



gumgum[□]
SPORTS

DEALS TO DOLLARS

The Brand Guide to Optimizing Sponsorship Performance

Leveraging Data To Unlock
Sponsorship's Full Potential





TABLE *of* CONTENTS

04

Intro: Empowering Marketers Every Play

The new era of sponsorship analytics and how it is empowering marketers to make smart decisions in real-time that boost ROI.

06

What Goes Into Media Value

Get an inside look at the methodology used to calculate the true quality of a sponsorship's brand exposure.

10

Turning Insights Into Action

Learn how to increase performance across the full sponsorship cycle.

12

Sponsorship Strategy

Examine how media value data impacts strategic decisions.

14

Optimizing Campaigns Throughout the Season

Brands don't have to wait to iterate. See how companies can make adjustments in real time with their data.

16

Measuring Your Worth

Refine marketing strategies, inform renewal plans and fuel negotiations.

18

Conclusion: Play to Win

Marketers can now be more self-sufficient and determine the best course of action at all times.

19

About GumGum Sports

Learn how GumGum automates and analyzes sponsorship value for brands.

Empowering Marketers Every Play

Today, every brand is competing for attention. That means the success of sponsorships can make or break a marketing program. With big budgets on the line, these brands need access to timely information that tells them exactly what's working across every game and every play.



A decade ago, that information was delayed or walled off entirely. Brands had to wait for performance data from their sponsorship partners, which was often too high-level, inconsistent and delivered months after a season or event had ended. In some cases, the goalposts would've already shifted by the time marketers learned if their efforts were paying off. According to the Association of National Advertisers, 96% of marketers feel it's important to have metrics that show their sponsorship performance in relation to other marketing expenditures.

Fortunately, emerging technology has helped make sponsorship data more readily available than ever. Speed, transparency, and accessibility are all on the rise. Instead of sitting on the sidelines, today's brand marketers have direct access to data to make smart decisions in real-time that boost ROI.

“As a data-driven company, having a more granular, objective and integrated view of sponsorship performance is essential to Dell as we assess new opportunities and structure and maximize the benefits from our existing relationships.”

- Anne Ristau, Head of Global Sponsorships at Dell Technologies

One of the most effective ways to do this is through media value equivalency, which lets brands capture the benefit of all sponsorship exposure from a given campaign. Only 56% of companies isolate the impact of sponsorships compared to other branding initiatives. This offers brands a huge edge over the competition, letting them drive value across the full sponsorship cycle. They can see the channels and signage that generates the most revenue. With this sponsorship data in hand, marketers can then layer in other intel about fan behavior, purchases, hospitality programs and more to get a complete picture of ROI.

In this guide, let's take a closer look at how media value equivalency empowers brands with greater insight, efficiency and transparency in their sponsorships. The field of sports marketing is changing, but with the right tools, here's how brands can stay ahead of the game.



The Benefits *of* Media Value

Brands can use media value equivalency to measure the effectiveness of their sponsorships and compare performance with other marketing channels.

At GumGum, we use the term **sponsor media value (or SMV)** to capture what it would have cost a brand to run the same amount and quality of exposures in a broadcast commercial or social media campaign. This metric levels the playing field, giving brands a clear way to compare the effectiveness of different media buys.

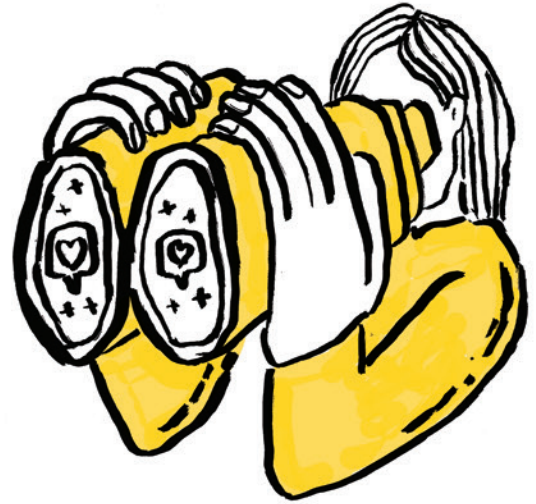


THE PERFECT GAME PLAN FOR CALCULATING VALUE

STEP ①

Monitor media platforms

Brand exposure data from TV, streaming and social media platforms is evaluated using proprietary computer vision and technology-enabled analysis. Similar to tracking impressions, this step provides insight into the impact of a brand's sponsorship.



STEP ②

Calculate Media Value

Platform-specific advertising rates are applied to determine a unique cost equivalent. CPM/CPE data is used for social media. A 30-second spot cost is used for broadcast.

STEP ③

Determine exposure quality

Ingested data is analyzed using a formula that assigns a discounted exposure score based on six factors: **clarity, visibility, prominence, size, share of voice** and **placement**.



Measuring media value is key to unlocking sponsorship's full potential. Let's see it in action.



MEDIA VALUE PLAY-BY-PLAY

A sponsor's logo appears in a game on TV broadcast for a total of three minutes.

3:00
MINUTES

The cost to run a TV commercial for this particular game (the "spot cost") is \$100,000 (for a :30 commercial).

| TIME | | COST |
|------------|---|---------------|
| :30 | = | \$100k |
| SECONDS | | |

Effectively, three minutes of logo visibility for this game is worth \$600,000 in TV commercial exposure.

| TIME | | COST |
|-------------|---|---------------|
| 3:00 | = | \$600k |
| MINUTES | | |

Given that there are many elements that impact the quality of that screen time or brand “exposure,” a formula is then applied to determine a discounted score based on 6 factors.

6 Factors

| | |
|----------------|-----------|
| Visibility | Clarity |
| Prominence | Placement |
| Share of Voice | Size |

DISCOUNT
FACTOR
PERCENTAGE*

COST

22% × \$600k =

*Determined using proprietary
Media Value Percentage algorithm

After our calculation, we get...

\$132k

**Sponsor
Media
Value**

TURNING INSIGHTS INTO ACTION



OPTIMIZING SPONSORSHIPS THROUGH MEASUREMENT AND ANALYTICS

Sponsorship data delivers powerful insights. Brands can use this knowledge to increase performance across the full sponsorship cycle.

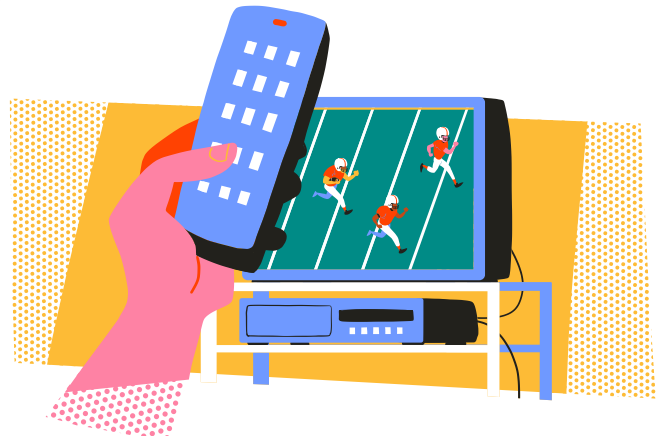
1 STRATEGIZE

Leveraging sponsorship data to influence property and asset selection helps determine performance objectives and renewal strategies.



2 OPTIMIZE

Using the media value approach makes it easier to refine creative and optimize decisions for the highest possible ROI.



3 EVALUATE

Consistently tracking sponsorship effectiveness is the key to understanding whether your strategy will drive long-term success.

SPONSORSHIP STRATEGY

With the right data, brands can set themselves up for sponsorship success. Let's take a look at **how brands can leverage performance data for a variety of decisions.**



EXAMPLE ONE

Partner and Portfolio Selection

Choose properties and assets with the highest potential for success.

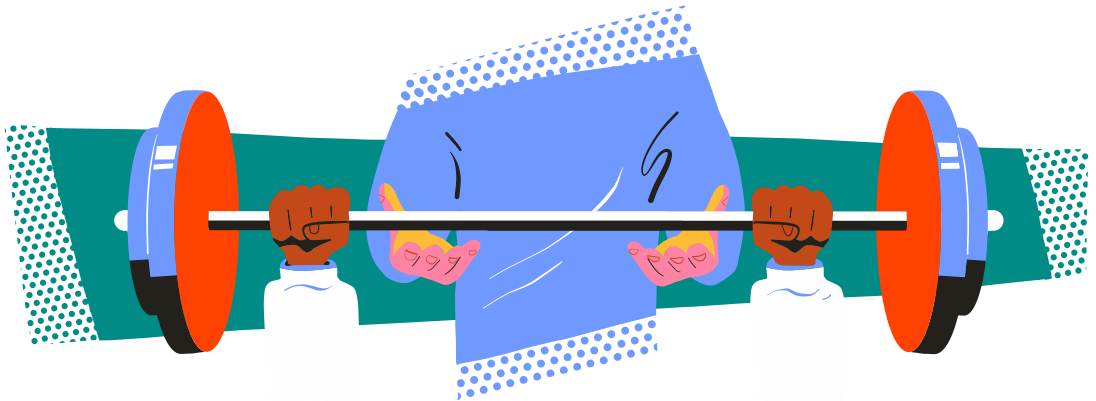
Let's say an airline decides to invest in sponsorships to raise awareness of a flight route in a new market. After conducting consumer and market research, the company identifies two basketball teams with fan bases that align with their target audience. To help pick the right team to sponsor, the airline can compare the media value generated by previous sponsors.

That same data can then be used to determine which assets make the most sense for the airline based on their marketing objectives. For example, comparing the media value of a basket LED to an arena LED may reveal that the basket LED costs 2x as much but gets 5x as much value, providing a better ROI. After using this data to support their selection, **the brand could use these insights to negotiate the most favorable deal based on their budget and objectives.**

Setting KPIs Using Benchmarking Data

Use benchmarking data from comparable assets to set suitable campaign KPIs with partners.

In order to **set KPIs upfront for an upcoming partnership**, a brand could run an analysis of the media value, exposure and engagement that previous assets have generated for sponsors. With this benchmarking data, the brand can set realistic goals for their own sponsorship and better contextualize their performance.



Athlete and Influencer Analysis

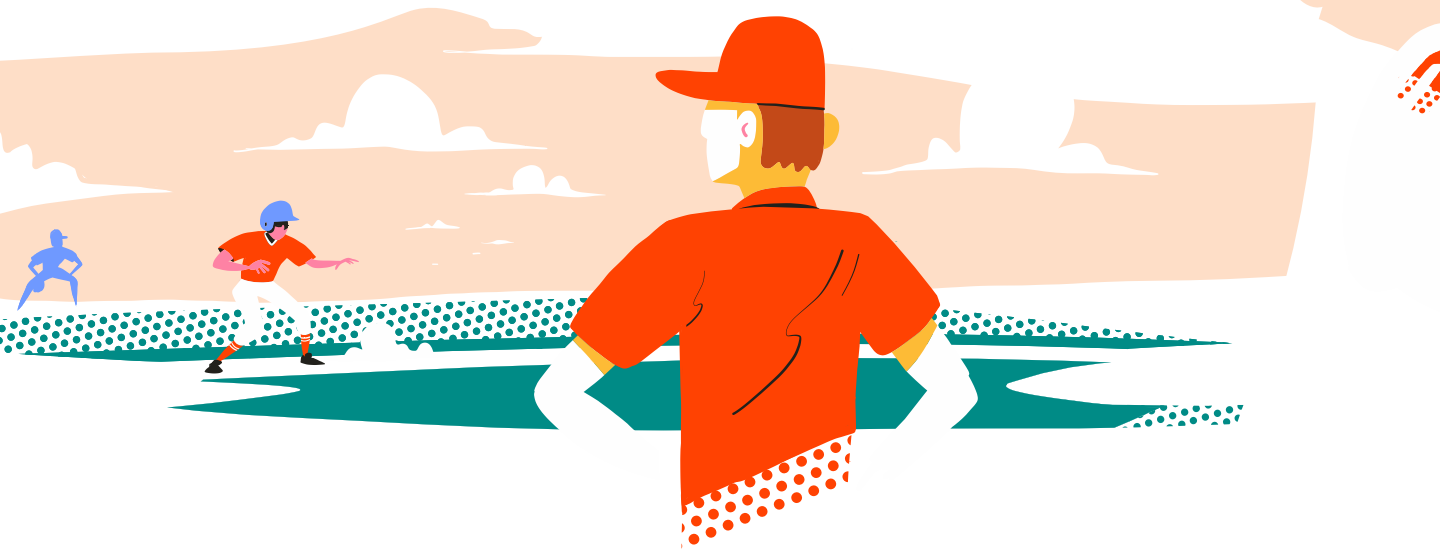
Optimize athlete and influencer strategies using the power of data.

A major QSR brand is considering **an athlete sponsorship** and has narrowed their options down to two major football stars. However, the brand isn't quite sure which player will generate the most value.

To make an informed choice, the company could run an analysis of the previous season to evaluate which athlete generated the highest media value for their sponsors across broadcast TV, social media and streaming platforms combined. After making the decision, the brand could lean on this analysis to identify the optimal placement on the athlete's apparel as well as to optimize their branded content campaigns throughout the partnership.

OPTIMIZING CAMPAIGNS THROUGHOUT THE SEASON

Waiting months for post-season reports and sponsorship recaps is a thing of the past. Today, brands have full visibility into sponsorship performance—in near real-time. This **enables brands to make adjustments throughout the season**. Here are a couple examples of strategic campaign optimizations that could be made with sponsorship data:



EXAMPLE ONE

Optimizing Sponsorship Creative

Uncover opportunities to improve branded content and in-arena creative.

A sponsor may notice that social media highlights showing field-side signage aren't moving the needle. If the brand figures out what's happening in real time, they may realize that the problem stems from the level of detail on the signage, which isn't coming through on social clips. To solve the issue, the sponsor can **work with their partner to improve visibility** and make the creative more impactful.



EXAMPLE TWO

Assessing the Value of Local Campaigns

Pair social media value with market sell-through data to assess local campaign performance.

A clothing brand may run an ambassador program to market their products to college students, planning for sales events around the country. To understand the ROI of those events, the brand could **analyze the media value generated from social media.**

The retailer could analyze whether one type of event generated a higher media value than another on social media. Then, the brand could apply sell-through data for a more complete picture, before **optimizing their ambassador events moving forward.**

MEASURING YOUR WORTH

As sponsorship deals wind down (and the planning cycle begins again), it's important for brands to analyze possible improvements. Media value equivalency is an invaluable tool that helps brands **refine their marketing strategies, inform renewal plans and fuel negotiations.**



EXAMPLE ONE

Optimizing Portfolio Mix

Compare ROI generated by multiple partners in a single portfolio mix.

Say a home improvement brand sponsors five sports teams—two NBA teams, two NHL teams, and one MLB team—and they'd like to compare each investment. While the costs may differ, looking at the media value generated by each team would allow the sponsor to **determine if the price paid was too low, too high or just enough.** This insight, layered with other objective-specific performance data, could be instrumental when deciding **how to adjust their portfolio mix for the future.**



EXAMPLE TWO

Optimizing Asset Mix

Ensure the best deals for a positive return.

At the end of a partnership with a pro sports league, a luxury watch brand wanted to evaluate the performance of their sponsorship, which included five different signage assets. **Sponsorship performance data could provide them with a granular breakout of each component throughout the season.** The sponsor may find that 70% of the value came from one asset, while the remaining 30% came from the other four assets combined. Armed with this data, the watch brand **could reassess their asset mix and negotiate a more favorable deal with their partner** in order to generate optimal impact.

CONCLUSION: PLAY TO WIN

As brands continue to invest in ways to connect directly with fans, sponsorship investments are on the rise. Technology and data are now easily accessible, which means every brand should know the score when it comes to sponsorship performance across channels.

While rights holders and agencies still play a valuable role in sponsorship analysis, brands now have more visibility into the performance of their sponsorships, giving them greater leverage and control and ultimately enabling them to directly influence the outcome. New tools provide necessary transparency and objectivity. As a result, marketers can be more self-sufficient and determine the best course of action at all times.

As the battle for attention heats up, make sure you're in the best possible position to succeed.



Contextualize the Value of Your Sponsorships with GumGum Sports

With GumGum Sports, brands can truly understand the value of their sponsorship investments in real-time through a variety of analytics containing data unique to their objectives.

Schedule a demo of the GumGum Sports Media Value Center today.

SCHEDULE A DEMO



About GumGum Sports

GumGum Sports is an AI-powered sponsorship analytics solution that delivers timely data and insights to help brands, agencies, properties and media companies contextualize the value of their sponsorships. A division of computer vision pioneer GumGum, the company captures the full media value of sports sponsorships across live broadcasts, social media, and digital streaming, enabling rights holders to retain and grow partner revenue and giving sponsors the ability to track and optimize media value across a portfolio of sponsorships.

Visit gumgum.com/sports or email sportsinfo@gumgum.com to learn more.



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