

Sponsors make an Olympic effort at the Beijing Games

Reuters BEIJING

OLYMPIC sponsors are launching possibly the largest advertising and marketing campaign ever, aiming to etch their brands in the minds of a new generation of Chinese consumers for far beyond the upcoming games.

The ads range from traditional print and TV to glitzy new on-line media, blanketing a vast country whose citizens place an extraordinarily high value on the Olympic ideal and presumably the companies that support it. While the risk of a public relations backlash still looms as China finds itself at odds with much of the world on hot-button issues such as Tibet and Sudan, the hoped-for gains far outweigh any possible downside.

“ On a global scale, I don ’ t think you are going to get this kind of investment again, ” said Greg Paull, the head of R3, a Beijing-based media consultancy.

R3 — which counts sponsors Coca-Cola, Adidas, Yili and Lenovo as clients — says the benefits for companies will be enjoyed for years after the last athlete crosses the final finish line next month. R3 reckons all advertisers in China will spend 19% more in 2008 than a year earlier to about \$54.3 billion, for an “ Olympic effect ” of about \$8.6 billion in additional spending. In addition, Olympic sponsors alone will spend 21.8 billion yuan (\$3.2 billion) this year, rising 52% from 2007, said Mr Paull. German sportswear maker Adidas, one of 11 national partners of the Beijing Games, is expecting its Olympic tieup to vault it past arch rival Nike in the China market this year.

“ Our marketing campaign for China is the largest we have ever done in a single country, ” Erica Kerner, director of the Beijing Olympic program for Adidas said. “ We see this as a marketing platform that will help us to achieve market leadership in China this year, ” she said. Adidas will use a 360-degree projection theatre to spread its “ Together in 2008, Impossible is Nothing ” slogan.

Nike — which sponsors individual athletes but not the Olympics itself — is perhaps underestimating the fact that over 90% of Chinese view the Olympics, and companies associated with it, in a positive light. China is the world ’ s fastest growing major economy and is seen by multinationals as a crucial market, success in which would give the winners a step up in the global battle for precious market share. Adidas estimates China will become its second largest market after the US by 2010.

