

Aktivace sponzorského vztahu – případ společnosti Volkswagen a Pražského mezinárodního maratonu

Activation of Sponsorship Relationship – the case of Volkswagen and the Prague International Marathon

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Abstrakt

Zdá se, že akademická obec a příslušné odvětví postrádají úplnější a ucelenější literaturu a znalosti na téma aktivace sponzoringu, a zejména hledají konkrétnější obchodní postupy a zpětnou vazbu ze strany trhu. Cílem této práce je představit velmi relevantní a aktuální případovou studii, která přispěje k obohacení literatury o aktivaci sponzoringu a k lepšímu pochopení obchodních postupů a rozhodování.

Důkladná případová studie takové povahy si evidentně žádá kvalitativní výzkumnou metodu, soustředění na velké množství podrobných a speciálně zaměřených informací, na rozdíl od rozboru hromadných vzorů a statistiky. Otázky výzkumu zodpovídá sběr informací z osobního dotazování, přístup k veškeré potřebné dokumentaci a firemnímu materiálu i přímý příspěvek autora ve všech procesech jednání a implementace sponzorského vztahu.

Tato práce ukazuje, že sponzorství získává podstatný význam při snaze firem sdělit přísliby svých značek prostřednictvím nekonvenčních a emocionálních platforem. Tento komunikační kanál je v dnešní době na stejné úrovni jako ostatní komunikační nástroje a nepředstavuje jejich vzdálenou podkategorii. V rámci sponzorských nástrojů jako takových je to právě koncept „aktivace“, který inklinuje k převzetí ústřední role v maximalizaci efektu sponzorského vztahu. Můžeme tvrdit, že tento nový přístup nabývá exponenciálního významu a dostává se na ústřední pozici ve sponzorských vztazích, což je zřetelné a zvláště patrné na vyspělejších trzích.

Hloubková případová studie velmi nedávné sponzorské dohody mezi značkou Volkswagen a Pražským mezinárodním maratonem, která je do značné míry založená na myšlence „aktivace sponzoringu“, ukazuje, že spolupráce mezi sponzory a vlastníky nemovitostí v České republice se velmi pomalu, ale jistě transformuje na skutečně partnerský vztah. Téměř všechny strategické výzvy a pragmatická rozhodnutí, jichž jsme byli svědky v průběhu definování a ustanovení modelu nového sponzorského vztahu mezi dvěma partnery, nalézáme v literatuře, která je zpracovává z různých hledisek.

Tuto případovou studii lze brát jako příspěvek k lepšímu porozumění širokému spektru oblastí ovlivněných myšlenkou „aktivace sponzoringu“ a jako dostatečný ukazatel moderních posunů trendů a nových výzev ve sponzoringu. Kromě veškerých analytických vstupů, které tato práce nabízí, je nevyjádřeným povšechným pocitem a dojemem autora i zapojených stran to, že aktivace sponzoringu má hodně do činění se získáním srdcí lidí, ztotožněním s jejich hlubšími emocemi, prostě pobavením publika nebo skutečným počítováním společenské odpovědnosti.

Abstract

The academia and the relevant industry seem to lack more complete and coherent literature and knowledge on the subject of sponsorship activation, and especially seek for more concrete business practices and feedback from the market. The goal of this work thus is to present a very relevant and up-to-date case study that will contribute to enriching the sponsorship activation literature and to better comprehending the business practices and decision makings.

A scrutinized case study of such nature clearly requires a qualitative research method, concentrating on large amount of detailed and focused information, as opposed to analyzing bulk samples and statistics. The research question is being answered by collecting information from personal interviews, access to all necessary documentation and corporate material, as well as direct contribution of the author in all the negotiation and implementation processes of the sponsorship relationship.

This work suggests that sponsorship gains significant importance in companies' pursuit to convey their brand promises through unconventional and emotional platforms. This channel of communication is nowadays 'on par' with the other communication tools, and not their remote subcategory. Within the sponsorship tools as such, it is the concept of 'activation' that tends to take a central role in maximising the effect of the sponsorship relationship. It can be claimed that this new approach is gaining exponential importance and attains focal position in sponsorship relationships, which is apparently and especially evident in more matured markets.

An in depth case study of a very recent sponsorship deal between the Volkswagen brand and the Prague International Marathon, which is largely based on the concept of 'sponsorship activation', shows that cooperation between sponsors and property owners in the Czech Republic is as well slowly but surely transforming to genuine partnership relationship. Nearly all strategic challenges and pragmatic decisions witnessed in the process of defining and establishing the new sponsorship relationship model between the two partners are found in the literature which elaborates them from different aspects.

This case study can be taken as a contributor to better understanding of the wide spectrum of areas influenced by the notion of 'sponsorship activation', and as a sufficient indicator to modern shifts in trends and new challenges in sponsorship. Besides all the analytical inputs this work offers, the unarticulated general feeling and impression of the author and the involved parties is that sponsorship activation is lot about winning the heart of the people, identifying with their deeper emotions, simply amusing the audience, or genuinely being socially responsible.

Klíčová slova: sport, sponzorství, aktivace, pákový efekt.

Keywords: sport, sponsorship, activation, leverage.

INTRODUCTION

Many authors and articles agree and reconfirm that "sport sponsorship has gained a consistently increasing share of marketing budgets and has become a key component of the marketing communication mix, which is on par with traditional tools such as advertising, public relations, sales promotions, and personal selling (Reiser et al., 2012).

Indeed, sponsorship "rights cost represents the starting point for expenditure for most companies, because it effectively provides the right to associate a brand with a property. To fully exploit that right requires considerable additional spend and a strategy" (Sponsorship types, 2000). The above mentioned additional expenditures build up the definition of this new trend of sponsorship activation or sponsorship leveraging which "refers to collateral communication of a brand's relationship with a property, i. e. in addition to paying the fee to acquire a sponsorship, an extra investment in material and other resources needs to be made in order to communicate the formed partnership to the sponsor's target audiences and to create programs that will take advantage of the rights gained through the partnership to achieve sponsor objectives" (Papadimitriou et al.,

2009). Furthermore, gradually sponsorship activation moves away from a collateral ‘side-effect’ of a sponsorship deal but rather, as Cornwell in later works argues, “both the weight and the nature of leveraging activities are central to communication effects achieved in sponsorship” (Papadimitriou et al., 2009).

Obviously, bad or mismanaged sponsorship activations called for caution among scholars and businesses. These activations are usually supplemented with obtrusive marketing communication activities of all kinds (advertising, on-site promotions, sampling, sweepstakes, promotional games, etc.)” (Carrillat et al., 2013). It is crucial that a good decision making, but also clear strategy and concrete objectives are established at the inception of the sponsorship relationship. Namely, a breakdown of such relationship can be often traced back to the very beginnings and to the fact that “neither party clearly and formally articulated their expectations for the relationship and what they desired from their partner.” (Pearsall, 2009). This observation pins out the role of the people and the human factor in creating successful (or unsuccessful) partnerships, and implies the notion that “people representing companies are becoming more important than brands.” (Ruta, 2014).

In any case, Santomier (2008) suggests that “the remarkable increase in the number of sports properties available and the number of sponsors investing in sports properties suggest that sponsorship is able to assist a company to achieve its corporate and marketing objectives”. These objectives which companies expect to fulfill through a sponsorship deal and sponsorship activation might vary from a simple increase of brand awareness and reach in media (Tsiotsou, 2011), positive image building and higher profits, or even affect the stock exchange market (Reiser et al., 2012), employee tie-ins or PR and client entertainment (Papadimitriou et al., 2009), improve the return on investment (Constantinou, 2004), make a positive contribution to the society as part of a company’s Corporate Social Responsibility (CSR) activation (Babiak & Wolfe, 2006), or some corporations decided to become sponsors not based on commercial strategies, but rather because of the personal interests of key decision makers (Kang & Stotlar, 2011).

For what regards the amount spent on sponsorship activation, a general consensus says that “a sponsor should reserve substantial additional resources for leverage to be able to fully profit from signing a sponsorship agreement” (Walraven et al., 2012). Concrete amounts vary quite substantially as some scholars suggest and some companies confirm that it takes “anywhere between a \$1-for-\$1 to a \$5-for-\$1 or, in some cases, even greater spending to activate a sponsorship” (Papadimitriou et al. 2009).

The topic of sponsorship leverage doesn’t make it any easier the fact that “there are other options available for sponsorship dollars in and outside of sports, creating a growing need for improving sponsorship activation and, more importantly, the measurement of activation effectiveness” (O’Keefe et al., 2009).

METHODOLOGY

The goal of this work is to present a very relevant and up-to-date case study that will contribute to enriching the sponsorship activation literature and to better comprehending the business practices and decision makings.

The research question to be answered would be:

Does, how, and to what extend the concept of sponsorship activation is utilized and applied within the sponsorship relationship between the Volkswagen brand and the Prague International Marathon?

Due to the nature of the topic and the fact that a case study is elaborated, the research method used will be qualitative. Referring to Kang & Stotlar (2011) “qualitative researchers are interested in how people interpret their experiences, how they construct their worlds, what meaning they attribute to their experiences”. The format will be narrative, starting from the introduction part, through presenting the findings from the case study, to a conclusion. The research question will be answered by collecting information from personal interviews, access to all necessary documenta-

tion and corporate material, as well as direct contribution of the author in all the negotiation and implementation processes of the sponsorship relationship.

The findings and the accumulated knowledge will be 'de facto' elaborated within the presentation of the case study itself, whereas the conclusion part will summarize the highlights of the study and closing thoughts and interpretations of the author.

RESULTS AND DISCUSSION

Background of the sponsorship relationship between the two brands

The sponsorship relationship i. e. the strategic partnership between PIM and Volkswagen has started in 2003 when Volkswagen became the 'Official Car of the Prague International Marathon'. Two years later, in 2005, the cooperation was upgraded to a Title Partnership agreement where the brand was incorporated into the name of the event i. e. the Volkswagen Prague Marathon, thus becoming one of the pillar partners and key alliance of PIM (PIM Report, 2011). Since then, the partnership has been going on uninterruptedly on a basis of three to five years contracts, always improved by new cooperation models and marketing trends.

The new partnership relationship

Several years ago Volkswagen introduced to the market, on a global level, a new philosophical concept named ThinkBlue. The notion of the project is to develop and promote initiatives that will contribute to a more ecological behaviour, effective use of fuel and energy, and environment-friendly engineering (ThinkBlue, 2014). The ThinkBlue philosophy was introduced in the Czech Republic through a rather modest and inconsistent promotion. After this initial launching campaign the project seemed to stay in hibernation and overlooked for a certain period of time, until a decision was made to revive the ThinkBlue philosophy as a central point of the new strategic partnership with PIM.

Partnership objectives and expectations

"Our objective from the newly established partnership concept is not to have a clear evidence of financial returns and direct impact on the bottom line sales. We explained to our colleagues at PIM that we will not ask them to show us how many cars we sold because of our cooperation. Our primary expectation instead, is to foster an image of Volkswagen as a positive, ecological, socially accepted, and friendly brand, and as a brand that identifies with the passion of running and healthy and active lifestyle." (Janeba, 2014). Furthermore, the market research showed that only 4% of the population in the country have heard about the ThinkBlue philosophy, and even less correctly linked it as a project of Volkswagen or could explain what was it about (Running Market, 2013). Therefore, another clear objective was to improve the awareness of ThinkBlue and its relation to the Volkswagen brand, especially among the community of runners.

Budget and resource allocation and organizational setup

"First of all, a small breakthrough on its own was the fact that we put aside a clearly defined allotment of financial means and human capacity devoted for activation of the partnership with PIM. Suddenly, the high quality race day branding and the extensive communication campaign, which PIM delivered as part of the contract, became only a starting point and a ground platform for further leverage and ideas for activation. An important moment was the fact that all the expenditures for sponsorship activation were brainstormed and shared with our colleagues at PIM in advance. As opposed to a previous practice to adapt to and realize ad-hoc possibilities, this new timely preparation facilitated not only cost saving effects, but also more serious and sophisticated sponsorship activation projects. Moreover, we partially eased up on the challenge of measuring the outcome of our partnership by engaging a research agency that will verify the results of the mutual efforts and justify the strategic decisions of the management" (Cermak, 2014).

Projects and initiatives for sponsorship activation

A focal point of the sponsorship activation is a project called RunBlue, an initiative inspired by the idea of ThinkBlue, with a goal to spread the message that by running, you help yourself, people around you, and the environment (RunBlue, 2014). Most of the activities belonging to the project are presented on a specially created website runblue.cz, which serves as a central communication platform for informing and interacting with runners, public, and the media. The very first activity under the concept of RunBlue was a project called ‘Cars moved by heart’ symbolically launched 42 days before the 42 km long Volkswagen Prague Marathon, and it engaged five Volkswagen dealers from different regions in the Czech Republic who competed among each other for a good cause (RunBlue concept, 2013). Other ongoing initiatives developed directly for or communicated through the RunBlue website (2014) include secured entries to the sold-out Volkswagen Prague Marathon, tips and suggestions how best to enjoy running and prepare for your next race, an application that enables you to send a virtual and personalized present to a runner after completing a marathon, a cross cooperation with the RunCzech beer partner which gives the fans an opportunity to leave personalized cheering and motivating messages or video to the runner they support, a ‘Smilebox’ commemorative photo which runners could take during the Sport Expo and then download it and share it with friends, or an online chat with interesting people where runners can interact with them and ask them various questions.

However, the activation of the partnership between Volkswagen and RunCzech is not limited whatsoever to the Runblue website. First, a relatively large portion of the budget has been allocated for an ‘above-the-line’ non-commercial campaign aimed to boost the RunBlue project. Second, a whole range of material bearing the Volkswagen and RunBlue logo and design, such as t-shirts for volunteers, blankets, nametags, and others, was produced and exposed mainly on the race days (Memorandum, 2014). Third, the flotilla of vehicles exposed on the race day and used by the organizers year round are being gradually substituted with electric and Blue Motion cars, always decorated with ThinkBlue and RunBlue motives (Timetable, 2014).

Furthermore, the sponsorship activation doesn’t neglect activities that are not necessarily attached to the RunBlue idea, but are implemented and utilized as part of the core connection between Volkswagen and RunCzech, such as a VW dealer’s trophy, offer for Loyalty club, car for Women’s Challenge project, excursion for winners of the University Run, VW running ambassadors, and others (Volkswagen at RunCzech events, 2013).

CONCLUSION

Sponsorship deals between sponsors and property owners are slowly but surely transforming to genuine partnership relationships. Many academic articles and practical implications reconfirm that the sponsorship model based on acquiring rights and delivering standard contractual obligations has been outshined by a more sophisticated and complex concept largely centred around the notion of ‘sponsorship activation’.

The case study of cooperation between Volkswagen and RunCzech described above corresponds with the academic sources depicting the trend of laying a bet on sponsorship activation. Nearly all strategic challenges and pragmatic decisions between the two partners are found in the literature. For instance, the sponsorship deal must start with clear objectives and expectations. Furthermore, a substantial budget, human resources, and sense of priority have to be allocated to strategic creative initiatives and projects for activation. In this case, it is the ‘RunBlue’ idea that takes a central role in the attempt to fulfil the primary objective of creating a natural connection between the Volkswagen brand and all the positive values of running that PIM represents.

Besides all the analytical inputs this work offers, the unarticulated general feeling and impression of the author and the involved parties is that sponsorship activation is lot about winning the heart of the people, identifying with their deeper emotions, simply amusing the audience, or genuinely being socially responsible. Very often, many efforts and investments are truly made

without even thinking in marketing and business terms, nor expecting any kind of returns. Paradoxically, maybe exactly this approach could be the formula for a win-win-win-win situation, having in mind the satisfaction of runners, property owners, sponsors, and any other party such as media or institutions that might be engaged as stakeholders.

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