

One World. One Dream. One Huge Investment.

Driving ROI from the Olympics Sponsorship

- Olympic popularity at all time high within China
- Yao Ming, Liu Xiang dominate popularity leading to Olympics
- Strong learnings on promotional messaging to be successful

BEIJING – April 2008 – Now in its seventh wave, CSM and R3's Olympic Sponsor Benchmarking survey has now run for nearly 24 months and collected over 10,000 interviews worth of data. With this latest wave, the trends shed much light about consumer attitudes and behavior regarding all things Olympic. Trends in attention paid to sport events, stars and actual sports themselves and their interrelationship have helped focused marketing efforts in the appropriate areas.

Intense Competition for Beijing 2008

Matt Brosenne, CSM's Business Development Director notes, "The competitive environment of Olympic Sponsorship with over 60 companies vying for share of Olympic voice has been anything but easy, but overall we are seeing strong signs that the promotional activities utilized by sponsors are having an effect. This becomes apparent by looking back over results for all our previous waves."

Olympic popularity at all time high within China

Despite some of the issues domestically and globally in recent months, China's optimism for the Olympics is at an all time high. In the latest wave, confidence levels continue to rise, and at the same time, negative issues are around half the level of two years ago. There is a consistent belief across all ten cities that this will be a great sporting showcase for China

NBA, Basketball heads for popularity, passion

Attention paid to the NBA continues to lead the way in our latest round of results. The NBA has held this leadership position for every wave of the survey and in the past wave posted its highest attention score with almost 40% of respondents paying attention to this sport. The Chinese Basketball Association came in second place (surpassing the EPL) and showed once again while the CBA season is underway, this sport property draws significant interest. The start of the Chinese Super League (China's Soccer League) in March is likely to draw significant interest as it has done in past waves.

To understand the interest in these properties a quick cross reference with the Olympic Sports people pay attention to helps to explain these high interest levels. While Ping Pong continues to lead the way with over 50% of respondents paying attention to this Olympic sport, basketball has made considerable progress and is now mentioned by over 40% of respondents for the first time. The NBA season will end at the doorstep of the Olympics and will continue to drive attention as the regular season comes to a close and the playoffs begin. The unfortunate injury to Yao Ming means we will have to wait one more year to see what would happen in terms of NBA attention if Yao Ming and his team go deep into the playoffs. Track and field also is in the top four followed by soccer. Soccer's strong performance is an indicator of interest to come over the following months for the CSL.

Yao Ming, Liu Xiang China's most popular Olympians

When it comes to sports stars the tremendous tandem of Yao Ming and Liu Xiang stand head and shoulders above the other athletes in China. However, in this wave Yao Ming largely extended his lead over Liu Xiang - due mainly to a drop off in Liu Xiang interest with the track and field season already past. Over 60% of respondents are paying attention to Yao Ming with about 48% of respondents following Liu Xiang. An up and coming star in the NBA, Yi Jian Lian, has catapulted into the 3rd position ahead of the diver Guo Jing Jing and is widening the gap between them as the NBA season rolls on. Yi Jian Lian broke into the top ten only a year ago and has risen steadily since. Domestic soccer stars don't break into the top ten but Beckham still draw a reasonable amount of attention on the back of strong attention to soccer in China.

The rise and fall in attention toward sports properties, sports and stars is now clearly documented for the run up to the Olympics with basketball and football properties poised to draw attention along with their surrounding stars up to the beginning of the Olympics.

Sports engagement critical in brand impact

Greg Paull, Principal at R3 pointed out, "The results show that people have clear preferences. These preferences are a factor driving one of the most sought after objectives in the marketing world, engagement. The more attention people pay to sports, sports properties and sports stars the more likely they are to be engaged in the content. In our assessment, this speaks to the quality of the contact points that are being delivered".

China's Olympic Teams and Stars dominate interest

To illustrate this point on a level more closely related to Olympic Sponsor promotion CSM and R3 have done further trend analysis. They found another very important trend can be observed across the waves regarding what areas of Olympic information

people pay attention to, what Olympic promotional methods they like and what promotions they are able to recall. The two key information attention drivers are the Chinese Olympic delegation and sports stars or teams. These categories have led attention scores throughout each and every wave. People like Olympic Sponsor promotions that carry messages related to the Chinese Olympic delegation, sports teams and sports stars. Likewise, promotions with stars and ads featuring China Olympic delegation themes are highest recalled. The Olympic symbols and Beijing Olympic emblem are also recalled well when displayed on product packaging and help to strengthen a brands association to the Olympics. This is a strong point for brands with strong retail presence.

Learning on media choice and selection

People also welcome Olympic news and Olympic TV programs as promotional tools for Olympic sponsors. These vehicles present opportunities for delivering messages in a creative way to consumers. Integration of promotions into news and programs for delivery of messages presents a key opportunity for Olympic Sponsors over the next five months.

Matt Brosenne also highlights the following; “With attention and likes identified across a variety of sports, sports properties, stars, Olympic information, and promotions, planning is in place to activate on each area more effectively in a way that will engage consumers and drive recall of the promotional activity. Overall this helps sponsors drive higher consumer engagement and return on investment for their marketing budgets.”

Learning on successful sports exploitation

Successfully operating strategies to take advantage of these opportunities is challenging. Greg Paull also points out that, “Patience, persistence, planning and continuous experimenting and adjustment are what drive and create powerful marketing acumen which in turn propel companies like Coca-Cola, China Mobile, Yili, Lenovo and adidas forward. Their early commitment and continued dedication to the Olympic marketing platform has allowed them to firm up a beachhead through radically different marketing communications strategies.” These strategies are well placed to take advantage of this year’s unique engagement opportunities and strengthen their brands for the long march in China.

WAVE 7 CSM-R3 TOP FIVE SPONSORS

1. Coca-Cola
2. Yili
3. Lenovo
4. China Mobile
5. Adidas

WAVE 7 CSM-R3 TOP TEN LOCAL COMPANIES

1. Yili
2. Lenovo
3. China Mobile
4. Mengniu
5. Li Ning
6. Bank of China
7. Haier
8. Awarwana
9. China Netcom
10. Tsingdao

Methodology

Unlike other research, CSM and R3 employ a face-to-face approach interviewing 1,500 consumers in ten Chinese cities every three months – allowing for more indepth discussions and the testing of visual stimulus. This information is then shared with more than ten sponsors in detail

About CSM Media Research

Part of a global group, CSM Media Research manages China's largest ongoing media research in China, reaching 224 cities and 54,000 homes on an ongoing basis. Founded in 1997, it is a joint venture between TNS, the world's largest custom market research company and CTR, China's leading market research company

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About R3

R3 is an independent marketing consultancy whose aim is to improve the efficiency and effectiveness of Asian marketers and their agencies. Founded in 2002, it works with more than ten of the Olympic sponsors on analyzing and improving their sponsorship return on investment

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