



Money [can't] buy...

Westpac's Samantha Brown: Giving staff a chance to be chopper champions.

Sailing on the wings of a sponsor

Leading manufacturer and supplier of locking solutions, the Assa Abloy Group is a major sponsor of the Henley-On-Todd Sailing Regatta held in Alice Springs.

The event is world renowned and attracts international guests to watch and compete in the foot race down the Todd River (where there's no water and the river is dry) in boats with no bottoms. The Assa Abloy Henley-On-Todd is run on a volunteer basis by the three Rotary Clubs based in the Alice. The entire proceeds – well over a million dollars raised over the years – are allocated to local, national and international humanitarian projects.

Assa Abloy sponsor the event and take part in the races themselves. They use the event not only to support charities but to increase staff morale, bond and generally work on one project together as a team – making and racing the boat. In September 2005, the company brought more than 110 guests including clients, business partners and employees to the event.

Employees from departments such as manufacturing/assembly, customer service, engineering, product development, sales, marketing, finance, purchasing and IT were selected to attend through departmental reward schemes.



The Henley-On-Todd in Alice Springs is sponsored by Assa Abloy.

Each department within each division in the Asia-Pacific region ran their own incentive/reward program that was open to all employees within that department. The programs varied, some were based on improving efficiency, productivity, profitability, sales and KPIs.

Geoff Norcott, Executive Vice President Assa Abloy, said the company is proud to be associated with such an iconic event. "The Henley-On-Todd allows our employees the opportunity to get involved in helping the community. It provides us with a unique opportunity to get closer to our business partners, and the event itself is aligned with Assa Abloy's focus on local issues.

"The races feature employees from the Assa Abloy factory floor right through to senior management – all working together side by side," Norcott said.

>> companies spend a million dollars on sponsorship then have no money to leverage the sponsorship."

From his experience with QBE and the Sydney Swans, Jones agrees, saying the rule of corporate sponsorship is that you will spend the same amount again making sure you get value from the sponsorship.

"For example, we milked the Swans win enormously," Jones says. "We got the premiership cup and brought it into our three Sydney offices and had it delivered floor to floor. Our staff were beside themselves. We'd decorated the foyer the week before, our staff wore red and white.

We all felt the team had a chance, and it's not just a team we sponsor, it's our team."

The relationship between QBE and the Swans goes way beyond grand final week. Over the years the corporate box at the game has been used to entertain clients, brokers and producers. Players and coaches have attended staff lunches and dinners, and have made motivational talks to QBE staff and attended promotional events.

"There is enormous activity behind the scenes to ensure we get value," Jones says.

Team spirit

Sponsorships need not be multi-million dollar arrangements, though. Angus Kingsmill, Managing Director of Australian sunglasses company Odyssey 20/20, says sponsorship is an extremely important ingredient within their brand marketing – perhaps the most vital part. But it doesn't mean they have to spend up big.

"We're not in a position to sponsor the Kelly Slatters of the sport. Instead we align ourselves with surfers who share the Odyssey 20/20 brand values," he says. "For example, we have a guy called Tamayo Perry who is not number one in the world but he has enormous respect on the tour. He's got great character and he's the guy who sits deeper at Pipeline than anyone else. Then there's Rizal Tandjung who has won respect on the tour by forging the way for Balinese surfers."

Like Jones, Kingsmill doesn't like to use the word "sponsorship", preferring to think of the relationship as a "partnership", as Odyssey 20/20 sharing the journey with the surfer. The business end of the deal involves the surfer wearing the company's sunglasses, making themselves available for photo shoots, mentioning the brand when they can and having a small brand sticker placed on their surfboard.

"The younger generation are very wary of overt advertising so just a little sticker on a board and a great shot in *Waves* or *Tracks* is quite a big thing," Kingsmill says. "They're ambassadors for us, and at the same time we get to support the sport, and the sportspeople, that we love."

With sponsorship, though, comes some danger of brand damage. If a sponsored event doesn't take place for some reason there can be repercussions. When a person

"We know our people are passionate about this [relationship]."

Samantha Brown Westpac

Anybody can advertise, but for a true "money-can't-buy" marketing experience, sponsorship is the way to go. Chris Sheedy reports.

When the Sydney Swans achieved the seemingly impossible by winning last year's AFL premiership, the scenes of elation on the field immediately following the game were unforgettable. As fans celebrated in the stands and in pubs and lounge rooms around Australia, a chosen few were allowed onto the pitch with the victorious players. One of those taking part in this money-can't-buy moment was Raymond Jones, Group General Manager for QBE Insurance Group who, along with his son, enjoyed the moment with the on-field team and officials.

For 17 years, through thick and very thin, QBE Insurance Australia have sponsored the Swans. The 2005 victory was the team's first major premiership since 1933, but after so much time Jones sees the long relationship as more of a partnership.

"It can become very difficult if you go into a sponsorship and everyone expects to have nothing but good times," he says. "Companies who really want to be around for the long term have got to expect that there will be times when the team doesn't perform or the sponsorship doesn't attract people. A strong commitment from both sides, and a belief in the business plan of the team you're sponsoring, is important."

As Jones and QBE Insurance Australia discovered in 2005, sponsorship can be an incredibly valuable experience. Australian organisations of varying sizes are including sponsorship and its many benefits as a major part of their broader marketing plan.

The Westpac rescue helicopter is a fine

example of a sponsorship that has worked on several levels. Not only have the Westpac helicopters reached iconic status in NSW and Queensland, they have also helped an enormous organisation, with 27,000 staff, to stay inextricably linked to the local communities served by the bank.

"Investing in the community is a key part of investing in our corporate responsibility," says Samantha Brown, Westpac's Head of Community Involvement. "Our staff are very much a part of our sponsorships. Some staff are our 'chopper champions' – ambassadors for the helicopter services. They organise fundraising, golf days, helicopter awareness weeks and crew visits to branches to talk to staff. They even organise open days at helicopter bases for staff, customers and the community.

"We have staff reward flights for excellence in customer service, and the surf lifesaving organisation in Queensland has organised free CPR training for our staff," Brown continues. "We know that our people are passionate about this and we know that staff morale has been increasing."

The rationale

Sponsorship offers an opportunity to associate a brand or message with a person or event that delivers a target audience in a way that cannot be achieved through any other marketing channel, says Darren Woolley, Founding Partner of advertising and marketing advisers and specialists P3.

"You can build an entire marketing strategy around sponsorship," Woolley says. "If you've got a million dollars to spend, you could spend it all on buying media and putting your message out there, or in doing PR and getting journalists to write about you. Or you could spend half a million dollars sponsoring a person, team or event and the other half telling people you've sponsored them. The mistake is when >>

Sponsored moves

One of the most successful examples in recent times of corporate sport sponsorship ended with the close of the 2005 V8 Supercar Series.

Pirtek Fluid Systems announced the end of an eight-year relation with leading V8 Supercar Championship Series team Stone Brothers Racing (SBR).

The introduction of new products and different marketing strategies was the major factor in the decision of Pirtek to end their relationship, according to Managing Director Glenn Duncan.

"We enjoyed a successful eight-year relationship with Stone Brothers Racing, but we have new opportunities we want to explore," says Duncan.

Pirtek has switched its sponsorship to the Rugby League team Parramatta Eels. Duncan saw the opportunity to become involved with the Parramatta Eels as too good to pass up. Pirtek built its business in Western Sydney and celebrated its 25th year in business in 2005, so it is seen as a natural fit.

"Just as the Parramatta Club has developed many locals into Rugby League greats, Pirtek has built its franchised business with many young Pirtek employees from the local district going on to own and run Pirtek franchises," says Duncan.

Champion Australian driver Marcos Ambrose, who will be heading to the US this year, says the departure of Pirtek from SBR was really the "end of an era".

"Glenn and Peter Duncan, General Manager Steve Dutton, all the Pirtek franchisees and their families have become supporters of mine and Stone Brothers Racing. They are a fantastic company with tremendous people, many of whom I have developed life-long friendships with."

In turn, Duncan says that Marcos Ambrose has been a great ambassador for Pirtek.



"You can build an entire marketing strategy around sponsorship."

Darren Woolley P3

or a team becomes a brand ambassador they also have the ability to hurt the brand. Whether it's the exposure of a supermodel's drug habit or a football team's involvement in a sex scandal, many sponsors have felt the backlash brought on by bad behaviour.

Analysing the likelihood of such an event, Woolley reckons, should all be a part of due diligence carried out before the sponsorship agreement is signed, and the contract should include moral clauses allowing termination and compensation in the case of a damaging occurrence.

In the QBE/Swans contract, clauses exist stating that if the behaviour of any club officials, members or players bring the sponsor's name into disrepute then QBE have the option to negate the contract.

"You have to go in with your eyes wide open and recognise that these are very fit, young athletes who are exposed to a lot of interesting outside elements," Jones says. "If they are led astray then there is a downside, but you have to recognise the possibility and manage it."

Kingsmill agrees, saying another danger is that an athlete may simply not perform well for a period of time, or may be off the world tour for months at a time. But he says there is no way they would dump somebody for such a thing, as sponsorship is something you agree to for the long haul. "And if Kate Moss ever wants to wear Odyssey 20/20 sunnies, then bring it on!" he laughs. "We'll send them over to her and will even chaperone her at parties."

Big brother syndrome

A final danger is that the brand appears heavy-handed within the sponsorship relationship, as many believed was the case with Nike's sponsorship of Shane Warne. When the Nike swoosh appeared large on every piece of Warne's clothing, as well as his earrings, the brand appeared "stuck on".

But the benefits far outweigh the dangers, and as opposed to traditional advertising and PR, sponsorship not only delivers a brand's message to an audience, it can also be an excellent motivator for staff.

Peter Edwards, Managing Director of Mondial Assistance – a provider of travel insurance, medical assistance for travellers, and more – says he is keen to "demonstrate our commitment to the safety of travellers,

drivers and the business community across the country" through Mondial's role as naming rights sponsor of the Australian Women's Hardcourt Championship for the next three years.

"We're looking forward to the 2006 Mondial Australian Women's Hardcourt Championship [at Royal Pines on the Gold Coast] in January and watching some world-class tennis on the Gold Coast," Edwards said.

Meanwhile, the Australian Open Tennis Grand Slam is IBM's major sponsorship in the Asia-Pacific region.

IBM has been involved with the tournament since 1993 and are also the official technology provider for the other grand slams – Wimbledon, Roland Garros and the US Open.

As the tournament's Official IT Partner, IBM have been helping the Australian Open transform from a largely national brand into a globally competitive business, helping the tournament run critical services and deliver a world class event to millions.

IBM, in conjunction with Tennis Australia, designs, builds, hosts and manages the Australian Open website, www.AustralianOpen.com.

IBM's Director of Marketing, Megan Dalla-Camina says IBM's sponsorship strategy is to focus on a small number of unique initiatives that provide a global environment to demonstrate the company's ability in developing business solutions.

"The tournament provides IBM with the opportunity to demonstrate the depth and breadth of its services, hardware and software capabilities in action.

"IBM leverages the Australian Open to enhance awareness and consideration of IBM's services across Asia-Pacific, presenting an opportunity to generate and reinforce demand by demonstrating how IBM addresses relevant business issues. These are reinforced through a 360° marketing campaign, incorporating all of the marketing disciplines – advertising, direct mail, interactive, event and relationship marketing," Dalla-Camina says.

The hospitality program incorporates a look behind the scenes and helps promote IBM solutions and services.

Ultimately, says Dalla-Camina, brands are built around customers,

Further reading

- » *Made Possible By: Succeeding With Sponsorship* by Patricia Martin – Jossey-Bass
- » *Event Sponsorship* by Bruce E. Skinner and Vladimir Rukavina – Wiley
- » *The Sponsor's Toolkit* by Anne-Marie Grey and Kim Skildum Reid – McGraw-Hill Book Company

which is why IBM uses sponsorships for their case study benefits in addition to branding exposure.

"Partnering through sponsorships that demonstrate the resolution of real business issues helps IBM's brand equity performance with its target client set. Owning the relevant category space is also critical in ensuring differentiation from competitors and protection of the sponsorship investment," she says.

Once a sponsorship is set up it's simply a matter of measuring its success. For Odyssey 20/20 it's a matter of whether brand awareness is increasing within the surf culture. For QBE, results are visible as increased enquiries via their customer service staff and, of course, the success of "their" team. And for Westpac, measurement is a mix of media coverage and lives saved. It certainly beats advertising. **MT**

Chris Sheedy is a Sydney-based freelance writer. Additional reporting by Lauren Thomsen-Moore.



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Angus Kingsmill Odyssey 20/20