

# Sponsorship in Marketing

Chapter 8: Measuring Sponsorship Outcomes

# *Measuring Sponsorship Outcomes*

*Measurement approaches in sponsorship could be broadly grouped as value assessment or value investigation.*

- *Value assessment approaches are those that estimate the nature, quality and market worth accruing from a partnership.*
- *Value investigation approaches are those that examine the contribution of partnership activities to the worth of the brand or organization.*

# *Measuring Sponsorship Outcomes*

## *Value Assessment - AVE*

*The value assessment approach is utilized across properties and sponsors around the world.*

*One of the ubiquitous sponsorship measurements is advertising value equivalency (AVE).*

*This measure calculates equivalence by estimating the value of an exposure (e.g., duration, number of brand exposures) by comparing it to the cost of a comparable advertisement.*

*For example, if 30 seconds of clear and in-focus logo exposure were detected during a televised race, the question asked would be what would 30 seconds of advertising time in that race have cost?*

# *Measuring Sponsorship Outcomes*

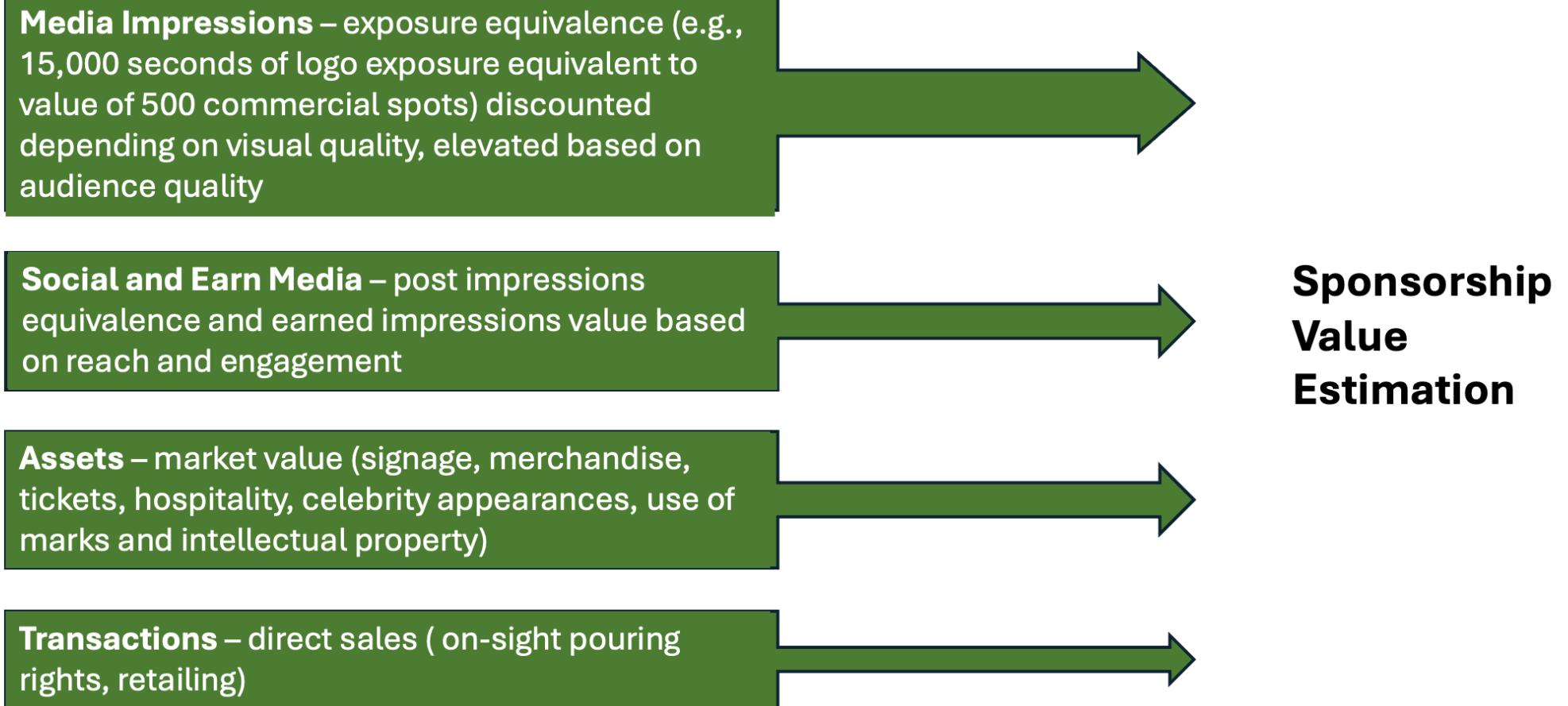
## Value Assessment

- Typical value assessment has several buckets and these vary across brands, companies, and agencies.

Common value assessed include:

- Media impressions
- Social and Earned Media
- Assets that have market value (e.g., signage, tickets)
- Transactions linked to sponsoring

# Common Sponsorship Value Estimation Categories



# *Measuring Sponsorship Outcomes*

## *Value Assessment*

- *The challenge is that measuring media exposure only indicates the impressions that the audience **might** have.*
- *There is continuing pressure to move from media equivalence to financial outcomes.*

*Further, there is expanding interest on other types of returns, such as return on objectives (e.g., interim marketing or communication) and return on purpose (e.g., societal or environmental goals).*

# *Measuring Sponsorship Outcomes*

## Value Investigation

- Central to value investigations are financial outcome attributions to sponsoring (ROI).
- Value Investigations can also assess return on objectives such as:
  - Brand Awareness
  - Brand Associations
  - Brand Attitudes
  - Brand Attachment
  - Brand Experience

# *MEASUREMENT SCALES*

- Value investigations often require measurement instruments such as scales which are then used in surveys. Example measures include:
  - Brand equity
  - Congruence
  - Relationship Authenticity
- Value investigations might also be undertaken with unstructured data that is available (e.g., text, video, audio, social media, or geolocation data).

## *Measurement Responsibility*

- The property being sponsored (e.g., recap or fulfillment report)
- The sponsor
- Commercial suppliers
- Other interested parties (e.g., tourism board, economic development agency)

## *MANAGERIAL PERSPECTIVES ON MEASURING (Michael Hammer)*

1. *Vanity –the selection of measures that make management look good.*
2. *Provincialism – keeping within organizational or industry boundaries when new measures are needed.*
3. *Narcissism – measuring from one's own point of view, not that of the customer.*
4. *Laziness – assuming one knows what to measure without giving it thought.*
5. *Pettiness – measuring a small subset of what should be measured.*
6. *Inanity – measuring without consideration of how the measurement or actions based on it will influence the organization.*
7. *Frivolity – not being serious about measuring.*

# *Measuring Sponsorship Outcomes Questions*

- 1. When and how are value assessment approaches used to measure sponsorship outcomes?*
- 2. Why are advertising value equivalency measures criticized?*
- 3. What might be the associated challenges of utilizing a value investigation approach?*
- 4. How do the measures of congruence and authenticity differ?*
- 5. What are the advantages and disadvantages of recap reports, produced by properties and shared with sponsors, that detail how the sponsorship contract was fulfilled?*