

Leveraging Sponsorship With the Trade

Situation

A large consumer products manufacturer supports a series of sports oriented organizations via sponsorship. These sponsorship relationships are designed to help the company achieve its business objectives by:

- Enhancing the image of the company and its brands
- Gaining exposure to the audience of the organization being sponsored
- Increasing brand awareness
- Reaching new target audiences and broadening the company's customer base
- Increasing sales

In addition to financial donations to each sponsorship organization, the manufacturer attempted to leverage its sponsorships through the retail Food, Drug and Mass trade via feature and display. Management felt that the sponsorships were not being fully embraced or supported by field sales or retail trade and that the sponsorships could be more effectively leveraged to drive sales.

Solution

DHC was asked to help the company improve its sponsorship efforts in 3 key areas:

- Conduct an analysis of the effectiveness of trade sponsorship merchandising results
- Develop a module that could be used internally to "sell" company associates on the power of its sponsorship initiatives and the trade results that could be expected as well as gain their understanding, support and enthusiasm for using sponsorships to build sales
- Develop a series of presentations to be used with the trade to secure trade merchandising support

To assess the effectiveness of trade support associated with sponsorship merchandising, DHC utilized its proprietary Merchandising Effectiveness Analysis (MEA) tool. The MEA tool helps clients determine the effectiveness of various forms of merchandising and promotion support in generating incremental volume. The MEA tool helped the client better understand the following:

- Incremental volume / lift associated with the different sponsorship programs
- Incremental volume / lift associated with the different types of performance that support the sponsorships (feature vs. display vs. temporary price reduction)
- Comparison of sponsorship results to the "standard" trade support historically attained

DHC then created an "internal" sales presentation and a series of "trade-oriented" sales presentations utilizing the MEA results, sponsorship research, demographic information specific to each sponsorship property and sponsorship program details. Each presentation was developed in a "persuasive selling" format that could be tailored by field sales managers to their customer's needs.

Results

Management's review of the sponsorship opportunities led the company to decide that the sales organizations day-to-day responsibility for selling sponsorship programs to the trade should be supplemented with sales efforts by a HQ and field base customer marketing group. This "two-pronged attack" enabled the company to significantly increase its sponsorship presence with the trade and to achieve corresponding increases in trade sponsorship support.

Additionally, the MEA results and the internal and trade sales presentations provided powerful motivating rationale to both the company's sales associates and their customers to make greater use of the sponsorship programs for promotional tie-ins.