

Sponsorship Intelligence

By Ruben Arcos



Sponsorships are powerful and important elements for marketing and PR strategies. They allow brands to facilitate the expansion to new markets and countries or engaging customers through activation tactics that involve cognitive and, more important, emotional aspects of target audiences. Communication has dramatically increased in importance as a domain that affects effecting businesses and their relationships with clients and customers, and requires analysis and insights. According to data from IEG's Sponsorship Spending Report, the global sponsorship spending in 2015 is projected to be \$57.5 billion. The North American sports market, with a projected share of 70%, continues to be the most important sponsorship category. By sponsoring professional teams and high profile events, sponsors are linked to customers through meanings and strong emotional experiences associated with sports. They also can build brand awareness and other objectives.

Sponsorship strategy formulation needs to be fed with intelligence. Sponsorship can be conceived as a process involving research and analysis, planning, implementation, and evaluation. This applies both to sponsors and property rights-holders. According to Collett and Fenton (2011), the strategy phase in the sponsorship process involves six steps: discovery, development, portfolio audit, stress testing, implementation, and review. Providing competitive

intelligence inputs at the discovery phase is the prerequisite for strategy development and the subsequent steps. It can include sponsorship key topics to acquire a perspective on both the external (industry, regulations, competitors, customers, etc.) and internal environment (brand analysis, marketing strategy, etc.) (See: Collett and Fenton, 2011).

Warning on unethical ambush marketing practices and modeling competitors' responses to own sponsorship strategies and activation tactics are among the most valuable contributions that a competitive intelligence function can provide in this regard, in addition to evaluating on measurement of sponsorship objectives and impacts.

From the perspective of right-holders, or sponsorship seekers, like sports events, music festivals, or membership associations, developing competitor analysis is required in order to understand which of them can be competing for audiences, media coverage, sponsorship sales, or renewals (See: Skildum-Reid and Grey, 2014).

Competitive Intelligence can contribute in pointing out to opportunities, identify key properties to facilitate the expansion of companies to foreign markets through the adequate sponsorship strategy, as well as prevent and mitigate threats derived from inaction or ineffective strategies derived from poor analysis.



REFERENCES

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