

Footy Finals Foster Favourability

Martin James



The footy finals season has passed and sponsorship dollars appear to have been spent with as much gusto as in previous years.

Sponsorship involves big money. Stadium Australia Homebush naming rights cost \$31.5mill, Toyota spends tens of millions on their ongoing support of the ARL, while jersey sponsorship for North Queensland Fury is apparently priced at \$500,000. Further, it is generally recognized that significant additional internal resources must be allocated to the management of sponsorship in order to fully exploit the benefit of the investment, thereby adding to these costs.

To put these figures in perspective, PriceWaterhouseCoopers released a report for IAB Australia in which it is estimated advertising expenditure *totalled* \$1.8 Billion for 08/09.

Clearly, sports sponsorship falls way outside the realm of corporate community support, the whims of the Chairman or an irrational love of sport by Australian CFO's. But what rationale can there be for such expenditure?

The value the market places upon sponsorship rests upon an often overlooked psychological phenomenon, recognition bias. Numerous studies have shown a bias in favour of people or products *simply because they are better recognized by the consumer*. Given the difficulty, in many markets, to own a unique selling proposition, the salience of a brand may well be its greatest equity.

And, presumably, for example, Coca-Cola cottoned onto this some time back. It's hard to visit anywhere on the planet without being exposed to Coca-Cola signage. Indeed, any visitor to Sydney's King's Cross invariably leaves with the memory of the brand's massive neon sign dominating William Street. Importantly, other than a simple slogan, this advertising doesn't pretend to enrich the brand's image or persona in any overt way. The sole objective appears to be the generation of raw brand familiarity. And, as recognition bias teaches us, familiarity breeds favourability, most certainly not contempt.

Politicians are of course the masters of exploiting recognition bias. There is no "political stance differentiation" on the mind of the politician when he or she kisses babies and opens school fetes. Unconsciously politicians recognize a simple maxim applies: 'better known' equals 'better chance of election'. A good example of this is that polls consistently show a bias in terms of the 'preferred Prime Minister' in favour of the incumbent, even when their party falls behind the Opposition in terms of voting intention. Given Prime Ministers typically receive more air-time than Leaders of the Opposition, this finding is understandable.

In no way does this imply that advertising without a clear message is as effective as a campaign which is rich in messaging. Rather, the ability of a campaign to perform well presupposes its ability to generate prominence. A key implication here is that when faced with a small advertising budget, advertisers would do well to set their sights a little lower, and use the less costly mechanisms of generating prominence rather than mainstream media. Using alternative prominence mechanisms may not communicate much by way of messaging, but these are capable of allowing a brand to weave itself into the minds and lives of consumers. Familiarity breeds favourability.

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