

## Sample solution Exercise 2: The sponsorship-linked marketing management process

### Task #1

**Please prepare the following case study: Nivea's sponsorship planning.**

In the case of sponsoring the German Gymnastics Association, please answer the following questions:

**(1) Situational analyses: Please analyze the NIVEA's current situation as regards the whole market and the competition within the market. Do the brand's existing sport sponsorships make sense? Please explain your line of arguments.**

- Current situation: NIVEA products can be bought in 108 locations worldwide with a brand awareness of 93%. In 46 countries NIVEA is the market leader in skin care products. In Europe Beiersdorf is the leading skincare company. The conducted market research helps NIVEA to create and develop an up-to-date and relevant portfolio of products. As the innovation leader, NIVEA has still chances to acquire (new) customers with new products. As a well reputed and trusted global brand, NIVEA has chances to grow in the emerging markets as well as increasing its current market share.
- NIVEA For Men as a beauty product line for male customers, is the official supplier for the Football Association (FA). The brand also sponsors the English Football team and Paris Saint Germain in the French Ligue 1. Football in Europe is especially followed by men, therefore NIVEA directly reaches its target group (via television advertisement, stadium presence etc.). Brand manager Ralph Gusko states that the passion for football plays a crucial role in NIVEA's marketing strategy because it helps to emotionalize the NIVEA products. Although the male cosmetics market is a small target segment, it grows by three times faster as the female cosmetics market. Also Rugby and the Formula one as sports which are also associated with masculine attributes, are supported by NIVEA For MEN (e.g. Sebastian Vettel). Therefore the brand is highly presented in Europe, but also in other countries around the globe. As a global brand, the geographical market, where sponsorship can be conducted, is not limited. In Beach-Volleyball Beiersdorf found another niche where skin care products have not been present before.
- One example of a direct competitor in the football sector is Henkel Beauty Care (i.a. Schauma, Fa, got2b), which is a sponsor of FC Bayern München. While DOVE announced a long-term partnership with the Rugby Football Union (RFU) and L'Oreal Paris Men Expert concentrate its activities on the NHL, NIVEA claims almost the entire (European) football sector.

- NIVEA has a broad target group, not only focusing rich or young people but the population as a whole. With NIVEA FOR MEN they try to reach the male target group through diverse male associated sports with almost no interferences.

**(2) Sponsorship-specific considerations: Would the sport sponsorship of the German Gymnastics Association (GGA) make sense? Please explain your line of arguments.**

PROS	CONS
There is an image based fit between the event and the products. Young, healthy, muscled men and women are engaging in sports. This fits the image of Nivea of being beautiful and healthy. Especially the “for men”-products convey the image of being strong and dynamic.	The German Gymnastics Association only operates on a national level. However, NIVEA's strategy is to promote its products around the world.
The sponsorship could be an opportunity for NIVEA to mainly expand sponsoring effort to a female target group (not only for the products of NIVEA FOR MEN). In terms of demographic, psychographic and behavioral variables NIVEA's target group matches as well: There are no specific income or social class “requirements” that the spectators/audience of gymnastic sports have to fulfil, so the broad target group that is attracted by the German Gymnastics Association will highly match the broad target group of NIVEA.	Gymnastics in Germany are perceived as a “mass sport”, meaning that it is done mainly on an amateur basis, creating only very moderate media attention. This leads to the conclusion that sponsoring an event of the GGA would only lead to an inferior possibility to promote NIVEA's products via television or similar media channels. Therefore, compared to Tier1 promotion possibilities like professional football or similar premium products, a sponsorship of an inferior sport should not be pursued in the future, also in terms of creating a homogeneous brand image (here: position NIVEA as a high performing brand)
There are no conflicting sponsor associations arising, being NIVEA as the only beauty and skincare company. The existing sponsorships could be compatible to NIVEA's brand image (e.g. Generali, an insurance company, might be described as sincere and competent. It links to the accurate, classy and precise character of the gymnastics sport)	The market segments overall attractiveness is rather weak. Since there are several sports the target market seems to be very fragmented which makes a good communication strategy very difficult. Furthermore sports in this Association are not very prominent so the opportunity to increase brand awareness or to boost company visibility appears to be low

PROS	CONS
The slogan "Preparation is everything" fits the gymnast's self-understanding. The athletes have to take high care of their body (e.g. hand care for the high bar) and need perfect preparation for best performance	

**(3) Fit between the sponsor and the sponsored property: Using one way of fit dimensions of your choice (e.g., functional fit vs. attitude-based fit), (a) how can NIVEA increase the perception of functional fit and attitudinal fit, respectively, and (b) which dimension would you focus on? Why?**

- a) The **functional fit** could be increased with marketing instruments like sales promotion activities at the event where potential customers get in closer contact with products and get a free sample for example.  
Another possibility would be in aesthetic sports. Female athletes could use products to keep a good and nice skin or in sports where they use make-up (e.g. rhythmic gymnastics, ice skating, synchronized swimming).  
NIVEA is a very traditional brand, a brand you can trust and which is used by many different generations. It's timeless and modern and appealing for a broad customer base. The **attitudinal fit** therefore could fit for different events, where could NIVEA advertise and sponsor. To expand for example the female branch NIVEA could advertise events like tennis (WTA) or volleyball, where good looking successful female athletes participate.
- b) NIVEA can look for events, athletes and coaches which stand for the same attribute as NIVEA do or have desirable attributes for the brand.  
The connection between NIVEA and sport events is rather image based. Both provoke body related associations (e.g. youthfulness, aesthetics) in the target group's minds. To strengthen the brand recall and the positive image transfer between the sponsored sport event and the brand an image-based fit communicates the similar characteristics to the audience via onsite advertisement. As NIVEA products are low involvement products for the customer, they take the peripheral route to the customer's conscience, which makes the strategy of increasing brand visibility during the sport events very attractive.  
Focusing the attitude dimension makes sense, because the emotional component is more important than the functional part.

**(4) What are the limitations of the functional versus attitudinal fit classification against the background of the presence of other classification schemes?**

- Compared to other classifications the functional vs. attitudinal fit classification is very broad. The classification does not take into account other factors influencing customers perceptions, such as attitude of customer to the sponsored property, brand consciousness or characteristics of the event, that might moderate the effect
- The fit depends on the characteristics and the perception of the target group. Also, it remains unclear whether the image based fit between the properties was high prior to the sponsorship, or whether it has increased in response to the sponsorship. Companies come from different industries and do not share exactly the same associations as the sponsored property
- Other limitations lie in a narrow consideration of possible linkages. For example a study of Simmons and Becker-Olsen (2006) covers all possible aspects of correspondence of companies. This might give an opportunity to deeper analyze sponsor-sponsored fit.  
Relevancy of associations and expectancy of associations (Fleck and Quester, 2007) covers the message delivery to the final recipient, which may help to predict the effectiveness of the sponsorship activity.  
Prominence fit and marketing strategy fit as macro-dimensions (Zdravkovic et al., 2010) give an overview of promotional linkage between the companies.