

Sport and entertainment: A shining light in uncertain times

The sponsorship industry is largely stuck in limbo. James Anderson, Business Director at Publicis Media Sport & Entertainment, shares some tips for brands and rights holders.

Over the past several weeks we have seen all sporting events cancelled or postponed, from amateur grassroots to the Olympic Games, due to the global COVID-19 pandemic.

Before this happened, sport sponsors had committed significant investments in merchandising, athletes, brand campaigns and media, some of which will now have to be written off. However, despite disruption, no big brands (to date) have pulled out of major events, and several key Olympic sponsors have even publicly backed the move to postpone arguably the biggest global sporting event of them all.

It is certain that all major rights holders will continue to monitor the ongoing virus and how it will impact their events and respective partners.

Mutual understanding and short-term action

There is universal recognition that everyone is in this together. However, for brands in this moment, survival is the main concern. The focus has become business continuity and the operation of supply chains to continue to provide products and services to their customers. The best brands are also working hard to ensure that their employees are protected and healthy.

Some brands, including Coca-Cola and Samsung, are using marketing budgets to help communities. **Budweiser's diversion of \$5m from its sports and entertainment marketing budget** to the American Red Cross was particularly impressive in its speed and execution.

Likewise, rights holders such as Premier League football clubs and respective players have used the postponement period to donate their time and money to food banks and other community projects. The recent #PlayerTogether initiative created by football players in support of the NHS is a great example, in addition to the donation by Manchester United and Manchester City in their **#ACityUnited** campaign (*pictured below*).



Long term strategic planning

Whilst it may be difficult to plan for the long term when the full economic impact is so uncertain, when brands get sight of the rescheduled sporting and entertainment events, the marketing runway could prove to be an extra powerful platform to launch new, relevant and authentic brand campaigns.

Current postponements provide an opportunity for some longer-term brand planning because when the events do gradually come back, whilst potentially different, they are also likely to be bigger and stronger than ever before.

Once this period is over, people are likely to be even more engaged than usual, creating greater opportunities for brands to provide meaningful support, create experiences and add value to fans' lives. Sports and entertainment are built on passion and meaning. This forced break in play has neither dimmed that passion for fans, nor dwindled the meaning. When the time comes for events and sports to restart, for cultural organisations to throw open their doors, fans will be back.

Furthermore, sporting events as well as music are also likely to bring in huge numbers of new fans, as they become the physical embodiment of us coming back together again.

It is important to remember, however, that good brands and campaigns do not rely on live sponsorships and partnerships to resonate. They use the association with the sport to be more exciting, but sponsorships are never the central message of the brand. They amplify and contextualise it and, of course, offer mutual equity transfer for their audiences.

Agility and alternative virtual solutions

Until live events resume, consumers will be looking for somewhere to continue to congregate, if only virtually. Audiences are migrating to social media, craving content that aligns with their passions and interests.

The entertainment and culture world show us how to manage these transitions and fill the void. You see concerts being performed right from a musician's home, like the 'One World: Together at Home' event that took place this month and attracted circa 20.7 million viewers.

In sport we have seen the F1 hosting a virtual e-sports Grand Prix and broadcasting on traditional TV, achieving healthy audiences and engagement as a substitute to the physical live spectacle, with other rights holders following suit to keep their fanbases – especially the younger ones – engaged.

Unlike cancelled live events, gaming and e-sports guarantee viewers via hugely popular streaming platforms such as Twitch, meaning that in the absence of night-on all other sporting entertainment, e-sports and gaming might be able to attract a captive audience of potential fans just itching to get a sporting fix in any guise possible.

Online gaming, whilst not new, is now even more on the rise and has never been more appealing to rights holders and brands alike. Recent research supports this, with Twitch seeing a 15% increase in consumption month-on-month and Verizon reporting a 75% increase in data usage related to gaming consumption week-over-week.

This could lead to increased investment in this space, but brands – particularly non-endemic ones – will need to carry out due diligence to know how they should enter and add value to this much sought-after younger audience.

Looking forwards

Right now, all stakeholders are going through a period of facing questions we have never had to wrestle with before. What is certain is that sports and entertainment coming back will be a lead indicator for everybody looking at the economic recovery after COVID-19. Once we start to see those announcements, we will see a whole different attitude across the globe.



As in any difficult time or potential threat, they also present opportunities to build, learn and come through stronger. Sport and entertainment have the power to deliver across generations and provide unity to communities.

Now more than ever, we are all on the same team in this fight against COVID-19. We will triumph if the industry works together for the greater good. Lead by example to show the real power of sport and entertainment in being able to deliver value and happiness when it is needed most.