



Sponsorship Marketing
Council of Canada

Conseil canadien
sur la commandite

Montreal Discussion Forum Summary - May 26, 2009

Concept

Several representatives of sponsors were invited to take part in a discussion forum around the topic ***Metrics for Successfully Evaluating Performance of Marketing Sponsorships***

Objectives

Provide reference points and recommendations to sponsorship industry stakeholders seeking more informed points of view.

Guest experts

David Bourget – Molson Canada
Louise-Marie Brousseau – Mouvement des caisses Desjardins
Joanne Chevrier – Hydro-Québec
Patrick Corneau – Telus
Louis Fortier – Agropur
Michel Lanctôt – UNIPRIX
Élise Vaillancourt – Home Depot

Discussion Leaders

Nicole Dubé – Fédération des producteurs de lait du Québec
Hubert Richard – Effix Inc.

Guest Consultant

Simon Cazalais – Communications Bleu Blanc Rouge

What performance indicators do you rely on to validate the outcomes of your sponsorship projects?

What are the quantitative and qualitative components?

Any event sponsorship includes tangible and intangible components.

How much the tangible component counts compared to the intangible depends largely on the corporation or brand sponsoring the property. For some, sales potential is the prime measure, while others view the brand awareness and credibility of event marketing, and the resulting image transfer, as the most important performance indicators to consider.

Still others associate sponsorship more with donations and contributions, and view it chiefly as an act of good corporate citizenship aimed at “giving back” to society. For those in this group, measures of performance or return on investment will factor far less into their evaluation of a potential sponsorship.

It appears important to consider the various types of performance indicators, be they tangible or intangibles, as a whole, avoiding “silo thinking” and making connections between their different elements.

The experts in attendance seemed to agree that there is no set formula for looking at performance indicators. Each company or brand must begin by setting objectives, then map out its analytical grid based on those objectives.

The experts also agreed that performance indicators are playing an increasingly important role in a context in which the various marketing tools, sponsorship included, are competing against each other. Sponsorships have to compete with tools including circulars, store sampling, advertising, etc. Every sponsorship project's return on investment must be constantly measured and validated.

These experts listed the following as the main performance indicators used in their respective companies:

Tangible (quantitative) component

- Media value of brand exposure (advertising approach)
- Brand/company visibility on event site
- Cost/benefit ratio based on media value and/or onsite visibility
- Attendance: number of people from target audience taking part in event
- Marketing/sales volume of products or customer contacts on event site
- Drive-to-store and/or sales volume at POS directly related to a promo offered during event (e.g., discount coupon handed out)
- Value of event tickets received in exchange
- Survey of participants conducted by sponsoree

Intangible (qualitative) component

- Awareness of sponsorship property or event
- Credibility/image of sponsorship property or event
- Attendance: value of people in attendance at event vs. brand positioning
- Fit/emotional engagement: degree to which sponsorship property fits with the brand/company)
- Potential contribution to brand equity
- Ability to deliver a unique experience for event participants
- Range of hospitality available (value added to VIP treatment, e.g., perceived value of latter)
- Potential for employee engagement in an event that will boost their sense of shared identity
- Existence of a “green” aspect to the property

Political component

Despite the importance of performance indicators, it cannot be denied that a not insignificant number of sponsorship agreements are reached for political reasons and based on the personal interests of members of senior management, and are not necessarily the outcome of strategic planning. Like all others, however, the majority of such sponsorships are very thoroughly evaluated and measured, and, insofar as is possible, leveraged.

NB: The attendees declared at the outset that they had not studied the issue in enough depth, and planned to attend a second meeting in order to conduct that exercise.