Sponsorships and commercialization in sports

➢ Currently, CEO at SPSG Consulting, boutique consulting firm specialized in Sports and Entertainment.

➢ He used to work at IMG (now, part of Endeavor), as VicePresident of the consulting divisions for more than 10 years. Afterwards, he moved to Lagardere Sports (now, Sportfive), as VicePresident of the Consulting division.

➢ Carlos is also a member of the Board of Directors of RCDDeportivo de La Coruña (football club that won the Spanish Liga in 1999-2000).

Mr. Carlos Cantó
UNWTO Expert on Sports Tourism
“We’ve experienced faster progress in the past 10 years than in all history (...). The speed of technical change creates challenging problems.”

John Maynard Keynes (1930)
THE SPORTS INDUSTRY – THE ECOSYSTEM

SPORTS + SPORTS TOURISM + TOURISM

[Images and logos representing various sports and tourism-related entities, such as IMG, Aspire Academy, NBA, and other brands and organizations]
"DEMOCRATIZATION" (more sports, more disciplines, more events)

- VARIETY OF CONTENT
  - Temporary: before, during, after
  - Duration
  - Avid fan + casual fan – FLUID FAN
SUSTAINABILITY – THE FOUR PILLARS IN SPORT

Sustainability

Social

Environmental

Economic

Sporting
STADIA: FROM “PLAYING FIELD” TO “EXPERIENCES”

- The 4 rings model
- Match-day vs non-match-day
IT GROWS … BECOMES MORE PROFESSIONAL… AND ATTRACTS INVESTORS AND FUNDS

January 2023 – Partial “Map”
ABOUT SPORTS TOURISM

- **Specific**: travelling to the destination to practice (and participate at) a sport activity (ie: surfing, skiing, cycling, sailing, running/marathons, etc.)
- **Events**: travelling to the destination to attend and / or participate at sport events (ie: Olympic and Paralympic Games, FIFA World Cup, F1 races, ATP/WTA events, UEFA Champions League matches, SailGP races, etc.) (professional or Amateur –ie: Senior Games, Police and Firefighters Games, etc.)
  - Attending
  - Participating
- **Academies and Training camps**: travelling to the destination to train and learn, both as a professional or as an amateur athlete (individually or as a team)
- **As an activity at the destination**: To attend a sport event or to participate in a sport event while the visitor is at the destination, not being the primary reason to travel to the destination. These events help the destination to be sizzled.
- **MICE**: travelling to the destination to attend MICE events related to the sports industry (Sport Federation Congresses; Incentives of companies related to sports; Sport events organizers meetings; private sport industry stakeholders conventions and Forums, etc.)
- **“Nostalgia”**: travelling to the destination to visit a Museum / site / Hall of Fame, etc. related to Sports.
SPONSORSHIP ... MUCH MORE THAN BRAND VISIBILITY AND “VALUES”

INVESTMENT:

- Money
- In-kind
- Promotion

➢ RIGHTS
➢ ACTIVATION

Part of the Marketing - Mix, Sponsorship is focused on the ASSOCIATION between a brand and an asset/property.

“RENT” ➞ “PROPERTY” ➞ LEVERAGE

TIME

- No-saturation (compared to some traditional advertising channels)
- Integrated
- Differentiation (communication)
- Aligned with demand/clientele lifestyle (leisure, sport, culture, entertainment, public services, ...)
- Non-Intrusive
- Experiential Marketing
- CONTENT
SPONSORSHIP …MUCH MORE THAN BRAND VISIBILITY AND “VALUES”

To amplify through COMMUNICATION:
- Property (owned, paid, earned)
- Sponsor (owned, paid, earned)

Branding & Projects

- CONTENT
- EXPERIENCES
- COMMERCIAL/PROMOTIONAL ACTIVATION
- VALUES
- IMAGE
- TARGET INCOME
- BRAND VISIBILITY
- PROPERTY INCOME

- Education
- Environmental Sustainability
- Communities
- Contests / Quizzes
- Experiences
- Loyalty
### MOST IMPORTANT SPONSORSHIP OBJECTIVES

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**NOTE:** This question allows more than one answer, hence answer percentages add up to >100%.

Source: “XV Sponsorship Barometer – 2002” – SPSG Consulting
**RIGHTS/BENEFITS OF SPONSORSHIP**

### Survey Results

#### 2016

- Unique and Excl. Content: 49%
- Logo/Asset Name Use: 16%
- Soc. Media Pres.: 42%
- Web Pres.: 3%
- Naming Rights of Asset: 9%
- Br.(Ads): 23%
- Br.(PPRR): 42%
- Brand Visibility (in assets): 94%
- Acc. Database: 13%
- Exclusivity (category): 77%

#### 2017

- Unique and Excl. Content: 42%
- Logo/Asset Name Use: 19%
- Soc. Media Pres.: 42%
- Web Pres.: 4%
- Naming Rights of Asset: 19%
- Br.(Ads): 23%
- Br.(PPRR): 42%
- Brand Visibility (in assets): 94%
- Acc. Database: 13%
- Exclusivity (category): 77%

#### 2018

- Unique and Excl. Content: 43%
- Logo/Asset Name Use: 19%
- Soc. Media Pres.: 42%
- Web Pres.: 3%
- Naming Rights of Asset: 9%
- Br.(Ads): 23%
- Br.(PPRR): 42%
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- Br.(PPRR): 42%
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- Exclusivity (category): 77%

#### 2021

- Unique and Excl. Content: 49%
- Logo/Asset Name Use: 21%
- Soc. Media Pres.: 49%
- Web Pres.: 4%
- Naming Rights of Asset: 9%
- Br.(Ads): 23%
- Br.(PPRR): 42%
- Brand Visibility (in assets): 94%
- Acc. Database: 13%
- Exclusivity (category): 77%

### Source

Source: “XV Sponsorship Barometer – 2002” – SPSG Consulting

**NOTE:** These questions allow more than one answer, hence answer percentages add up to >100%.
IMPORTANCE OF CHANNELS / PLATFORMS TO ACCESS SPORTS CONTENT (competitions, matches, sports news, etc.) (next 5 years)

(According to properties)  (According to sponsors)

<table>
<thead>
<tr>
<th>Year</th>
<th>Linear&quot;traditional&quot; TV</th>
<th>&quot;aggregator&quot; Platforms (e.g.: Movistar+)</th>
<th>General OTT (e.g.: Netflix, Amazon Premier, RakutenTV)</th>
<th>OTT properties (e.g: NBA, MLB, NFL, UEFA)</th>
<th>OTT Sports (e.g: Dazn, LaLiga SportsTV, ESPN+)</th>
<th>Social Med. Platforms (e.g: Youtube, IG, Twitter, FB...)</th>
<th>Betting Businesses</th>
<th>Daily Fantasy Sports</th>
<th>Influencer Platforms</th>
<th>Sponsor Platforms</th>
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<tbody>
<tr>
<td>2019</td>
<td>4.10</td>
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<td>4.95</td>
<td>4.95</td>
<td>5.23</td>
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<td>5.23</td>
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<td>3.18</td>
<td></td>
<td>3.74</td>
<td>3.87</td>
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</table>

Source: "XV Sponsorship Barometer – 2002” – SPSG Consulting
TARGET AUDIENCES OF GREATER RELEVANCE FOR BRANDS IN THEIR SPONSORSHIP PLANS (According to properties)

(According to sponsors)

<table>
<thead>
<tr>
<th>2020</th>
<th>2021</th>
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<tbody>
<tr>
<td>83%</td>
<td>84%</td>
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<tr>
<td>57%</td>
<td>41%</td>
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<td>83%</td>
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<td>50%</td>
<td>72%</td>
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<td>20%</td>
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<td>37%</td>
<td>25%</td>
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<td>50%</td>
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<td>3%</td>
<td>13%</td>
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</table>

Source: “XV Sponsorship Barometer – 2002” – SPSG Consulting

NOTE: This question allows more than one answer, hence answer percentages add up to >100%.
<table>
<thead>
<tr>
<th>Year</th>
<th>Case studies / Good Practices</th>
<th>Real-time assistance</th>
<th>Market Trends</th>
<th>New assets for sponsorship, new projects</th>
<th>Reporting</th>
<th>Manuals, forms, check-points, etc.</th>
<th>Generating activation ideas</th>
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<tbody>
<tr>
<td>2017</td>
<td>5.52</td>
<td>5.00</td>
<td>5.91</td>
<td>6.68</td>
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<td>5.50</td>
<td>5.69</td>
<td>6.06</td>
<td>5.31</td>
<td>5.11</td>
<td>5.31</td>
</tr>
</tbody>
</table>

Source: "XV Sponsorship Barometer – 2002" – SPSG Consulting
DEGREE OF EVOLUTION OF SPONSORSHIP
(According to Property) – 2025

Source: “XV Sponsorship Barometer – 2002” – SPSG Consulting
## Sponsorship Program - Properties

<table>
<thead>
<tr>
<th>Sponsorship Program</th>
<th>Identification of “assets”</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Identification of Sponsorship “rights / benefits”</td>
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<tr>
<td></td>
<td>Design of the Sponsorship “architecture”</td>
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<tr>
<td></td>
<td>Structure of Sponsorship “packages”</td>
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<td>Estimation of the sponsorship packages [value]</td>
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<tr>
<td>Commercialization</td>
<td>Design of the communication plan of the Sponsorship Program</td>
</tr>
<tr>
<td></td>
<td>Design of the commercialization plan of the Sponsorship Program</td>
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<td></td>
<td><strong>Organization</strong> of the sponsorship department and tasks</td>
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<td></td>
<td><strong>Servicing</strong> sponsors</td>
</tr>
</tbody>
</table>
DESTINATIONS AS SPONSORS

ADVANTAGES FOR DESTINATIONS TO USE SPONSORSHIP AS A PROMOTIONAL TOOL

- **Holistic and Integral Platform** – Combination of different marketing tools
- **Differentiated Marketing Tool** – Usually, you can block your competitors – exclusivity agreements
- **Efficient Tool** - It can be measured
- **Broad Variety of Objectives** – Increase Visits, Gain Notoriety and Awareness, Increase Loyalty, Entertain VIP audience, Networking, Generate Tourist or Visitor Traffic, etc.
- **Mass Media’s Efficiency Decrease** – Mass media’s efficiency is decreasing. On the contrary, Sponsorship efficiency is ensured because it perfectly transmits the desired message to the key target, as it involves the audience in the action itself.
- **Target’ Acceptance** – Customers feel overwhelmed by advertising; nevertheless sponsorship is well accepted, not intrusive, as they feel part of the action itself and are able to live unique experiences.
- **Experiential marketing** – It allows to offer unique experiential marketing opportunities (“money cannot buy experiences”)
- **Multi-target approach** – It allows to address the message to large variety of targets audiences: visitors, potential visitors, trade, MICE business (Marketing and Sales directors, PA, etc), media, institutions, other stakeholders.
- **Bidding for events** – It allows to reinforce the positioning of a destination ready and able to host major events.
TOURISM PROMOTION USING SPONSORSHIP OF SPORT EVENTS

CASE STUDY

Flamenco Shows  Andalucia product tasting and promotion  Presence in other tournament's restaurants  Naming Rights of one of the exclusive tournament's restaurant

Promotional activities with Jelena Jankovic  Hospitality & Player Appearance  On court branding  Promotional booth
TOURISM PROMOTION USING SPONSORSHIP OF SPORT EVENTS

CASE STUDY

Amar’e bubblehead presented by BTA

Courtside presentation and rotational signage

LED Signage: 504,020 impressions

7th & 8th Ave Marquees: 300,000 impressions

BTA Presentation to TO, TA, stakeholders, media

Email blast: 250,000 impressions

Website: 1,004,202 impressions
Hvala!
26-27 APRIL 2023, ZADAR, REPUBLIC OF CROATIA
Best practices for DMOs to attract sports events

Mr. Ion Vilcu
Director,
Affiliate Members Department
UNWTO

➢ Director of the Affiliate Members Department of the World Tourism Organization (UNWTO) since August 2018.

➢ Between 2011 and 2016, he has been the Permanent Representative of Romania to the UNWTO. As a career diplomat, he has served as Ambassador of Romania in Mexico (2016 - 2018), Kingdom of Spain (2011 – 2016), Argentina and Paraguay (2007 – 2011) and Chile (2000 – 2005).

➢ He has been the Secretary of State, Head of Protocol of the Government of Romania between 2005 and 2007.
Best practices for DMOs to attract sports events

Keynote by
Ion Vilcu, Director, Affiliate Members Department, UNWTO
Index

- Encouraging context: strong and steady recovery
- Rethinking Tourism – challenges and opportunities
- UNWTO facing the challenge: in partnership with its Affiliate Members
- Sports & Tourism – priority topic in UNWTO agenda
- Sports Tourism: the new horizon for DMOs
Encouraging context: strong and steady recovery

World: International tourist arrivals 2020-2022, and scenario for 2023:

(monthly % change over 2019) / Source: UNWTO (Data as of Jan. 2023)

* Actual data for 2022 is preliminary and based on estimates for destinations which have not yet reported results.
Rethinking Tourism – challenges and opportunities

**Sustainability:**
travelers became more cautious about the impact on climate and the environment

**Public-Private Partnership:**
Modernize tourism through PPP
UNWTO facing the challenge: in partnership with its Affiliate Members

Breakdown by Business Type of the 464 AMs

- Education & research institutes: 122 / 26.3%
- Associations & NGOs: 118 / 25.4%
- DMOs: 105 / 22.6%
- For profit companies: 119 / 25.6%
UNWTO facing the challenge: in partnership with its Affiliate Members

105 DMOs within the UNWTO Affiliate Members

- Europe: 64.8%
- Americas: 12.4%
- Asia & the Pacific: 12.4%
- Africa: 6.7%
- Middle East: 3.8%

UNWTO AFFILIATE MEMBER

105 DMOs within the UNWTO Affiliate Members
Sports & Tourism – priority topic in UNWTO agenda

**WSTC 2021**
Lloret de Mar,
25-26 Nov. 2021

**MadCup 2023**
official presentation of the III edition, to be held on 23-28 of June 2023

**FITUR SPORTS**
- 18-22 Jan. 2023
  - Launch of the WSTC 2023
Sports Tourism: the new horizon for DMOs

I. The UNWTO survey

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<th>Factor</th>
<th>0%</th>
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<td>8%</td>
<td>25%</td>
<td>17%</td>
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</table>

![Bar chart](chart.png)

**Image and promotion opportunities** offered - considered the most important factor by destinations
Sports Tourism: the new horizon for DMOs

III. Benefits of Sports Tourism for DMOs

- Economic Impact
- Increase in tourism flow
- Visibility
- Strategic Positioning and Brand Image
- Develop/modernize infrastructures and facilities
- Employment opportunities for the local community
- Development of business platforms/clusters
- Promote Well-Being
Main challenges: transport infrastructure and communication, allocation of budget for promotion purposes, sport venues and PPP.