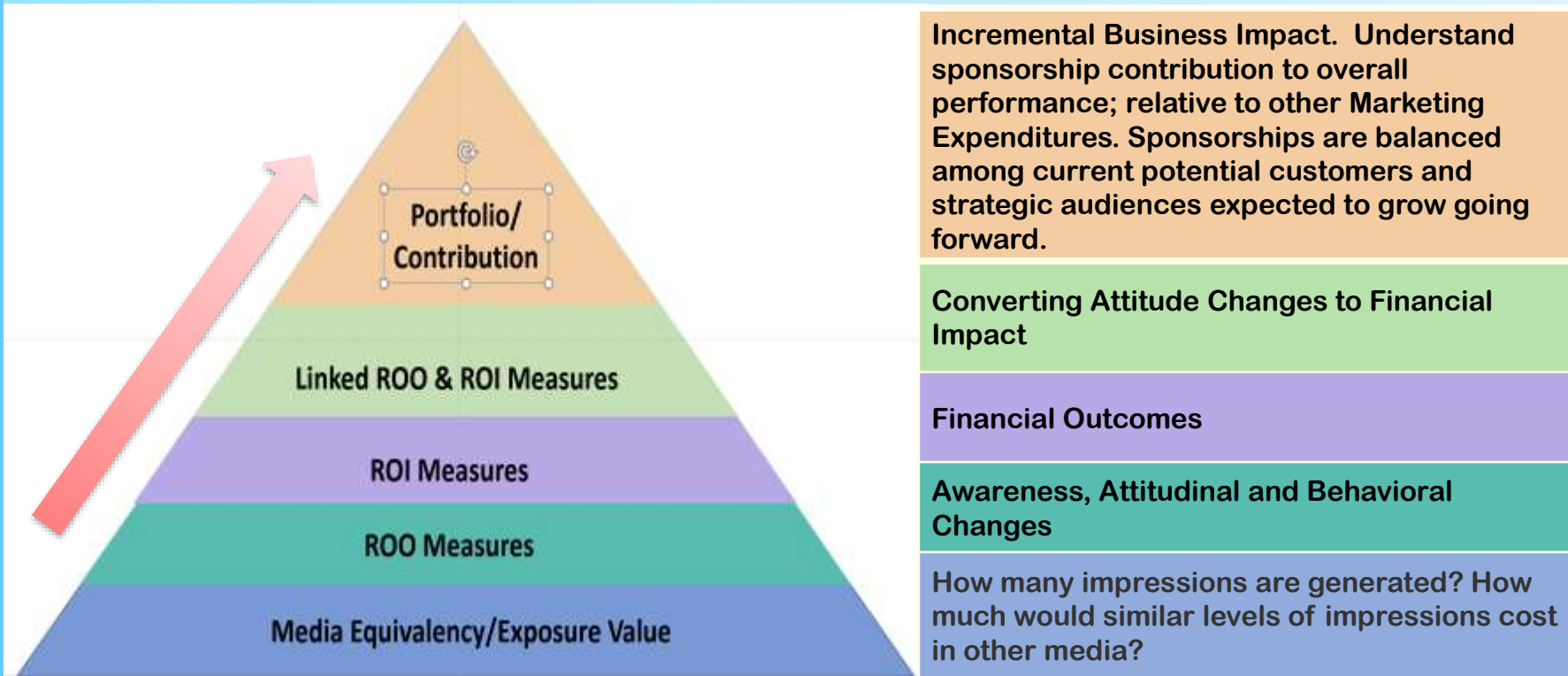
What's the Value of a Single PPT Change in Brand Preference?

Steps	Example	Math
Understand Relationship between Measure & Market Share	Ratio of a single ppt change in Brand Preference to a ppt change in share	1:0.5
Assume Size of Industry	17.0 Mil Units	
Multiply Industry Units by Share Improvement		$17.0 \text{ Mil} \times .05 = 850,000 \text{ Units}$
Multiply Unit Improvement by Average Gross Profit		$850,000 \times \$300 = \$25,500,000$
Adjust for Audience Size	Audience Accounts for 10% of Industry Volume	$\$25,500,000 \times .10 = \$2,550,000$

Audience Sizing Example—
 • Extrapolate Impact by Establishing Context



Recommendations for Moving Up the Measurement Hierarchy



Foundational:

MASB



Adopt Standardized Measurement Plan
Independent Measurement funding included as part of initial agreement to any sponsorship deal

Select Initiatives to be Included as Part of the Sponsorship Accountability Metrics (SAM) Roadmap

- “Beige Paper”
- Analyses of Case Studies & datasets
- Practitioner’s Guide:
 - Objectives/measurements: support specific business challenge (e.g. maintaining awareness/preference in market to defend against potential new competitor)
 - Brand Fit: Audience, Shared Values with Property, Synergistic Imagery, Ability to tell a bigger story, In Synch Seasonality, Retail Integration, Campaign Synergy
 - Contract Structure: performance based incentives, customized package of assets and services, no fragmentation of rights/content that allows competitors to diffuse
 - Collaborative Working Relationship: senior levels between property and sponsor

SAM Team Members

Team Leaders



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Team Heroes



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Thank-you!



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