



IMPROVING SPONSORSHIP ACCOUNTABILITY METRICS

JULY 2018

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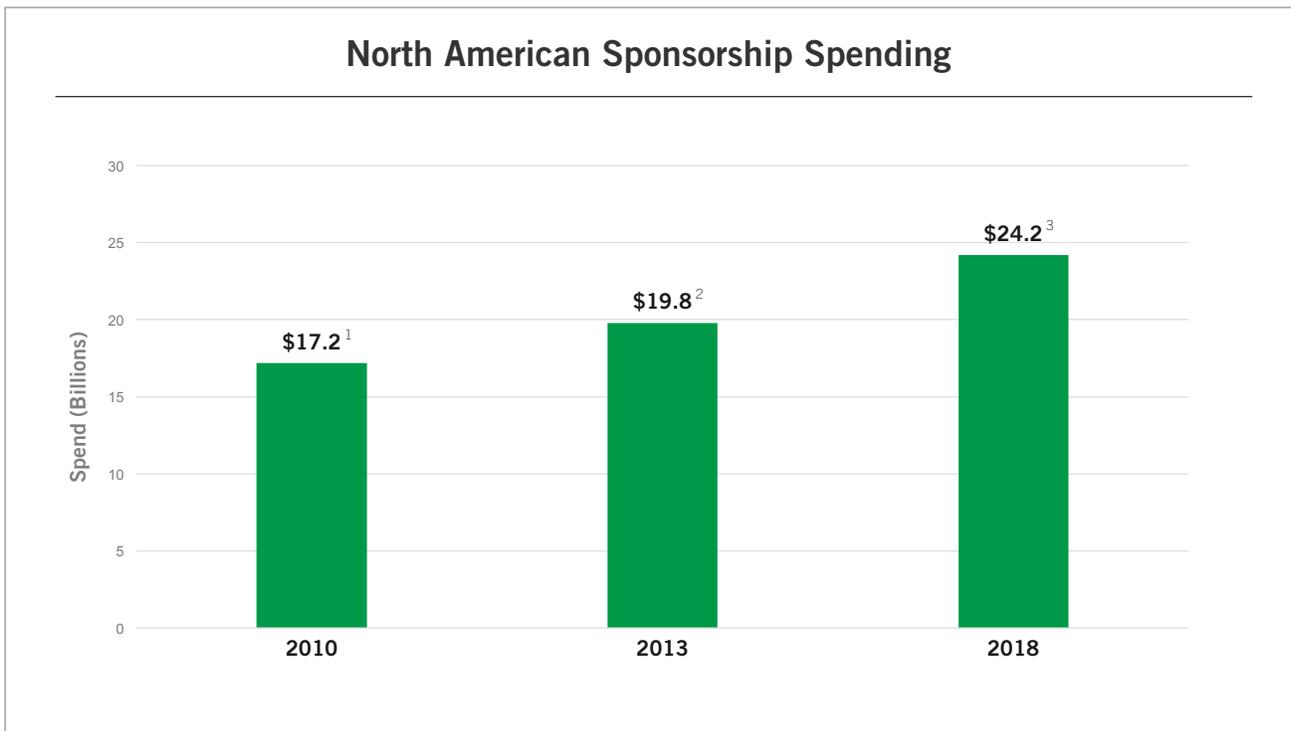
Background and Methodology

The ANA (Association of National Advertisers) and MASB (Marketing Accountability Standards Board) are partnering on a project to provide greater insight and guidance into sponsorship measurement.

Sponsorship refers to a cash or in-kind fee paid by a sponsor to a property or entity (e.g., a sports, entertainment, or non-profit event or organization) in return for access to the leverageable marketing resources associated with that property/entity ([per MASB Common Language Marketing Dictionary](#)).

The ANA previously conducted sponsorship measurement surveys in 2010 and 2013.

For background, total North American sponsorship spending is estimated by ESP Properties (formerly IEG) to be \$24.2 billion in 2018, up 41 percent since 2010, the year of the initial ANA sponsorship measurement survey.



¹[Sponsorship Spending: 2010 Proves Better than Expected; Bigger Gains Set for 2011](#), IEG, 12/22/10

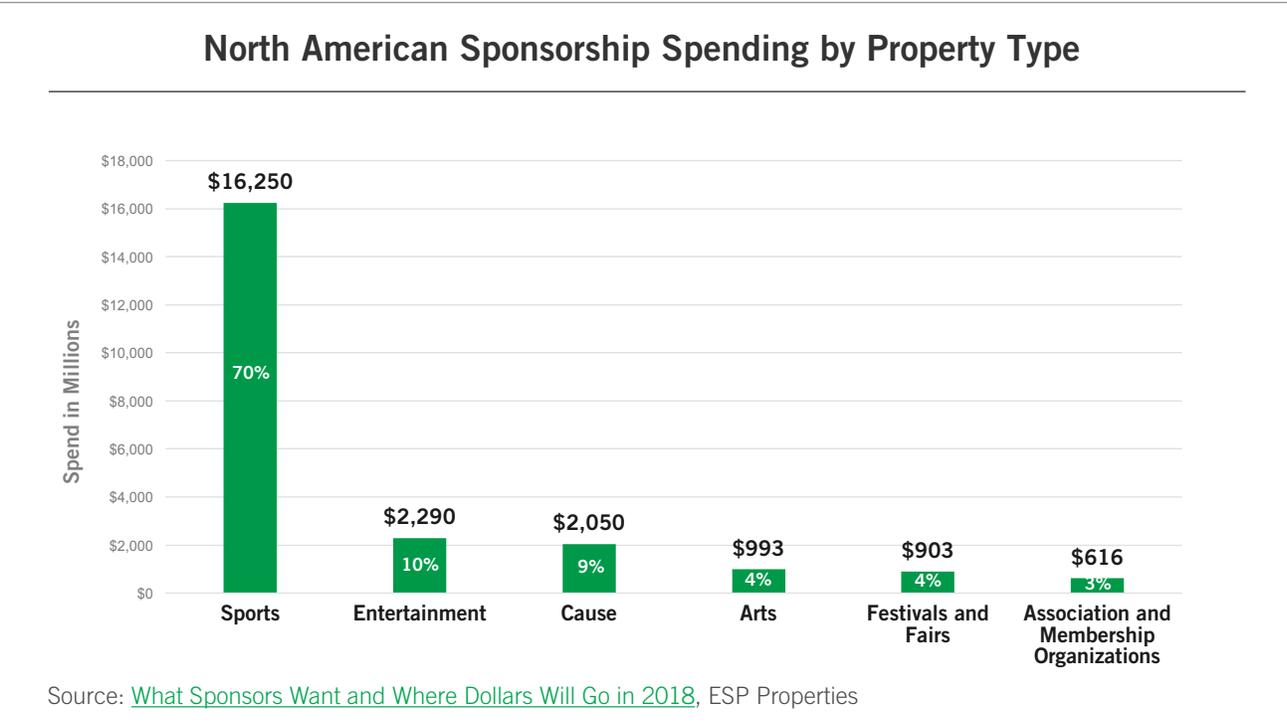
²[Sponsorship Spending Growth Slows in North America as Marketers Eye Newer Media and Marketing Options](#), IEG, 1/7/2014

³[What Sponsors Want and Where Dollars Will Go in 2018](#), ESP Properties

Background and Methodology

Sponsorship growth estimates in 2018 of 4.5 percent outpace growth for advertising (3.4 percent), continuing a longer-term trend, per ESP, of sponsorship growing faster than advertising.

Sponsorship spending by property type in North America in 2017 was dominated by sports.



Background and Methodology

Examples of sponsorship:

- Major League Baseball has almost 40 “[Official Sponsors](#),” including Budweiser, Mastercard, and Scotts. Individual teams, like the [Houston Astros](#), also offer sponsorship opportunities.
- Lollapalooza has 21 “[Festival Partners](#),” including American Eagle, Pepsi, and Uber.
- NASCAR has about 40 “[Official Partners](#),” including 3M, Coca-Cola, and Ford.
- Stadiums and arenas have made naming rights available to brands. Examples include AT&T Stadium (Arlington, Texas), CitiField (New York), Levi’s Stadium (Santa Clara, Calif.), Oracle Arena (Oakland, Calif.), and Progressive Field (Cleveland).
- PGA golf tournaments often have title sponsors, such as the John Deere Classic and Travelers Championship.
- The Boston Celtics have the logo of sponsor General Electric on their jerseys. The Cleveland Cavaliers have the Goodyear logo on their jerseys.
- An example of a cause-related sponsorship is [Bank of America being the presenting sponsor of the Komen Race for the Cure](#).
- An example of sponsorship with an association is the [ANA Strategic Partner program](#), which provides partners with multiple ANA member touchpoints.
- Two examples of brand-created sponsorship properties are the [American Express Small Business Saturday](#) and [Red Bull Air Race](#).

There are sponsors on the national, regional, local, and grassroots levels. As an example of that, a company could be one of the Official Sponsors of Major League Baseball (national) and can also have a relationship with a specific team (regional/local). That company could also sponsor a Little League team (local/grassroots).

Just as important as it is to provide examples of sponsorship and define what sponsorship is, it’s also important to distinguish sponsorship from event marketing, experiential marketing, and trade shows, which can be a bit of a challenge, as these terms can bleed into one another.

- Again, sponsorship refers to “a cash or in-kind fee paid by a sponsor to a property or entity (e.g., a sports, entertainment, or non-profit event or organization) in return for access to the leverageable marketing resources associated with that property/entity” ([per MASB Common Language Marketing Dictionary](#)).
- Event marketing is “the use of a live experience to create active engagements between a brand and its constituents” per the Event Marketing Institute (www.eventmarketing.com). A key to event marketing is the fact that it’s live. A particular event marketing activation could also be a sponsorship (but doesn’t have to be). Event marketing may or may not be experiential.

Background and Methodology

- Experiential marketing is “a marketing approach that directly engages consumers and invites and encourages them to participate in a branded experience” ([per MASB Common Language Marketing Dictionary](#)). A key to experiential marketing is the fact that it is participatory. A particular experiential marketing activation is usually also event marketing but may or may not be a sponsorship.
- A trade show is “an exhibition organized so that companies in a specific industry can showcase and demonstrate their latest products, meet with industry partners and customers, study activities of rivals, and examine recent market trends and opportunities” ([per MASB Common Language Marketing Dictionary](#)). CES and the North American Auto Show are two examples of trade shows.

Key reasons why brands become sponsors:

- Brands are looking to engage their customers more deeply and sponsorship allows that. Sponsorship allows a brand to associate itself with a property (a team, band, etc.). Avid fans, supporters, and participants provide the opportunity for sponsors to forge emotional connections by tapping into the passions of priority audience segments.
- Sponsorship provides a platform for interactive, experiential engagement with customers and the opportunity to entertain key stakeholders, both business-to-consumer and business-to-business.

The ANA has an active [Sponsorship & Event Marketing Committee](#) which meets quarterly to provide a forum for peer-to-peer exchange, share case studies, benchmark, and drive thought leadership. The ANA regularly does research with the committee to confirm the topics of greatest interest, and sponsorship measurement/ROI has always topped that list.

The MASB formed the [Sponsorship Accountability Metrics Project](#) to determine sponsorship contribution to brand and business outcomes/results. This task force will both (a) document “What Is Known” about sponsorship measurement, brand fit (taking into account the brand, its category, and product lifecycle), and return relative to other marketing vehicles, and (b) provide a roadmap for continuous improvement in brand sponsorship investment and activation.

Given mutual interest in sponsorship measurement, the ANA and the MASB have come together on this topic.

As an important first step, in February 2018 a survey was fielded to ANA members to better understand current practices in sponsorship measurement. Again, the ANA previously conducted sponsorship measurement surveys in both 2010 and 2013. The 2018 survey provides the opportunity to benchmark against those prior results while also covering new ground. Additionally, to supplement the survey, in-depth followup qualitative research was done with a number of survey respondents to provide additional perspective.

Background and Methodology

The 2018 survey invitation provided two important filters:

- “If you are involved in sponsorship and its measurement or have a good working knowledge of how your company uses and measures sponsorships, we would appreciate your input.”
- “This survey is intended for buyers of sponsorships and not sellers/properties.”

The total base for the survey was 182 respondents. However, the majority of the survey findings are based on those who answered in the very first question that their company has a standardized process(es) for measuring its return on sponsorship — 68 respondents, or 37 percent of the base.

Demographics for those respondents:

- 61 percent are “senior marketers” (director-level and above); 39 percent are “junior marketers” (manager-level and below)
- 59 percent work in organizations with an annual U.S. media budget less than \$100 million; 41 percent have \$100 million or more
- 39 percent are business-to-consumer, 29 percent are business-to-business, 32 percent are both
- 61 percent have over 15 years of experience working in sponsorship, marketing, and/or advertising
- About 40 percent had a 2017 U.S. sponsorship budget of \$25 million and above; about 60 percent were below \$25 million.
- Sponsorship spending is generally on the rise for survey respondents, consistent with overall growth as reported by ESP. For 36 percent of respondents 2017 spending increased versus 2016 (36 percent stayed the same, 21 percent decreased, 8 percent were not sure).

The complete survey questionnaire is [here](#).

Executive Summary

1. In what is a “foundational finding” in this research, only 37 percent of respondents have a standardized process(es) for measuring return on sponsorship.
2. Top metrics used to measure ROI (return on investment) of sponsorship are total sponsorship investment financial return, total media exposure financial return, and product or service sales. These are also the top-valued ROI metrics. ROI metrics are focused on financial outcomes.
3. Top metrics used to measure ROO (return on objective) of sponsorship are awareness of the brand, awareness of the company’s/brand’s sponsorship, attitudes towards the brand, amount of total media exposure (i.e., media equivalency), and amount of social media exposure. Top-valued metrics for ROO are awareness of brand, brand preference, and attitudes towards the brand. ROO metrics are focused on behavioral outcomes.
4. Fifty-seven percent of respondents have a sponsorship measurement budget. Looked at another way, among the supposedly “best in class” companies — those with a process for measuring return on sponsorship — 43 percent don’t have a separate measurement budget for sponsorships or are unsure.
5. Among those with a sponsorship measurement budget, most spend 5 percent or less on sponsorship measurement as a percentage of sponsorship rights (i.e., the cost of the sponsorship itself not including activation costs).
6. It is important to 96 percent of marketers for their sponsorship measures to allow them to understand performance relative to other marketing expenditures, and extremely important for 64 percent. Despite this, only 56 percent are isolating the impact of sponsorship to provide such understanding.
7. The need for validated results for sponsorship initiatives has increased in importance for 78 percent of respondents. Marketers are always under pressure to validate results!
8. Sponsorship properties play a role in measurement. For 84 percent of respondents, it is important that the sponsorship property help measure results; for 34 percent this is extremely important.
9. Only 40 percent of respondents write expectations about sponsorship measurement into contracts with properties. That is a missed opportunity.
10. Only 30 percent of respondents audit or verify the metrics received from the sponsorship property. This suggests an opportunity for better independent verification of metrics.
11. Eighty-two percent of respondents report leveraging all or most sponsorship assets. This suggests that for 18 percent, an immediate opportunity for improvement exists in simply reviewing current sponsorship assets.
12. Fifty-three percent of respondents have concerns about non-transparent practices in sponsorship. These concerns are focused on the property, unlike media and production transparency concerns that are focused on the agency.

Conclusions

Despite the continued growth of sponsorship investment and the repeated sentiment from marketers that there is a need for improved measurement and assessment of sponsorship's business impact, there has been little progress toward this goal.

This research has been an important first step to help better understand current practices in sponsorship measurement and provide initial insight and guidance to improve sponsorship accountability metrics.

1. The ANA/MASB marketer survey highlights the ongoing need for advanced sponsorship measurement, but confirms only slight progress toward goal.

This was the third survey of ANA members focused on sponsorship. In addition to 2018, surveys were conducted in 2010 and 2013. In all cases where there are comparisons available, results did not change in 2018 versus prior surveys. That includes metrics for:

- Having a standardized process for measuring return on sponsorships
- Satisfaction in measuring sponsorship ROI/ROO
- Top metrics used to measure sponsorship ROI/ROO
- Having a budget for sponsorship measurement
- Spending on sponsorship measurement as percentage of sponsorship rights
- Measurement by sponsorship properties

Furthermore, when we periodically survey members of the ANA Sponsorship & Event Marketing Committee on topics of interest, sponsorship measurement has always been the top-rated topic. Yet sponsorship measurement practices haven't significantly changed. Awareness, assessment, and adoption of new sponsorship measurement tools have been slow.

2. Sponsorship accountability has three distinct phases, the most sophisticated of which is financial attribution.

The sponsorship accountability journey (1) starts with media equivalency and (2) moves to return on objectives, and then (3) a few leading marketers actually apply methods of financial attribution.

- *Phase 1:* Media equivalency measures the number of impressions generated and how much similar levels of impressions would cost. Though considered the “table stakes” of sponsorship measurement, media equivalency could still benefit from the application of greater rigor, as not all impressions are of equal value.
 - *“I have a meeting with our chief financial officer...where they look at...number of impressions...if you had to pay for this as advertising, there would be \$50 million in advertising.”*
(from qualitative research)

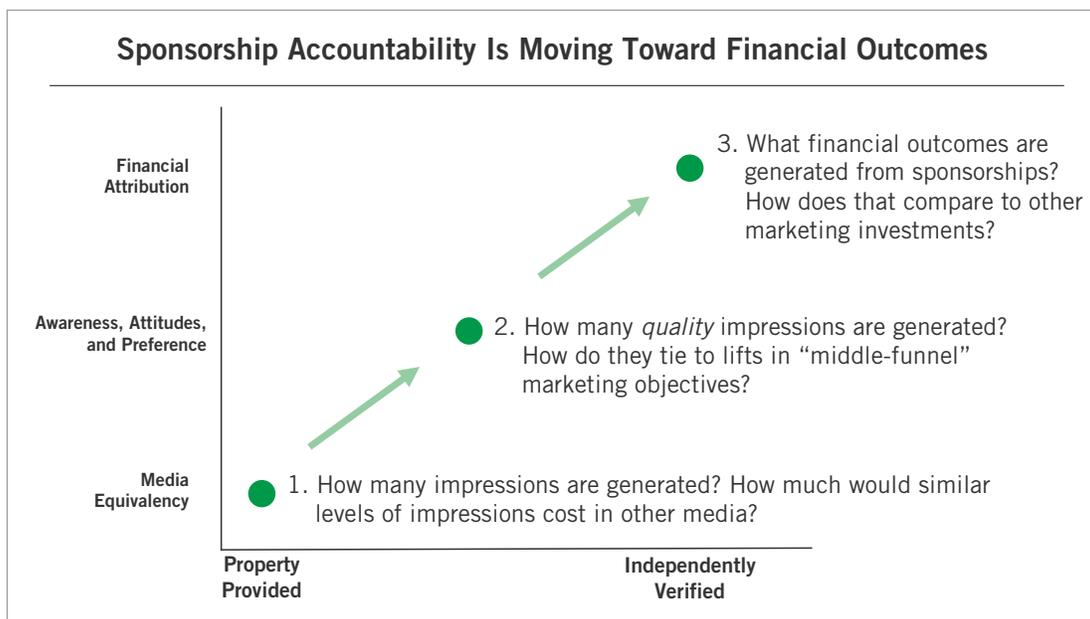
Conclusions

- *Phase 2:* Return on objectives is the second measurement phase. Key objectives are awareness, attitudes, and brand preference: based upon the impressions generated, how do they connect to lifts in “middle-funnel” marketing objectives? However, ROO measures are often considered “softer or more qualitative,” and we found some hesitancy in converting ROO measures to financial outcomes.
 - *“While we could estimate some dollar values, what it’s worth per percentage point of awareness or familiarity of whatever that might be, it’s a pretty artificial exercise. So we haven’t used it in that sense of an ROI.”* (from qualitative research)

Still, the value of business impact can be estimated even without precise data. Marketing practitioners should know the value of a customer and the value of moving a customer to a higher level of loyalty and purchase frequency. This can be a great aid in building the business case for sponsorship investments.

- *Phase 3:* Financial attribution is the elusive goal. This measures the financial outcomes generated from sponsorships and how that compares to other marketing investments.
 - *“We were considering using [an attribution vendor] for a current sponsorship campaign that we have with the [sponsorship property], which includes TV and some digital display.... I’m having some trouble pulling the trigger for cost reasons.... It’d definitely be the only way that we could meaningfully attribute that campaign to changes in some of our brand tracker metrics and our brand funnel [financial] metrics.”* (from qualitative research)

As marketers move along in their sponsorship accountability journey, they progress from property-provided metrics (which may lack transparency and have bias) to independently verified metrics.



Conclusions

3. Brand preference should be a key sponsorship metric.

Prior MASB work confirms that brand preference plays a pivotal role in financial outcomes from brand marketing — more so than metrics including awareness, brand loyalty, purchase intent, advocacy, and brand relevance. Across categories and brands, preference has the highest correlation to sales and share. (Source: *MASB Brand Investment and Valuation, A New Empirically-Based Approach*, March 2016). The MASB definition for brand preference is: “One of the indicators of the strength of a brand in the hearts and minds of customers, brand preference or brand choice represents which brands are preferred under assumptions of equality in price and availability.”

Only 57 percent of survey respondents reported using brand preference for sponsorship measurement, but brand preference was rated as one of the highest-valued metrics used to measure sponsorship return on objective.

Marketers are encouraged to use brand preference as a metric for sponsorship, as that would align sponsorship with other marketing activities and can be translated into ROI.

4. Social media metrics are available, but “distracting noise.”

Social media exposure financial return and the amount of social media exposure (i.e., views, likes, shares) are metrics used by many marketers to measure sponsorships. Notably, in all cases throughout the survey, the value of social media metrics is rated higher than the value of television metrics.

It is important to note that *we did not find evidence of social media contributing to sustainable changes in attitudes or behaviors*. Marketers are advised to use social media metrics for sponsorship with caution, and be aware that such metrics can be “gamed” — acquiring fake likes/followers — and can be difficult to verify. Social media metrics should be viewed only as a complement to other metrics because of their weak relationship to sales, being reactive to differences in activation, and not being tied to the purchase process for many customers.

Conclusions

5. Sponsorship accountability data is now reaching the highest levels of the marketing organization.

A key finding of the qualitative discussions with survey respondents is that sponsorship accountability is now reaching the highest levels of the marketing organization, regardless of reporting structure.

- *“So on a regular basis, the data is shared all the way up through **SVP**. The SVPs here do report right to the **CMO**. But I would say a larger, annual health of [large sponsorship] would go all the way up to the CMO.”*
- *“It’s the centralized marketing group that’s determining whether to continue, start, end, and get another. So it’s going to the **highest level in the marketing area**.”*
- *“It’s almost always the **head of global sponsorships**. He’s in charge of actually putting together these campaigns and these efforts. A lot of times what we’re doing is working with him to try to help him with what he’s presenting back up to **his senior leadership**, which is up the marketing organization.”*

6. There are key barriers to having a standardized assessment process for sponsorship.

Only 37 percent of respondents have a standardized process(es) for measuring return on sponsorship. Key barriers identified in qualitative discussions are:

a) Not a priority until recently

“Has not been a priority focus for the organization to invest in resources or agency support to create process.”

b) Variety of types of sponsorships/objectives

“A lot of our programs are very different in terms of what they’re hoping to accomplish, because some of them are more transactional — literally about getting hand-raisers, you know, having an opportunity to get a list to follow up on — and then some are more brand-building with different audiences, where it’s more upper-funnel type things.... Last year I actually reframed a position within my organization to have more of a focus on how we evaluate all of these programs.”

c) Lack of defined strategy

“What’s our sponsorship strategy? I think sponsorship’s just...influencers and celebrities... just become very tactical, very quickly, across a variety of different brands, and there is not an overarching strategy across the company.”

d) Existing analytics methods are not up to the task

“We are working on it. However, the challenge is that standard metrics are difficult to come by and the marketing mix doesn’t adequately measure sports marketing.”

Next Steps

Sponsorship spending is projected to be \$24.2 billion in 2018 per ESP Properties — up 41 percent since the initial ANA survey on sponsorship in 2010. Again, despite the continued growth of sponsorship investment and the repeated sentiment from marketers that there is a need for improved measurement and assessment of sponsorship's business impact, there has been little progress toward this goal.

It is now time for the industry to take a stand on sponsorship accountability. This report is a first step for the ANA and the MASB to better assess sponsorship measurement and provide new solutions.

Next steps in this process are:

- Challenge the measurement community to assist with additional perspective and prioritize brand preference attribution for sponsorship.
- Develop guidelines, benchmarks, and best practices.

These will be initially shared for feedback at the MASB Summer Summit August 9 and 10, 2018 in Boston.

Detailed Findings

Standardized Process for Measuring Return

In what is a “foundational finding” in this research, only 37 percent of respondents have a standardized process(es) for measuring return on sponsorship. Keep in mind that the survey invitation specifically screened for those “involved in sponsorship and its measurement or have a good working knowledge of how your company measures sponsorships.”

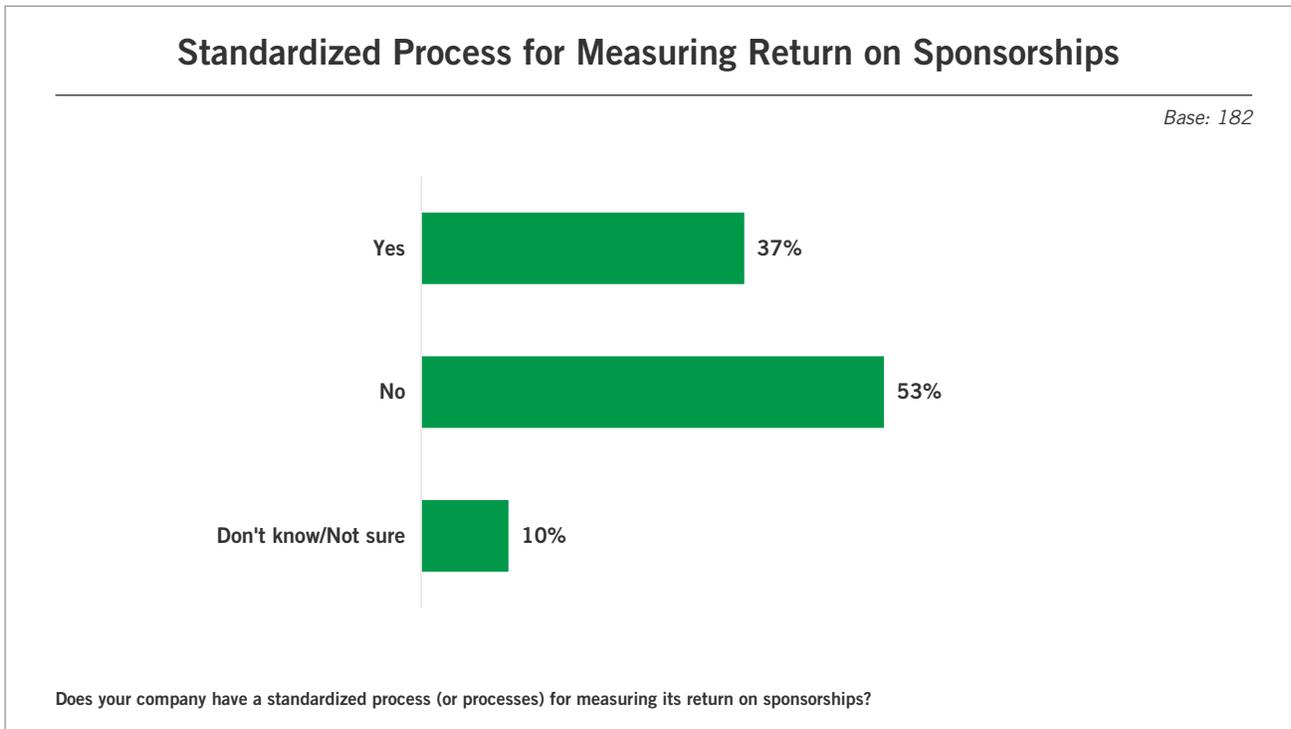
Results to this question are consistent with results from the 2013 and 2010 ANA surveys.

- 2013: 46 percent responded “Yes” and 54 percent “No”
- 2010: 42 percent responded “Yes” and 58 percent “No”

Note that “Don’t know/Not sure” was not given as an option in those prior surveys.

This means that over 60 percent of those involved in sponsorship and its measurement today do not have a standard process for measuring return on sponsorships. That includes many well-known companies which are on the list of the biggest sponsorship spenders from ESP Properties.

For the remainder of this report, responses are analyzed solely for those marketers who have a standardized process for measuring sponsorships, who are arguably best in class for sponsorship measurement.



Detailed Findings

ROI: Metrics Used

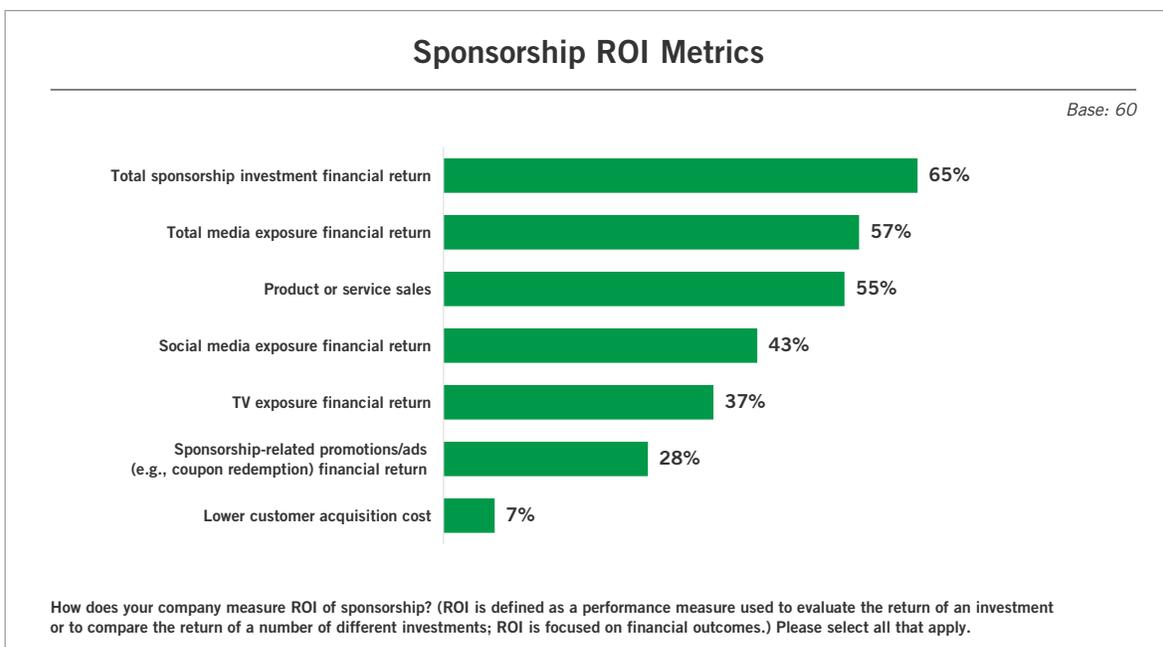
ROI (return on investment) is defined as a performance measure used to evaluate the return of an investment or to compare the return of a number of different investments; ROI is focused on financial outcomes.

To better understand the role of return on investment metrics, respondents were asked about (a) the specific metrics used by their company to measure ROI of sponsorships, (b) the relative value of those metrics, and (c) satisfaction of measuring sponsorship ROI. We did the same for Return on Objective (ROO). The 2018 survey differentiated and separated ROI and ROO metrics, which was not the case with the prior surveys. Specifically, in 2018 the financial metrics of ROI were separated from the attitudinal/behavioral metrics of ROO to help provide better clarity for survey respondents.

To measure ROI of sponsorships, the top metrics used were total sponsorship investment financial return, total media exposure financial return, and product or service sales.

- Total sponsorship financial return is the monetary contribution to profit attributable to the sponsorship net of sponsorship related spending. This spending includes all fees associated with gaining sponsorship rights (e.g., licensing fees) and incremental activation costs (e.g., costs to change packaging to acknowledge sponsorship, costs to create advertising leveraging the sponsorship, costs to hold events related to the sponsorship).
- Total media exposure financial return is the monetary contribution to profit attributable to just the incremental media exposure from the sponsorship net of the incremental sponsorship related spending associated with that media exposure. This financial return can be measured in several ways with varying degrees of accuracy. One starting point is to assume this financial return is the same as other channels for the equivalent media exposures. More accurate methods include projections from exposure driven return-on-objectives metrics (i.e., awareness, attitudes, and brand preference) and direct attribution via controlled testing and market mix modeling.

Social media exposure financial return is used more than TV exposure financial return. Social media being used/rated higher than TV is a finding seen throughout the study.

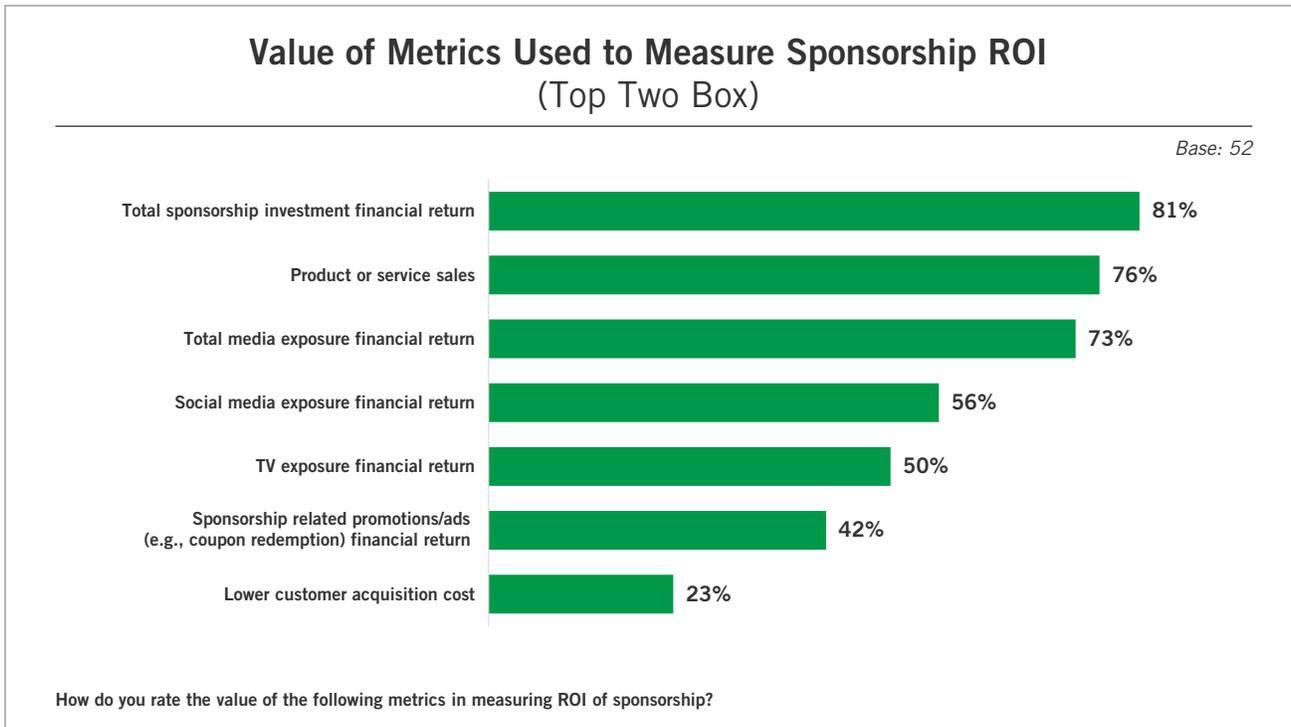


Detailed Findings

ROI: Value of Metrics

Total sponsorship investment financial return, product or service sales, and total media exposure financial return were also the top valued metrics.

Here social media exposure financial return is again rated higher than TV exposure financial return.



Detailed Findings

ROI: Metrics Used vs. Value of Metrics

We compared the use of various ROI metrics with how respondents rate their respective value. The top used ROI metrics are also the top valued. Improvement in ROI measurement would be enhanced by getting better attribution of existing metrics.

	Used	Value
Total sponsorship investment financial return	65%	81%
Total media exposure financial return	57%	73%
Product or service sales	55%	76%
Social media exposure financial return	43%	56%
TV exposure financial return	37%	50%
Sponsorship related promotion/ads	28%	42%
Lower customer acquisition cost	7%	23%

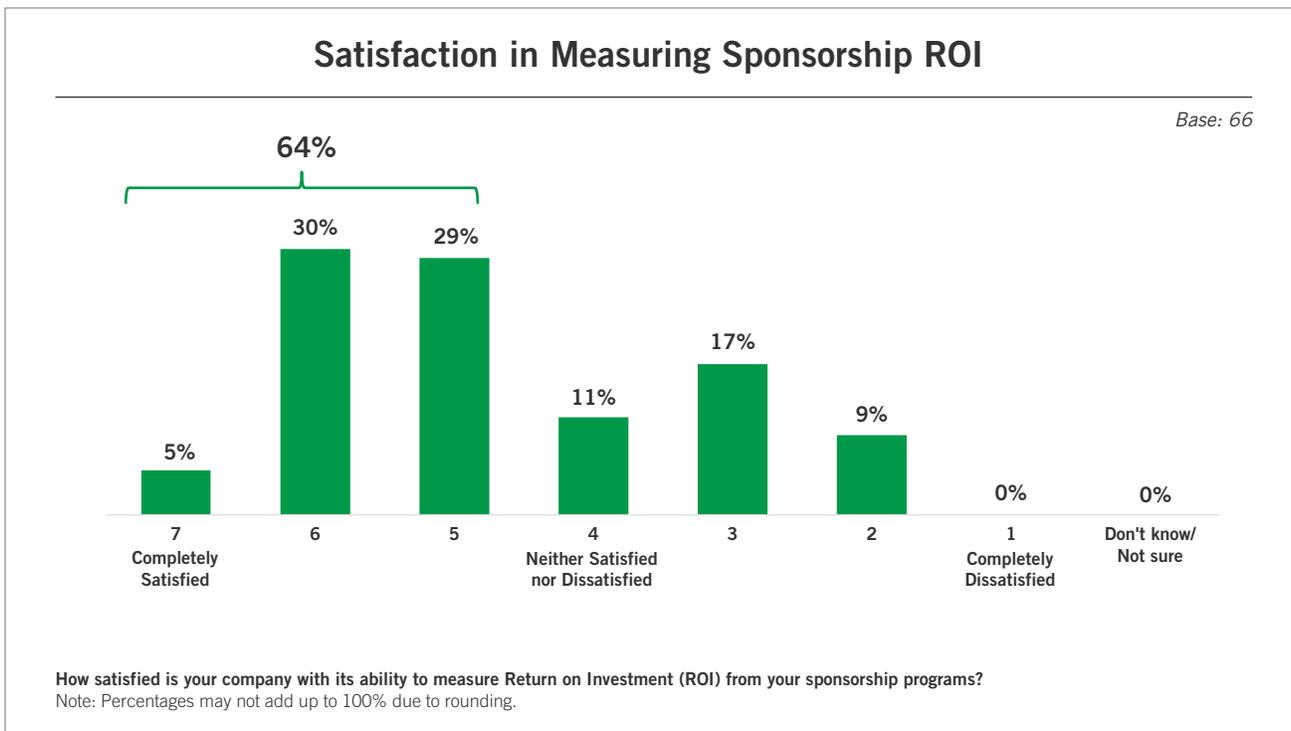
Detailed Findings

ROI: Measurement Satisfaction

Satisfaction on measuring ROI is fairly widespread, with the majority of respondents on the positive side. But there is certainly room for improvement, with only 5 percent being completely satisfied.

Findings in the 2018 survey are highly consistent with both the 2013 and 2010 surveys.

	2018	2013	2010
Satisfied:	64%	62%	61%



Detailed Findings

ROO: Metrics Used

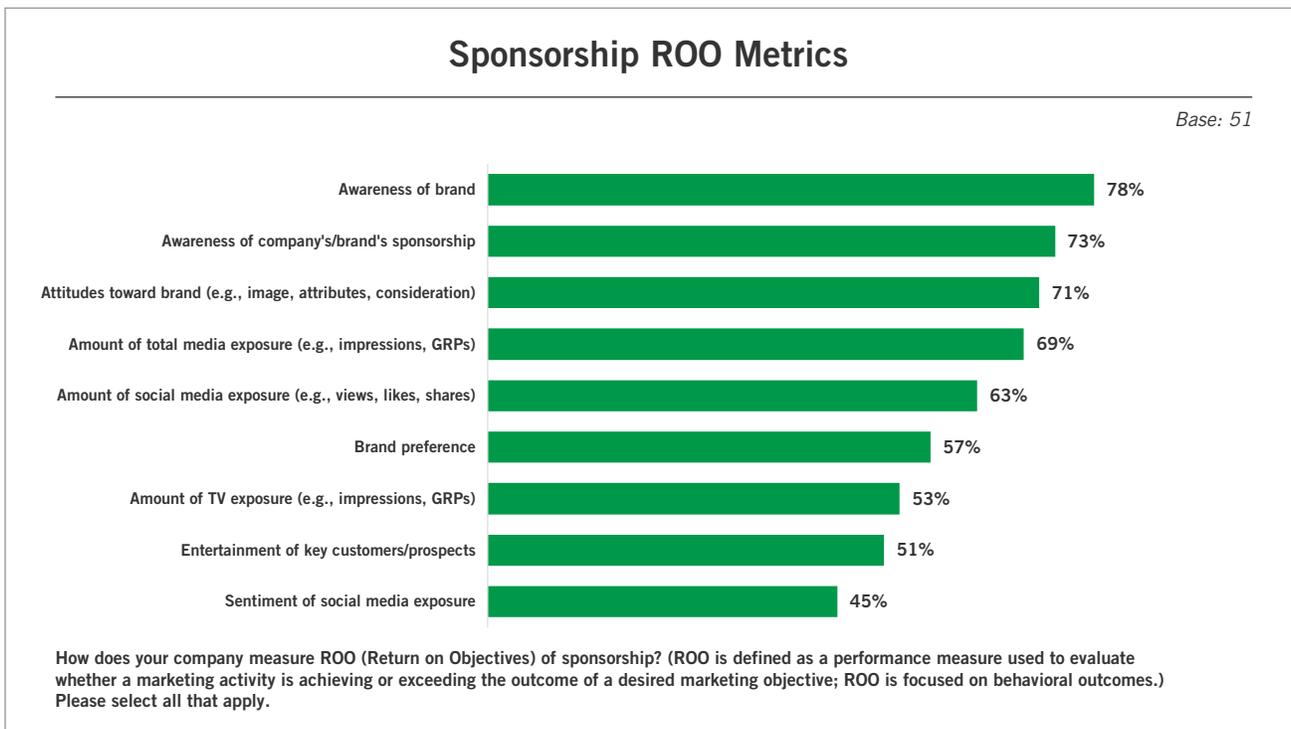
ROO (return on objective) is defined as a performance measure used to evaluate whether a marketing activity is achieving or exceeding the outcome of a desired marketing objective; ROO is focused on behavioral outcomes.

To better understand the role of return on objective metrics, respondents were asked about (a) the specific metrics used by their company to measure ROO of sponsorships, (b) the relative value of those metrics, and (c) satisfaction of measuring sponsorship ROO.

To measure ROO of sponsorships, the top metrics used were awareness of the brand, awareness of the company's/brand's sponsorship, attitudes towards the brand, amount of total media exposure (i.e., media equivalency), and amount of social media exposure. These are "top of the purchase funnel" metrics.

The results are consistent with the 2013 survey (where ROO and ROI were grouped together) — the top five metrics in both 2013 and 2018 (ROO metrics) are exactly the same. Note that brand preference, the sixth ranked sponsorship ROO metric, was not an option included in prior surveys.

The amount of social media exposure was used by more respondents than the amount of TV exposure.



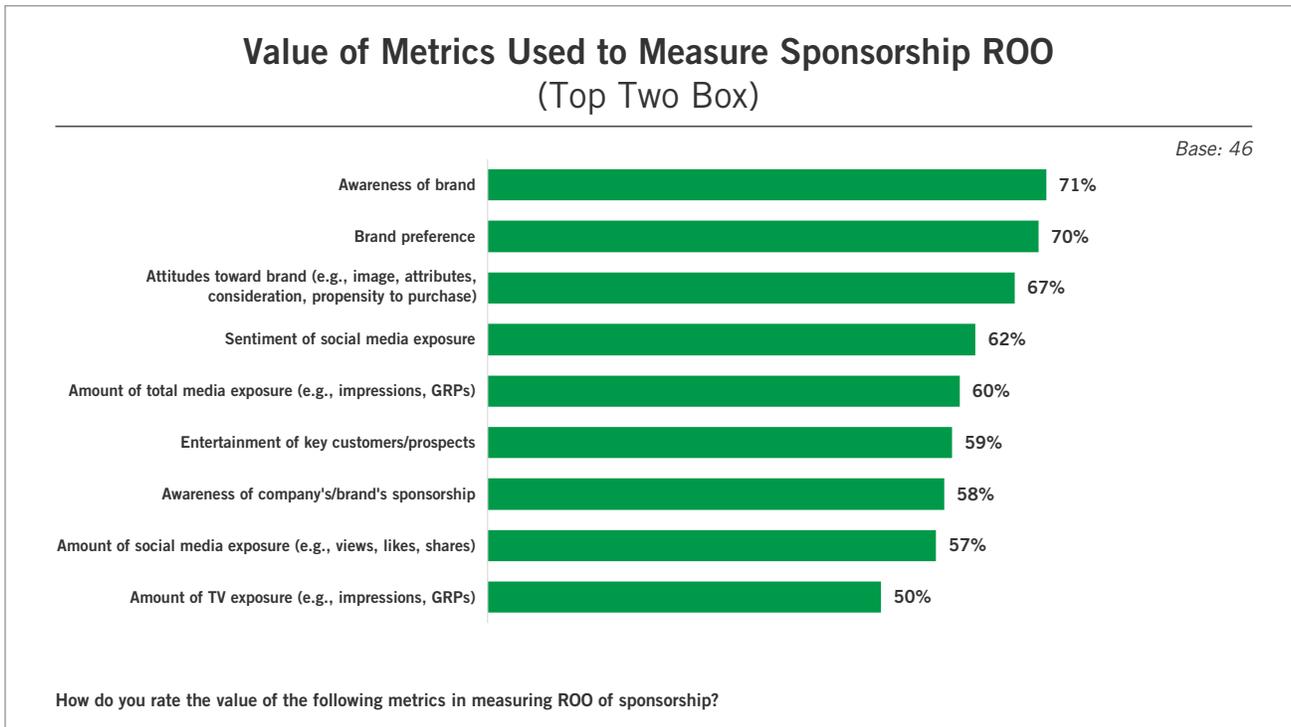
Detailed Findings

ROO: Value of Metrics

Top valued metrics for ROO are awareness of brand, brand preference, and attitudes towards the brand. Brand preference is a metric added in this year's survey and ranked second highest in value — almost as high as brand awareness. According to the MASB, brand preference correlates to marketplace success and should be a metric of keen importance. The MASB definition for brand preference is: "One of the indicators of the strength of a brand in the hearts and minds of customers, brand preference or brand choice represents which brands are preferred under assumptions of equality in price and availability."

Top valued metrics are consistent with the 2013 survey: awareness of brand and attitudes toward brand. These are also upper-funnel metrics.

The amount of social media exposure is again rated higher than the amount of TV exposure. Furthermore, sentiment of social media exposure (a new metric in the 2018 survey) is highly rated. It is important to note that we did not find evidence, in either the quantitative or qualitative work of this research, of social media contributing to sustainable changes in attitudes or behaviors. So social media is highly valued, but may not actually be accomplishing much.



Detailed Findings

ROO: Metrics Used vs. Value of Metrics

We compared the use of the various ROO metrics with how respondents rate their respective value. Awareness of brand and attitudes towards brand are both highly used and highly valued. But awareness of company's/brand's sponsorship is highly used yet considered among the least valuable. More importantly, brand preference is highly valued but not highly used. There is definitely an opportunity for marketers to adjust their mix of ROO metrics, as improvement in ROO tends to be about selection of the best metrics to capture the entire purchase funnel (from awareness to preference).

	Used	Value
Awareness of brand	78%	71%
Awareness of company's/brand's sponsorship	73%	58%
Attitudes towards brand	71%	67%
Amount of total media exposure	69%	60%
Amount of social media exposure	63%	57%
Brand preference	57%	70%
Amount of TV exposure	53%	50%
Entertainment of key customers/prospects	51%	59%
Sentiment of social media exposure	45%	62%

Detailed Findings

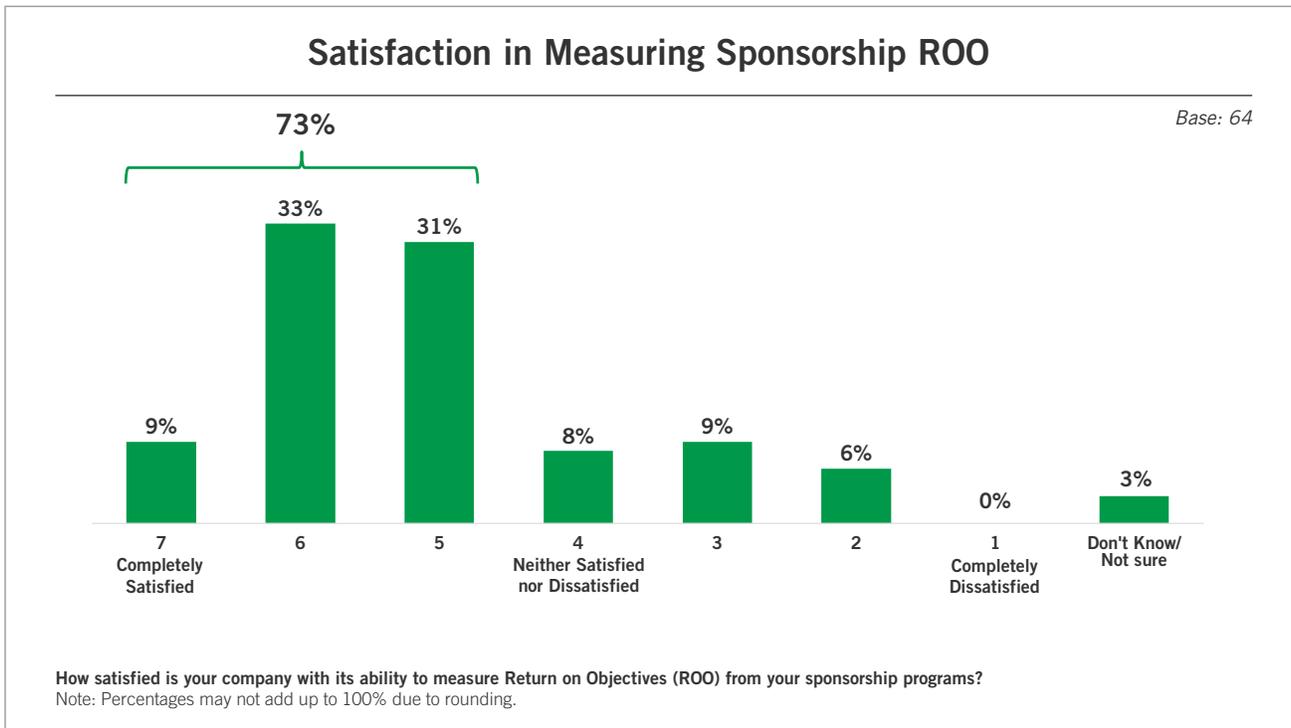
ROO: Measurement Satisfaction

Satisfaction on measuring ROO is 73 percent for the top three boxes, which is strong.

Respondents are somewhat more satisfied about their ability to measure ROO versus ROI (which was 64 percent for the top three boxes and only 5 percent completely satisfied). This is likely because marketers have greater comfort with ROO goals (such as awareness and attitudes) than they do with ROI goals (such as financial return).

Findings in the 2018 survey are relatively consistent with both the 2013 and 2010 surveys.

	2018	2013	2010
Satisfied	73%	68%	67%



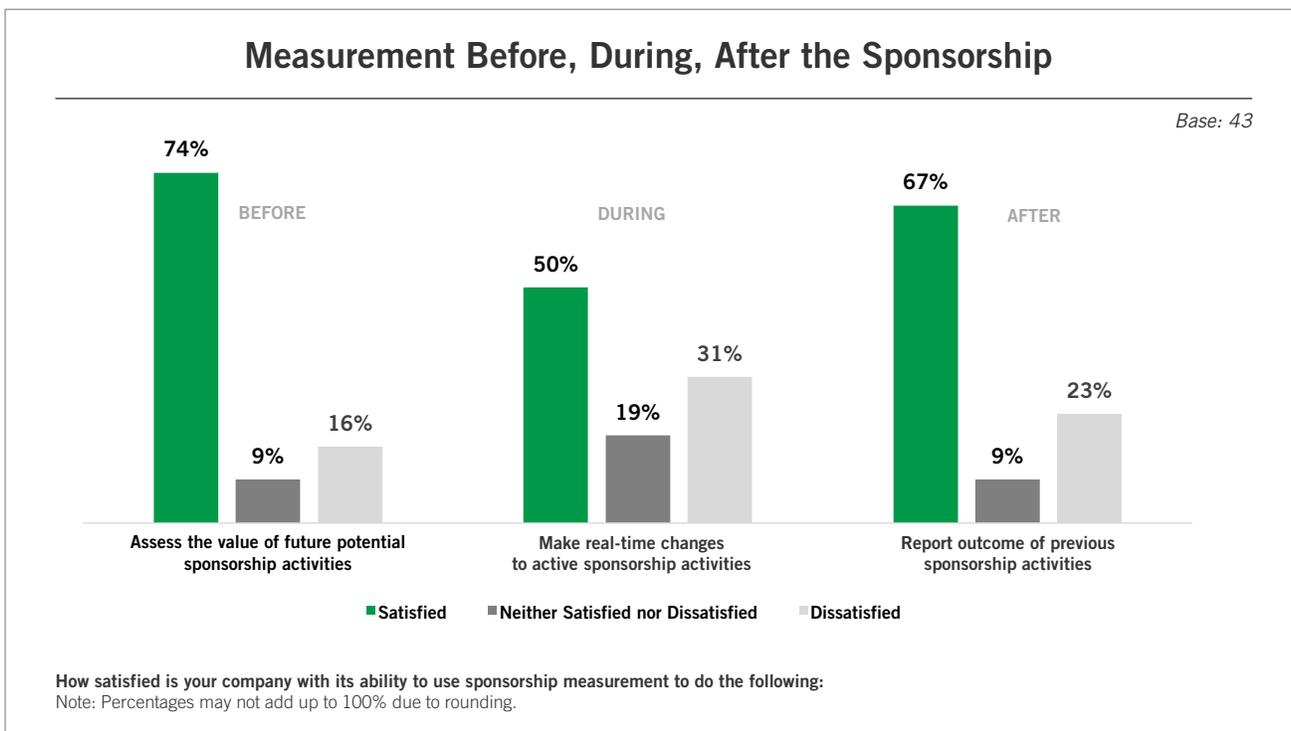
Detailed Findings

Measurement Across the Sponsorship Journey

The survey looked at satisfaction with sponsorship measurement across the sponsorship journey — before, during, and after a sponsorship.

Satisfaction is highest in assessing the value of future potential sponsorship activities (before). Satisfaction is lowest in making real-time changes to active sponsorship activities (during). The latter is understandable given the challenges of making changes to an in-progress sponsorship. Furthermore, for most companies, real-time sponsorship measurement is likely limited to social media listening.

An iconic example of a brand making real-time changes to active sponsorship activities was Tide’s work around the 2012 Daytona 500. When a crash resulted in a fuel spill on the track, Tide (already a NASCAR sponsor) leveraged social media to promote the fact that Tide was being used to help clean up the spill.



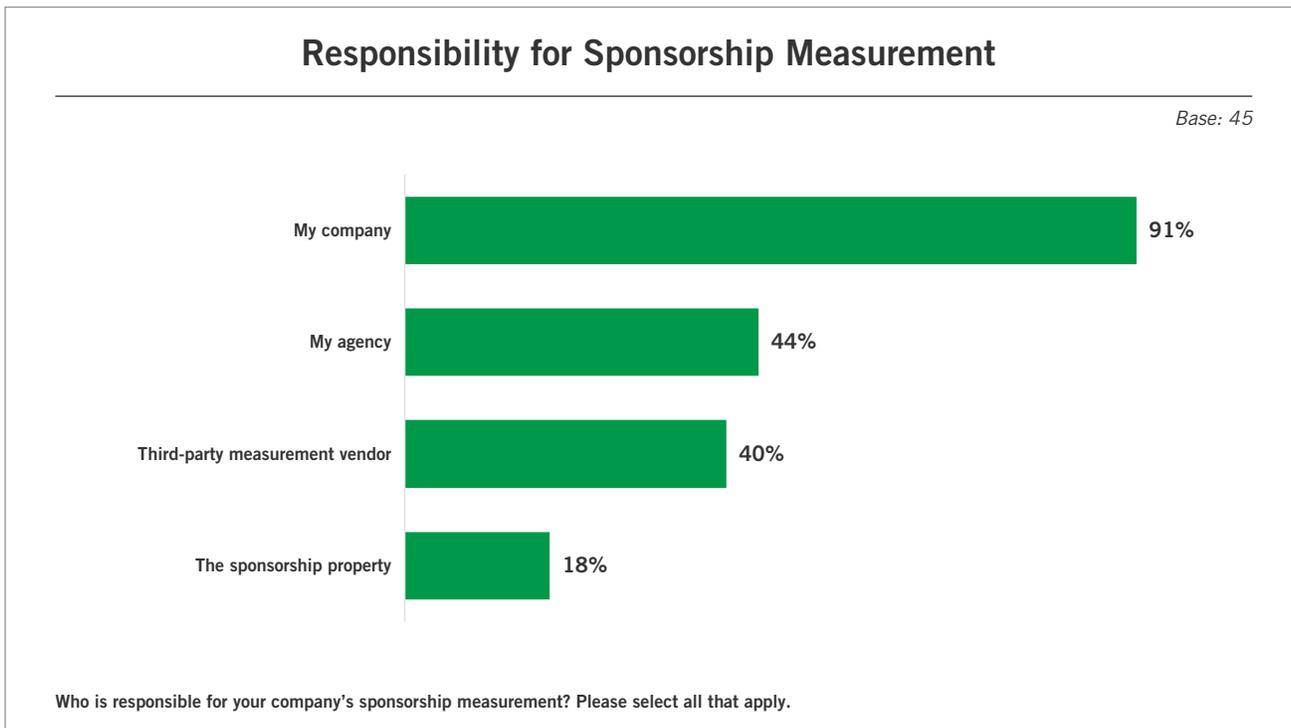
Detailed Findings

Responsibility for Measurement

Responsibility for sponsorship measurement most often lies with the company/marketer. It's the client's money, and clients are increasingly taking greater control of their marketing investments, so this makes sense.

Agencies, third-party measurement vendors, and sponsorship properties also have some responsibility for sponsorship measurement.

For those using a third-party measurement vendor, the companies most often identified in an open-ended follow-up are Nielsen, Millward Brown, and Sponsorium.

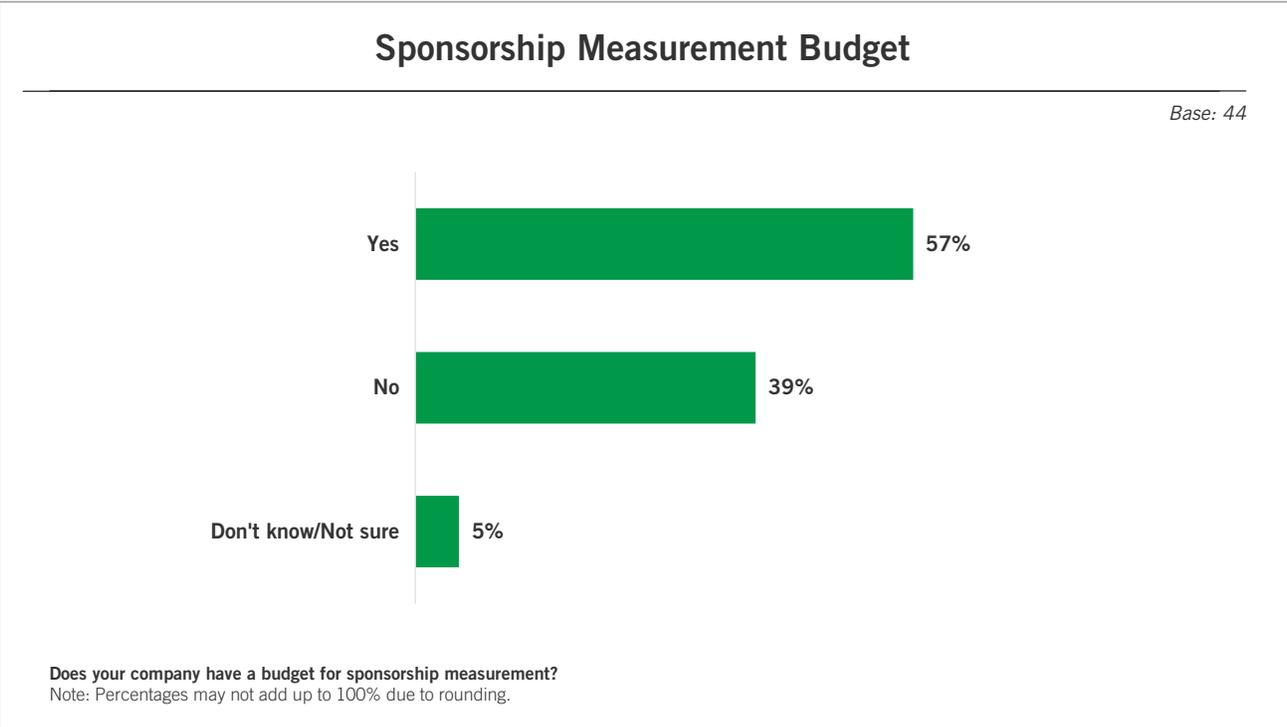


Detailed Findings

Measurement Budget

Fifty-seven percent of respondents have a sponsorship measurement budget, consistent with the 60 percent in the 2013 survey.

This means that for the supposedly “best-in-class” sponsorship measurement companies, 43 percent don’t have a separate measurement budget for sponsorships or are unsure. That is a notable finding.

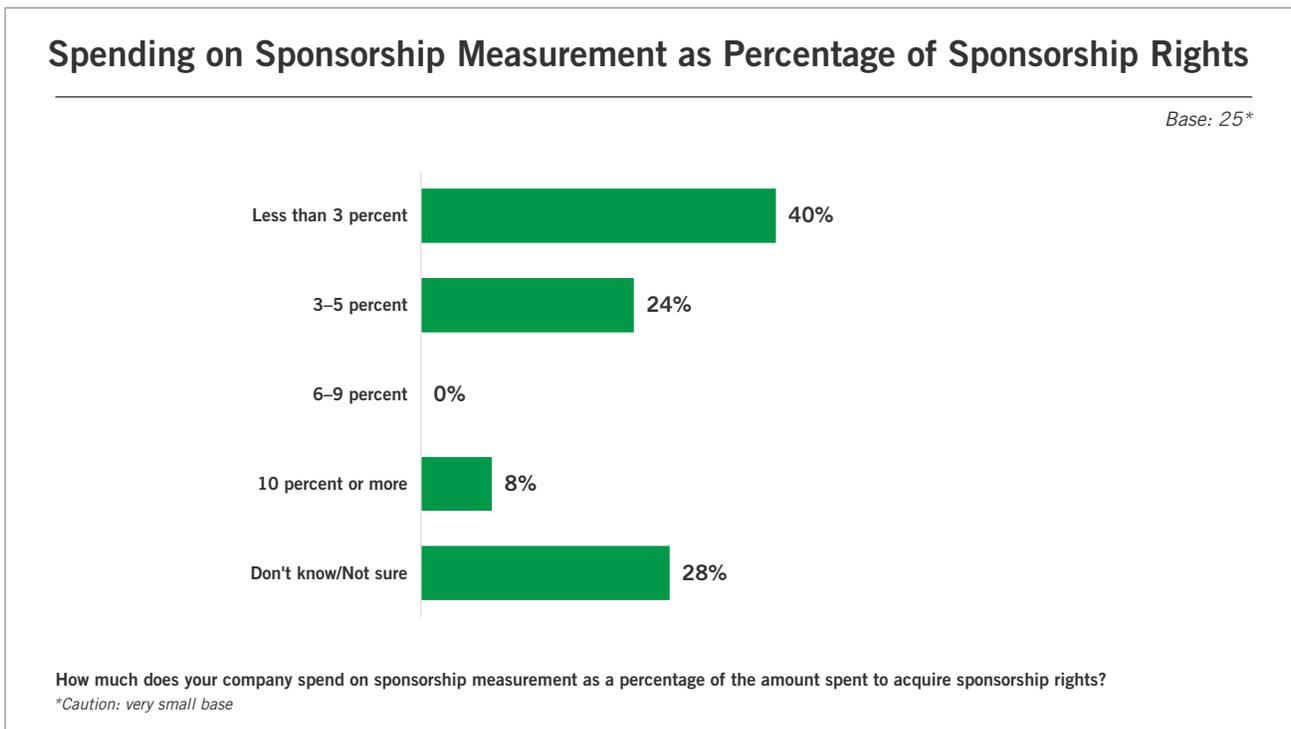


Detailed Findings

Measurement as Percentage of Rights

Among those with a sponsorship measurement budget, most spend 5 percent or less on sponsorship measurement as a percentage of sponsorship rights (i.e., the cost of the sponsorship itself not including activation costs). That is consistent with results from the 2013 survey.

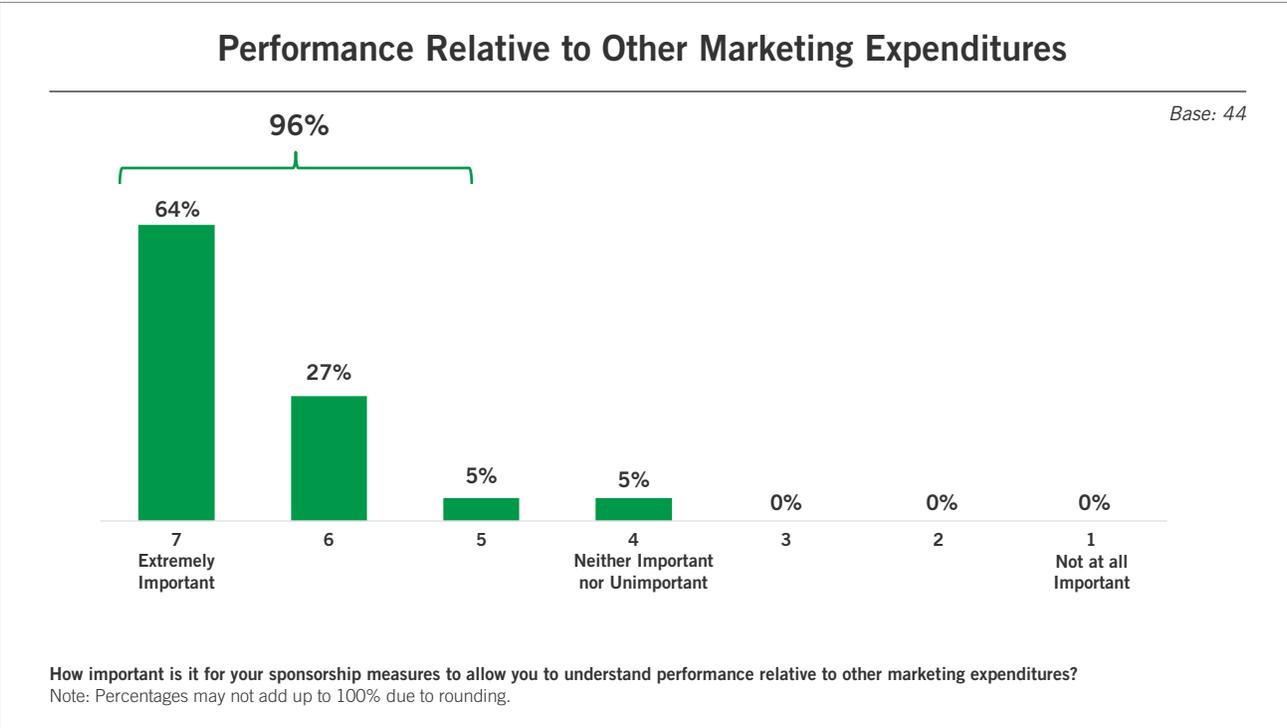
Given the very small respondent base for this question, please use caution when interpreting these results.



Detailed Findings

Understanding Performance vs. Other Marketing

It is important to 96 percent of marketers for their sponsorship measures to allow them to understand performance relative to other marketing expenditures, and extremely important for almost two-thirds (64 percent).

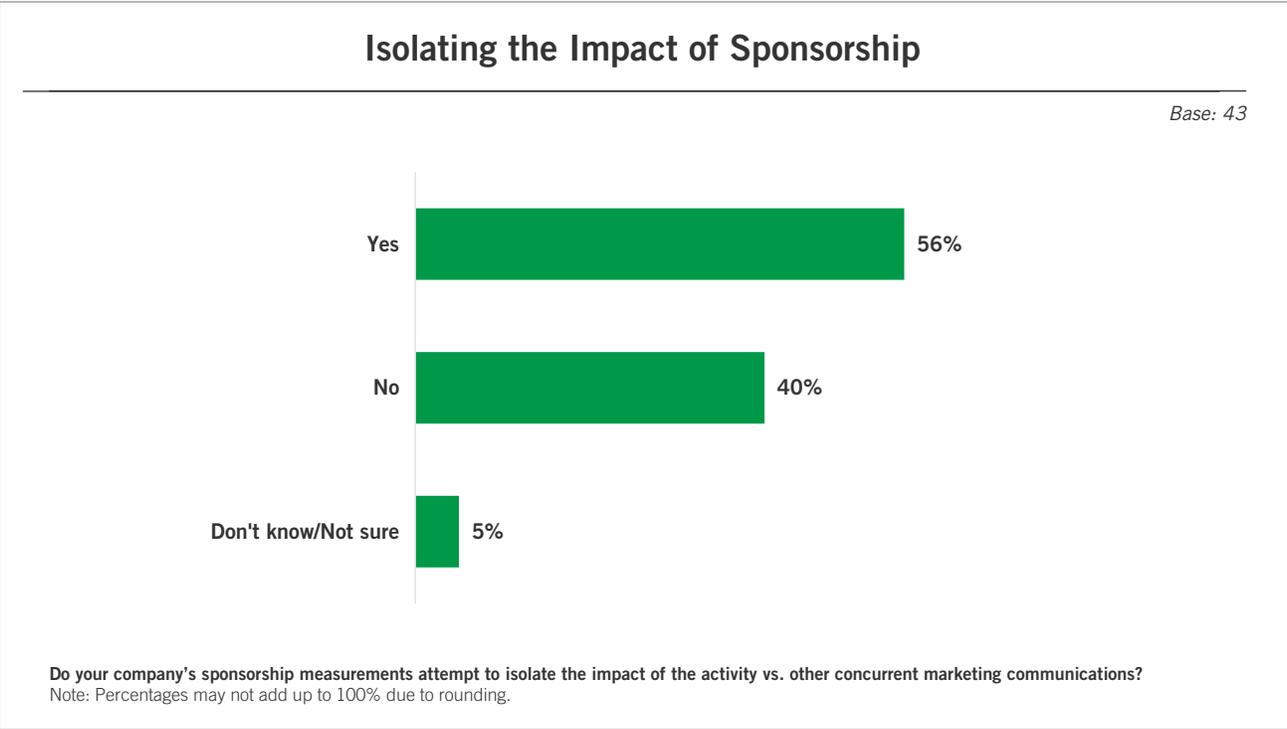


Detailed Findings

Isolating Impact of Sponsorship

Despite it being important to marketers for their sponsorship measures to allow them to understand performance relative to other marketing expenditures, only 56 percent are isolating the impact of sponsorship. This is consistent with both the 2013 and 2010 surveys (51 and 53 percent, respectively).

Also note that respondents to this question are those whose companies have a standardized process(es) for measuring return on sponsorships. It's a bit disappointing that more of those with a standardized process — the ones which are supposedly best practice companies — do not have measurements that isolate the impact of sponsorship.

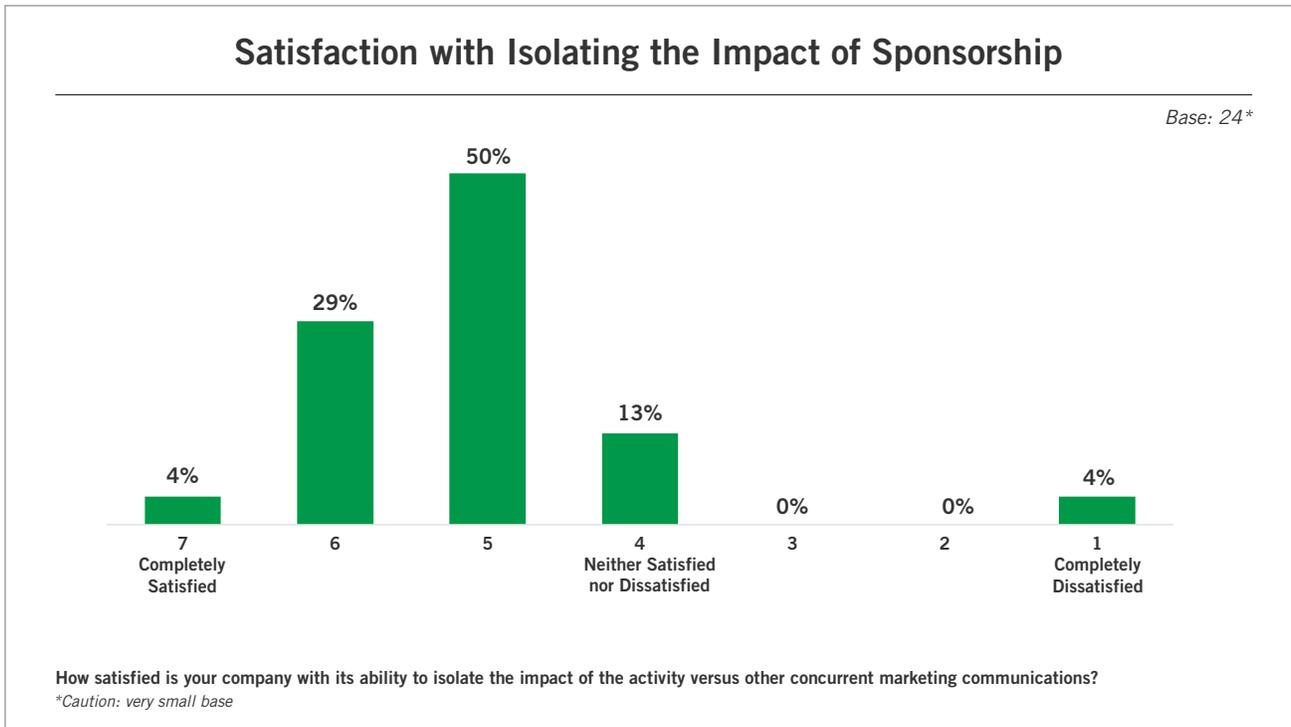


Detailed Findings

Satisfaction with Isolating Impact of Sponsorship

Among those who are isolating the impact of sponsorship versus other concurrent marketing communications, the majority are satisfied.

Given the very small respondent base for this question, please use caution when interpreting these results.

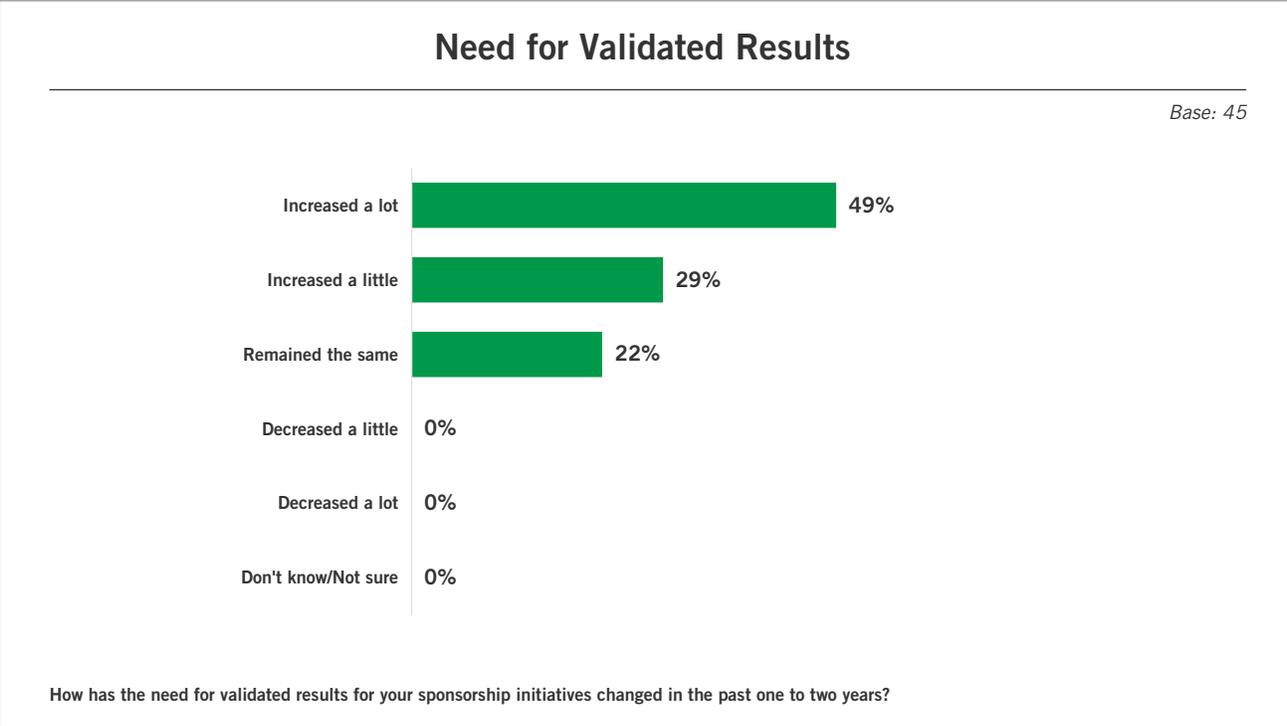


Detailed Findings

Need for Validated Results

The need for validated results for sponsorship initiatives has increased in importance for 78 percent of respondents. That is consistent with both 2013 (70 percent) and 2010 (79 percent).

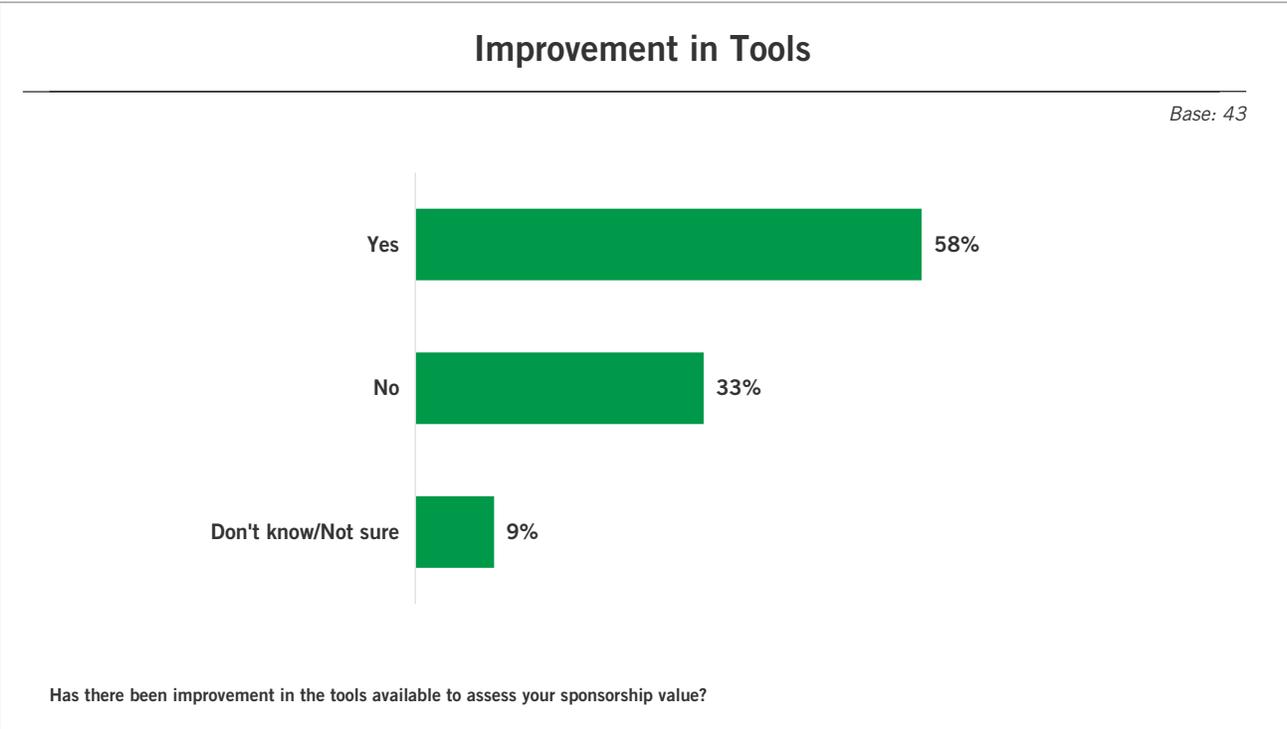
Marketers are *always* under pressure to validate results!



Detailed Findings

Improvement in Measurement Tools

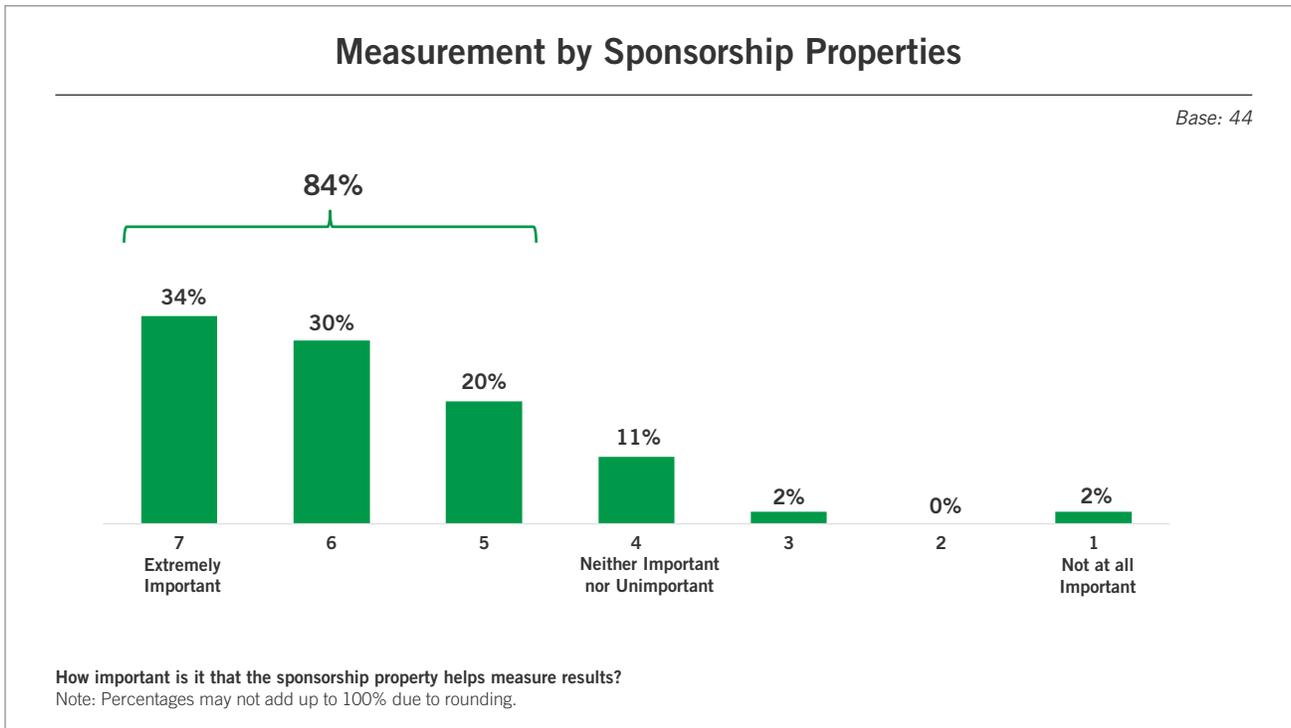
Fifty-eight percent of respondents have noted improvement in the tools available to assess sponsorship value.



Detailed Findings

Measurement by Property

Sponsorship properties can play a role in measurement. For 84 percent of respondents it is important that the sponsorship property help measure results, and for 34 percent this is extremely important.



There are no dramatic differences over the three surveys.

	2018	2013	2010
Extremely Important	34%	28%	28%
Very Important	30%	45%	34%
Somewhat Important	26%*	22%	26%

*To provide comparisons to prior studies, where a different scale was used, for 2018, the “somewhat important” total was done using a Lickert Conversion where responses were regrouped, using 5 plus half of 4 (20% + [11%/2] = 26%).

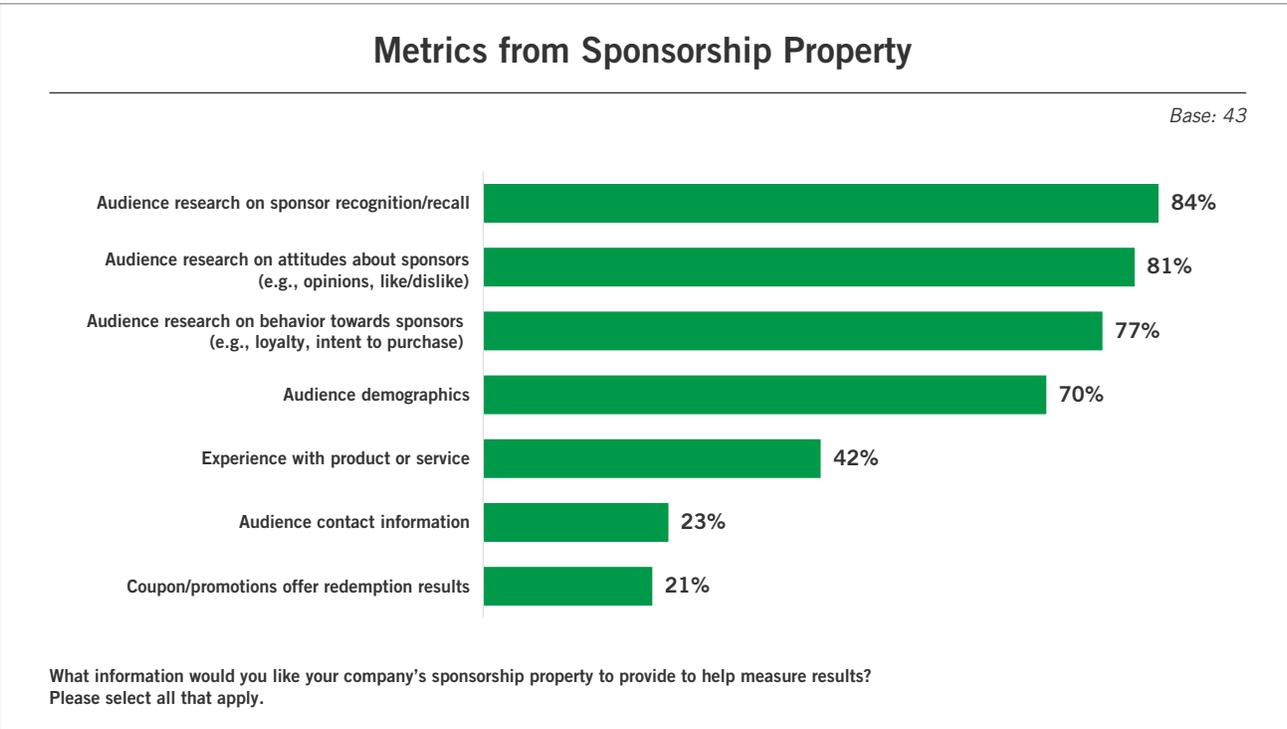
Detailed Findings

Metrics from Property

The top four metrics ideally provided by a sponsorship property are:

- Audience research on sponsor recognition/recall
- Audience research on attitudes about sponsors
- Audience research on behavior towards sponsors
- Audience demographics

These are the same top four metrics as in both the 2013 and 2010 surveys.

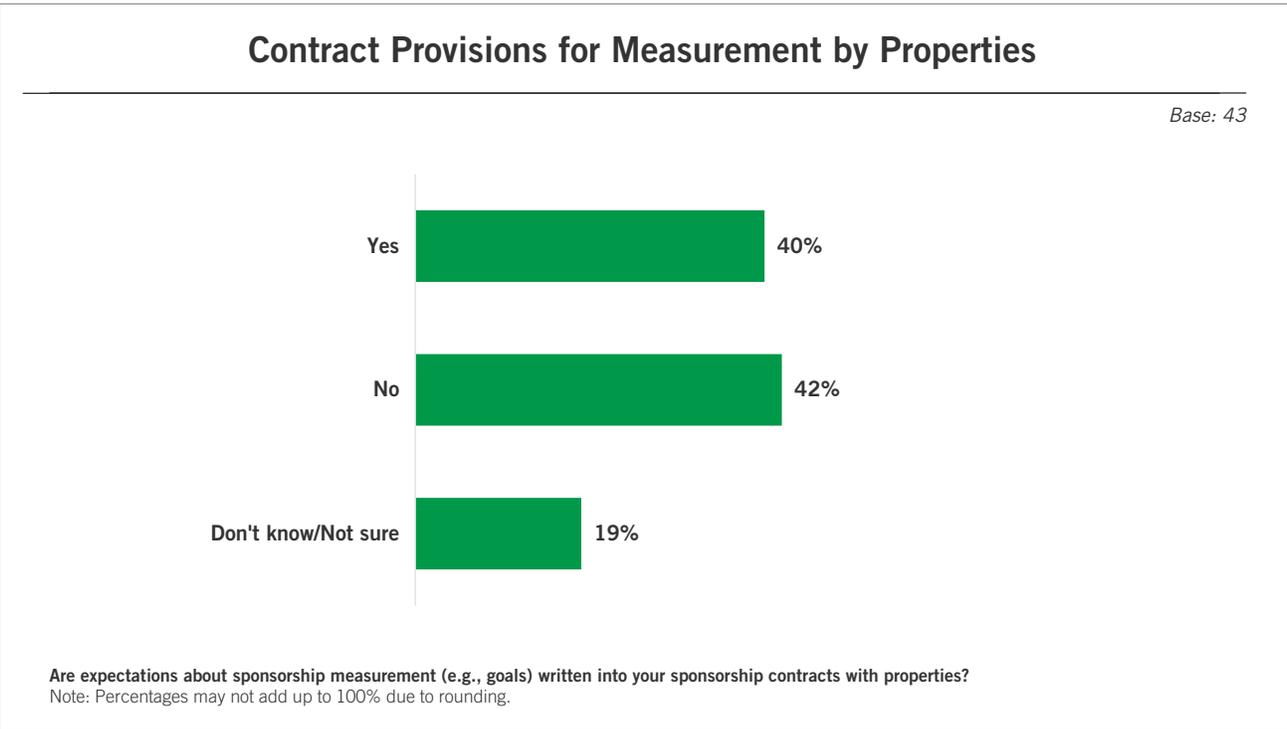


Detailed Findings

Contracts with Properties

Less than half of respondents write expectations about sponsorship measurement into sponsorship contracts with properties. This is a missed opportunity.

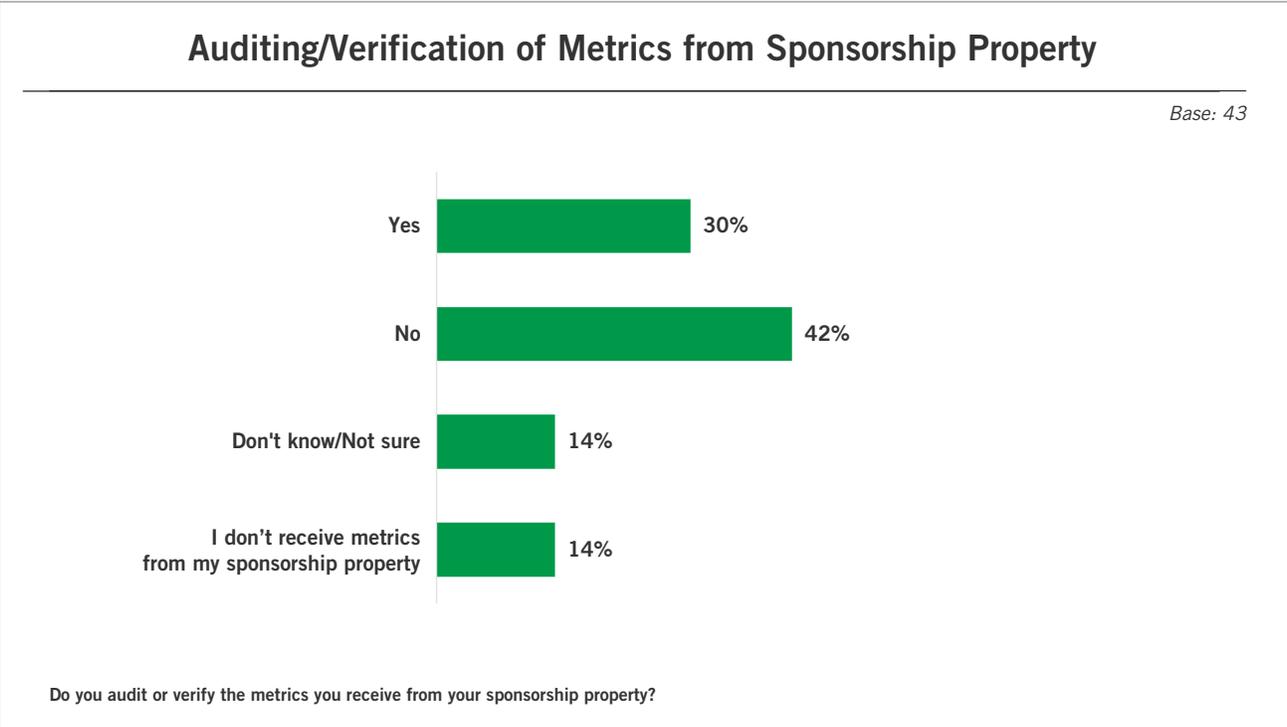
If it's important to marketers that the sponsorship property helps measure results, that should be written into the contract.



Detailed Findings

Auditing/Verification of Property Metrics

Despite the fact that it is important to the majority of respondents that the sponsorship property helps measure results, well less than half the respondents audit or verify the metrics received from the sponsorship property. This suggests an opportunity for better independent verification of metrics, including audience size, profile, attitudes, and behaviors.



Detailed Findings

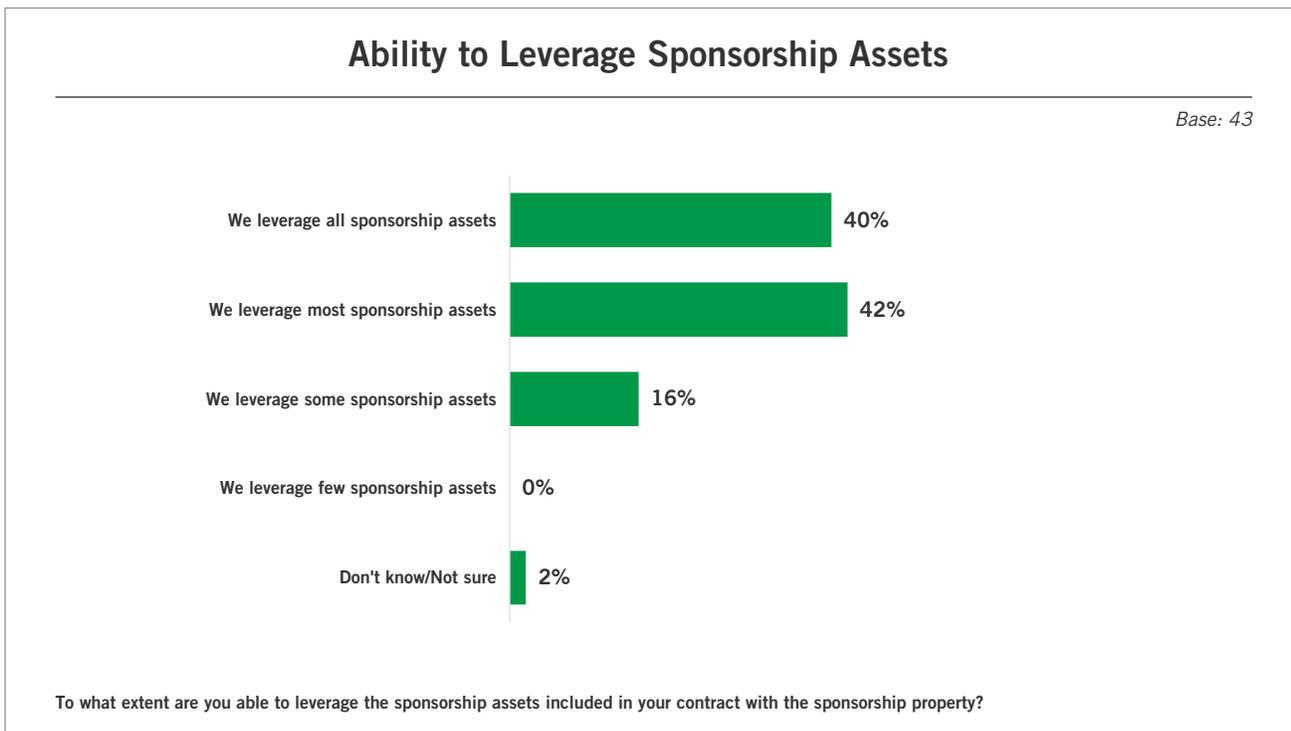
Ability to Leverage Assets

Forty percent of respondents leverage all sponsorship assets included in the contract and 82 percent leverage all or most. The top reasons for being unable to leverage assets are:

- Internal resources/bandwidth
- Some assets are less important than others
- Budget constraints

This suggests that for 18 percent, an immediate opportunity for improvement exists in simply reviewing current sponsorship assets.

Marketers should evaluate, in advance, their ability to and the likelihood that they will leverage sponsorship assets, and consider that in contract negotiations. Marketers should not be paying for sponsorship assets that they don't intend to use, as that diminishes ROI. If an asset cannot be leveraged, it should be taken out of the contract.



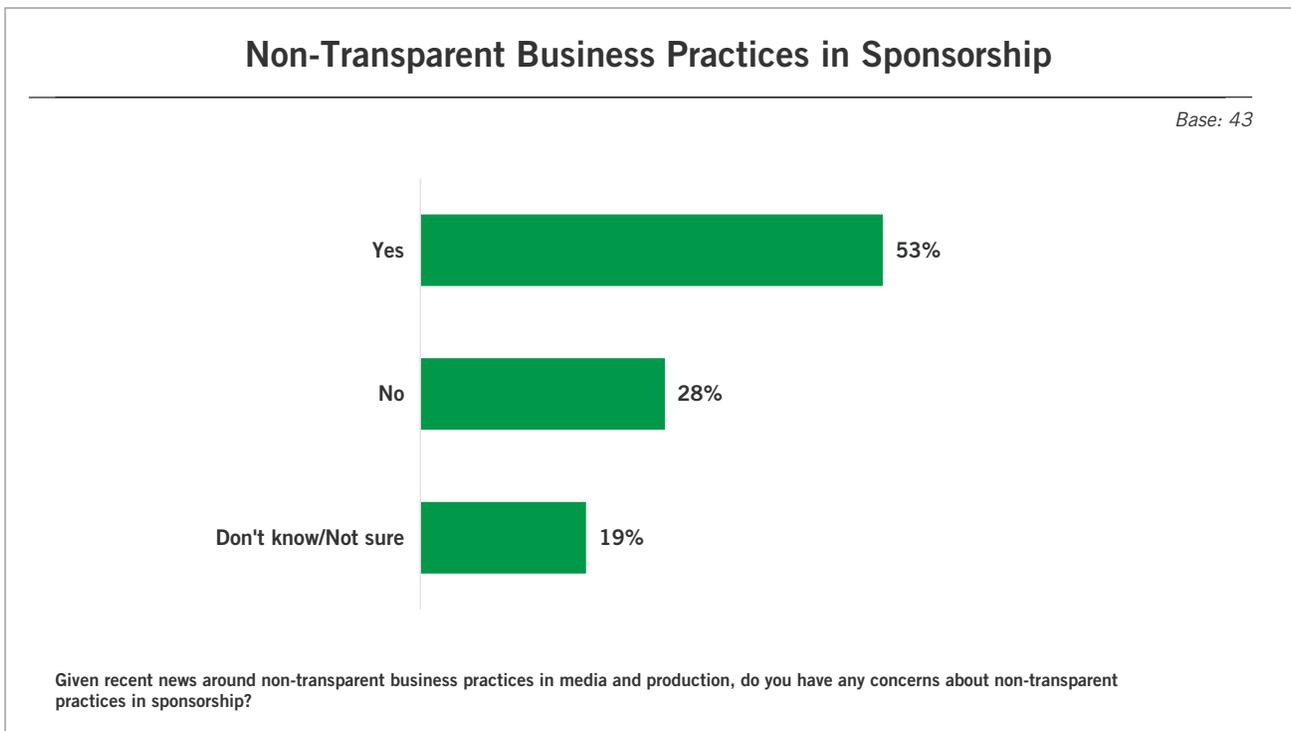
Detailed Findings

Transparency

Over half of respondents have concerns about non-transparent practices in sponsorship. When asked via an open-ended question about specific concerns, representative responses were:

- “Overestimation of value/audience delivery.”
- “Properties tend to stack results to show they performed; leads to mistrust.”
- “Concerned that the sponsorship seller is skewing the results of the research in their favor.”
- “I always prefer when properties use an independent third party to report their metrics.”
- “You can make numbers tell any story you’d like, but the proof is in what we (the client) are seeing in our business metrics.”

The above concerns are focused on the property, unlike media and production transparency concerns, which are focused on the agency.



About the ANA

The ANA (Association of National Advertisers) makes a difference for individuals, brands, and the industry by driving growth, advancing the interests of marketers and promoting and protecting the well-being of the marketing community. Founded in 1910, the ANA provides leadership that advances marketing excellence and shapes the future of the industry. The ANA's membership includes nearly 2,000 companies with 25,000 brands that engage almost 150,000 industry professionals and collectively spend or support more than \$400 billion in marketing and advertising annually. The membership is comprised of more than 1,100 client-side marketers and more than 800 marketing service provider members, which include leading marketing data science and technology suppliers, ad agencies, law firms, consultants, and vendors. Further enriching the ecosystem is the work of the nonprofit ANA Educational Foundation (AEF), which has the mission of enhancing the understanding of advertising and marketing within the academic and marketing communities.

For more information, visit www.ana.net, follow us on Twitter at @ANAMarketers, or join us on Facebook at www.facebook.com/ANA.

About the MASB

MASB, the Marketing Accountability Standards Board, brings together marketers, measurement and media providers, industry associations, and business academics for the common goal of increasing the contribution of the marketing function through the development of accountable marketing standards and practices that drive business growth.

MASB project teams are taking on key issues like brand investment and valuation, improving financial reporting, and continuous improvement in return. The Common Language Marketing Dictionary has become the definitive source for marketing terms and definitions. The MMAP Metric Catalog is the only independent, objective resource for assessing the validity of marketing metrics. Visit themasb.org.

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IMPROVING SPONSORSHIP ACCOUNTABILITY METRICS

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