CHAPTER 11 Promotional Planning

11.1 Promotional Plans
11.2 Sponsorships and Endorsements
11.3 Promotional Events

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Pouring on the Heat

Two years in a row, the Miami Heat basketball team sold out its season tickets months before the start of the regular season games. President of Business Operations Eric Woolworth is largely responsible for this. Under his leadership, Miami Heat has become one of the top customer service and sales-driven organizations in the sports and entertainment industry.

Woolworth has focused the team’s efforts on tech-savvy promotional strategies to make sure the tickets sell. The Heat has compiled a marketing database containing about 700,000 names of previous customers. Using marketing-information-management techniques, the fans can be categorized by zip code, age, income, and spending habits. The Heat then uses highly targeted promotions with special offers made directly to the existing fans, rather than advertising to the masses through traditional means. The Heat generates more revenue from database marketing than any other team in the NBA.

The Heat is spending its promotional budget to build a stronger relationship with its current fan base, especially the season ticket holders. It has created a “buy now” mentality, with about 40 to 45 percent of season ticket holders purchasing a three-year renewal package of season tickets. The three-year renewal program rewards loyal season ticket holders with affordable ticket prices. The multiyear ticket strategy is considered cutting edge in the NBA, and its success is being closely watched. The Heat has also introduced several partial ticket plans to make lower-priced tickets available for all fans.

When fans attend a Miami Heat game, the staff goes out of its way to exceed customer expectations and create an exciting experience. The Heat has a strong marketing plan that matches its strength on the court.

Think Critically

1. Why would the team focus promotions on current fans? Explain your answer.

2. What would the team gain by selling season tickets three years in advance? What might the team lose by selling season tickets three years in advance?
Lesson 11.1

Promotional Plans

- List steps in developing a promotional plan.
- Discuss recent promotional trends and ways to stay current with trends.

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- Discuss recent promotional trends and ways to stay current with trends.

Terms
- promotional plan
- promotional mix
- advergame
- quantitative measurement
- qualitative measurement
- social network

Opening Act

Internet trends have changed the business of promoting sports and entertainment. Promotions of the movie Snakes on a Plane took online fan promotion to new heights months before the movie’s release. Blog entries and mentions on several Internet portals first sparked fan interest. Fans were allowed to become official licensees of Snakes on a Plane merchandise, opening the door for millions to design and sell promotional t-shirts and other gift items such as mugs. A promotional sweepstakes required contestants to post links on forums, blogs, and web sites and collect votes from the users of those sites. In a music video contest, fans were encouraged to write and record original songs inspired by the movie and then make them into music videos. As a result, more than 25,000 blog references were written, over 300 YouTube videos were posted, and thousands of fan-generated products were developed by people who had not yet seen the movie. Many false trailers and parodies of the film were also created, posted online, and circulated. Further, fans used an interactive feature on the movie’s official web site to send more than 250,000 voice messages featuring the voice of Samuel L. Jackson, the horror movie’s star. The web site had more than 2.5 million visitors prior to the movie’s release.

Work with a group. Discuss the ways web sites are changing movie promotion. How do recent online promotions differ from the earlier online banner and search engine ads?

PLANNING TO PROMOTE

Sports and entertainment promoters are facing a challenging and exciting future. Technology continues to dramatically broaden the choices available for making consumers aware of products and services. Traditional print and broadcast media continue to provide effectiveness when trying to reach Baby Boomers and older generations. Newer techniques have greater effectiveness when trying to reach younger markets. Knowing your target customers and having a plan to reach them are essential for effective promotions.

Developing a Promotional Plan

A promotional plan must be developed as part of the overall marketing plan. A promotional plan is a written, detailed description of how the four
elements of promotion—advertising, sales promotion, publicity, and personal selling—will be used. It usually covers a year at a time and is reviewed and updated throughout the year. The development of the promotional plan includes the following steps:

1. Identify the target customers.
2. Set promotional goals.
3. Develop a promotional budget.
4. Select the promotional mix.
5. Measure the results.

Identify the Target Customers  Sports and entertainment businesses may have customers of varied age and income. It pays to design a comprehensive plan with a clear understanding of which specific targeted group is the focus of each phase of the plan. The targeted customers will guide the selection of the media and the promotional mix.

Set Promotional Goals  Before the planning process can proceed, specific goals for each part of the promotional plan are set. The goals will be written in a form that makes them measurable, so that a successful promotion can be defined before it starts. A sports team’s goal might be to increase by a specific percentage the number of repeat season ticket holders for the following season. This goal can easily be measured.

Develop a Promotional Budget  The budget must be tied to the promotional goals, since all promotion, except publicity, costs money. A common method of determining an overall promotional budget is to state the budget amount as a percentage of expected sales. If a professional sports team, for example, wants to develop a new fan base of youths aged 12 to 21, it will need to devote a percentage of the promotional budget to that target market.

Select the Promotional Mix  The blending of the promotional elements of advertising, sales promotion, publicity, and personal selling make up the promotional mix. The promotional mix and the media used should all be selected based on the targeted customers, the goals, and the budget.
Traditional advertising media are more expensive but are effective in reaching Baby Boomers who are more likely to have the higher income needed to buy high-end products. To connect with a younger market, an *advergame* might be used. An *advergame* is an electronic or online game that incorporates marketing content to promote a product or service.

The Heat placed season ticket sales kiosks in the arena. The kiosks featured clocks that counted down the time left for season ticket holders to renew or lose the rights to their seats. Announcements about renewing season tickets were also made during games. Current season ticket holders that had not yet rolled to the next year were then contacted inexpensively using e-mail and telephone. Finally, the Heat hosted a season-ticket-holder party that included player appearances as a way for the team to connect with its most loyal fans.

**Measure the Results** Data must be collected and analyzed to determine if the promotional plan has been successful. Sales data collected before and after the promotional efforts will show any changes in sales. If goals are not being met, then the promotional plan will need to be revised.

A **quantitative measurement** provides information in terms of numbers or percentages. A promotional goal could be expressed as increasing the market share of a product or service by 5 percent over a year. Data about the current market share would be compared to the market share at the end of the year to determine if the goal was met. If a local TV station currently has a market share of 20 percent of an area’s 1,500,000 viewers and wants to increase that number to 25 percent, the numbers would provide a quantitative measurement. A **qualitative measurement** is subjective and depends on interpretation. A qualitative measurement might assess the loyalty of consumers to a brand name based on descriptions of consumers’ reactions to a promotion.

While 35 out of 40 consumers may say that, because of promotional efforts, they are interested in the new product, the quantitative measurement of how many of them actually buy the product may be a more important number. A combination of both types of measurements is useful in determining the success of a promotional plan and whether revisions are needed to assure a return on the money invested in promotion.
Technology has brought dramatic changes to how and where products and services are promoted. Gaining the attention of potential customers, informing them, and moving them to action often requires new and innovative approaches by marketers.

Social Networking

In the past, sales associates in a small, independent music store would use personal selling to recommend a new recording that customers might enjoy. Today, online music stores use a similar technique called social networking, where users recommend songs to their peers. If a friend buys, the referrer receives a reward. The relationships among people, whether casual or close, are referred to as a social network. A social network is one of the strongest mediums for passing on messages about products and services. It is also called word-of-mouth, leveraging, or creating a buzz. When the Internet is involved, it is referred to as a viral campaign, where individuals pass on promotional messages to others through the use of e-mail, instant messaging, chatrooms, blogs, and so forth.

Movie Promotions

Movies shown in theaters and on video are generally preceded by advertisements for other movies, called trailers. Trailers are critical to attracting an audience. They are rated for audience viewing age and gain lots of attention in the few seconds allotted for each movie trailer.

A well-coordinated promotional plan can revive falling consumer interest. Video retailers report that TV pay-per-view promotions for a movie tend to increase rental sales. The movie Titanic had fallen off the top-40 rentals chart. After a pay-per-view advertising campaign began, the movie jumped back onto the chart and also ranked sixth in video sales for the week. TV advertising and new point-of-purchase displays aimed at Christmas gift-giving further increased consumer interest in the movie.
Some movies bypass theater release and go directly to DVD rental and sales. Many of the direct-to-DVD movies are sequels that have already generated a following in wide-release theaters.

**Professional Plans**

Sports and entertainment businesses may develop a promotional plan in-house or hire an outside business. Businesses that develop and implement promotional plans for clients are referred to as advertising, public relations, or promotional communications agencies. The agencies have professional staff that can develop some or all aspects of a promotional plan, including event planning.

Keeping up with the constant change in media and other components of effective promotional strategies requires continuous education on the part of marketers. Marketers have to know what is new and what other businesses are doing to reach consumers. Knowing where to get useful marketing information is a key to staying on the cutting edge. *Advertising Age* is an online and print magazine that serves as a source of information to the promotion industry. An *Advertising Age* interview with leaders in the promotion industry indicated that they read everything they can to stay ahead of trends. They constantly seek new information through books, magazines, television, radio, newsletters, and Internet blogs. They also observe people, especially young people, to see how they react to promotions.

**List sources of information for staying current with promotional trends.**

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**Intermission**

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**Judgment Call**

When a nonprofit advocacy group identifies television content that meets its definition of offensive, it contacts television networks to stop the content’s broadcast. When a network does not agree to remove the content, the group contacts the advertisers and requests that they discontinue sponsorship of the program. If an advertiser refuses, the group publicly “denounces” the advertiser and calls for a boycott of its products. Groups also contact governmental agencies and legislators to get them on board to write laws defining and enforcing decency standards.

Some groups have been accused of “manufacturing” outrage by using mass e-mail to file complaints with the FCC, making it appear there are millions of people who share the group’s opinion. Some advertisers, arguing that the complaints are actually from a small group, respond by telling people to simply not tune in to shows they consider offensive.

**Think Critically**

Work with a partner. Who should set decency standards? Who should decide what programs are shown on TV? How should the government react to mass complaints that appear to be manufactured? How can young children be protected from indecent shows?
Understand Marketing Concepts
Circle the best answer for each of the following questions.

1. Which of the following is not a quantitative measurement of a promotional activity?
   a. This year’s sales increased 5 percent over last year’s sales.
   b. Most theatergoers interviewed said the movie trailer was entertaining.
   c. Four hundred season ticket holders bought five or more seats.
   d. Product samples with coupons were distributed to the 45,200 fans at the game.

2. The promotional mix consists of a blending of all of the following except
   a. advertising
   b. personal selling
   c. sales promotions
   d. publicity
   e. quantitative and qualitative measurements

Think Critically
Answer the following questions as completely as possible. If necessary, use a separate sheet of paper.

3. Why have print and broadcast media lost their effectiveness as advertising media with young people?

4. How is a viral campaign different from publicity? How do you react to recommendations from friends about music and movies? Would you react differently if you knew they were paid to make the recommendation?
### Opening Act

O’Reilly Auto Parts has grown from a single store to more than 1,500 stores in 25 states and is still adding multiple stores each year. The company generated more than $2 billion in revenues in 2005. It has a dual marketing strategy, serving both wholesale and retail automotive parts businesses. O’Reilly’s promotional plans include radio, print, and television ads and national sponsorships of the National Hot Rod Association (NHRA) and NASCAR. O’Reilly participates in more than 1,200 racetrack events each year. O’Reilly also sponsors college sports as a corporate partner of the Texas Tech Red Raiders. Head basketball coach Bob Knight wears a shirt with an O’Reilly’s logo during the games.

**Work with a partner.** List the benefits to national businesses of sponsoring sporting events. Do you think businesses receive a good return for the money invested?

### Game Day

Sponsorship plays an important role in college athletics. Have you ever noticed the types of sponsors that run commercials during televised college sporting events? During one event, you may see commercials for fast food, pizza, soft drinks, automobiles, gasoline, and airlines. Sponsors want to be known for their loyalty to the local team and want to be associated with winners.

**By Association**

Part of a promotional plan can be to associate the business or product with an event such as the Olympics or a local charity event. According to Bernie Trueblood in *The PROMO Primer*, sponsorship is “underwriting an event for the purpose of gaining positive association for a brand with the event, the participants, and/or the attendees.”
Supporting Collegiate Sports

How much does it cost to have a corporate logo in the stadium of a major college football team? What is the value of corporate sponsorship to the university and the corporation?

Sponsorship of college athletics is about financing or generating revenue for the college programs. Media corporations buy the rights to televise the collegiate sports events. Most of the agreements are long term, such as the purchase by ABC/ESPN of the national rights for ten years to broadcast Big Ten Conference football and other sports events. Fox Cable Networks also signed with the Big Ten to create the Big Ten Channel, which will nationally broadcast athletic and academic programs from the 11 universities in the Big Ten Conference.

Host Communications signed a contract with the University of Tennessee (UT) for $83.4 million in cash and capital investments to be paid over ten years for multimedia rights to the university’s athletic programs. Additionally, Host will pay UT 50 percent of sales above a certain level. Host intends to generate the funds plus a profit through sales of advertising and sponsorships on broadcasts, print publications, DVDs, pay-per-view games, and web site ads, among other media. Corporations will also benefit by promoting their products and services during the college sporting events. It is no accident that successful college teams are wearing NIKE, Adidas, and Converse products. The name-brand apparel is given to the players because it is highly visible during the sporting events and televised post-game interviews. Corporations hope that fans that enjoy the success of a particular team will purchase the brand worn by that team.

Reasons for Sponsorship

On a small scale, amateur sports teams acquire sponsors to offset the costs of playing the game. A sponsor is a person, organization, or business that gives money or donates products and services to another person, organization, or event in exchange for public recognition. Sponsors help pay the cost of providing events to the fans and help keep ticket prices affordable. Businesses become sponsors for many reasons:

- To increase sales and profits
- To introduce a new product or service to a large audience
- To be identified with an event in which the target market is interested
- To earn the goodwill of the audience by showing a commitment to the community
- To entertain clients, employees, or potential customers
- To enhance the company’s image
- To enter new markets or a niche market

What do sponsors expect in return for their investments?
What is an Endorsement?

The Federal Trade Commission (FTC) is a U.S. governmental agency whose principal mission is the promotion of consumer protection and competitive business practices. The FTC has the authority to create and enforce trade regulations regarding industry-wide practices. The FTC defines an endorsement as "any advertising message [that] consumers are likely to believe reflects the opinions, beliefs, findings, or experience of a party other than the sponsoring advertiser." In other words, an endorsement is a person’s public expression of approval or support for a product or service. Endorsements are promotional tools—not a form of sponsorship.

The FTC also offers clarifying examples of what is and is not an endorsement. For example, a film critic’s comments, if used by the filmmaker in an advertisement, are legally endorsements. The critic is a known and real person, and the critic’s review is an opinion independent of any comments by the filmmaker. A commercial featuring two unidentified teenagers talking about a product or store is not an endorsement because the teens are not known and they are acting as spokespersons for the company. However, a commercial for a brand of tires starring a well-known racecar driver is an endorsement because the public

- Knows the person is a real professional driver
- Assumes the comments are personal opinion, whether or not this fact is actually stated
- Assumes the driver would not make the comment if he or she did not believe it

Similarly, an ad for golf balls in which a famous golfer is shown hitting the balls is considered an endorsement, even if the golfer does not speak.
Politicians, doctors, professionals, and ordinary citizens can endorse products. But in today’s marketing environment, the most influential endorsements are made by entertainment and sports celebrities because they are well known and well liked.

Legal Restrictions on Endorsements
The FTC has several guidelines that must be met by the endorser and the sponsoring company.

1. The truthful opinions and beliefs of the endorser must be expressed in the endorsement.
2. The endorser must have real experience with the product.
3. The endorsements may not contain any deceptive or misleading statements. The statements must be able to be substantiated by the advertiser.
4. Endorsements may not be presented out of context or reworded so as to distort in any way the endorser’s opinion.
5. The endorser must use, continue to use, and believe in the product for as long as the endorser is featured in the advertisements.
6. If the product changes in any way, the company must notify the endorser, and the endorser must continue to use and believe in the product in its new or revised state.

Celebrity Endorsements
American businesses pay more than $1 billion to athletes for endorsements. There are over 2,000 athletes who make endorsements. Movie and music stars are also popular endorsers. Endorsements have advantages and disadvantages and are often surrounded by controversy.

Advantages    Advertising endorsements are advantageous to businesses in at least three ways. First, studies have proven that consumers will buy products endorsed by celebrities more often than products that are not endorsed. Fans and businesses like to be identified with a winning team or athlete. Young people, in particular, will copy their role models and use the products they endorse. Second, viewers, listeners, and fans are less likely to
turn off a commercial featuring a celebrity than a commercial featuring a fictitious character. Third, consumers tend to believe celebrities, especially those who are chosen for their good public image.

**Disadvantages** Endorsement as a means of promotion has a few disadvantages. Endorsements are very expensive to the sponsoring company. Sometimes a celebrity may agree to endorse multiple products. For example, LeBron James has endorsed Powerade, NIKE, Upper Deck, and Bubblicious Gum products. If an endorser is perceived to be accepting every endorsement opportunity that comes along, consumers will begin doubting the endorser’s sincerity. Finally, there is a risk of negative publicity if the endorser commits a crime or a serious social blunder in the future.

**What Businesses Seek in an Endorser**
Brad Vom Bauer, the director of account planning at the Harris and Love advertising firm, once said, “If you want to create a personality for your product, the easiest way to do it is to buy a personality.” When searching for a celebrity endorser, businesses look for

- Someone with a positive, charismatic, trustworthy image
- A celebrity most consumers know
- A celebrity whose career is in process (rather than retired)
- Someone who presents few risks
- Someone who has a believable relationship with the product

Notice that speaking ability, personal appearance, and educational background are not among the top requirements. Businesses believe that deficiencies in these areas can be remedied with voice coaches and wardrobe assistants.

**NETBookmark**
Country music lovers are some of the most dedicated fans in the world. They really love to get up close and personal with their favorite stars. Country Music Association’s annual CMA Festival—better known as Fan Fair—lets them do just that. Along with plenty of concerts, lots of food, and nonstop activities, Fan Fair is known for staging huge autograph sessions where country artists can meet and greet their fans. Access thomsonedu.com/school/sports and click on the link for Chapter 11. Browse the site and answer the following questions. How many people attend Fan Fair each year? Describe some typical events at Fan Fair. Why do you think so many country artists agree to sign autographs at this event? Why would an organization be interested in sponsoring this event?

thomsonedu.com/school/sports

**Intermission**
List advantages and disadvantages of using celebrity endorsers.
Understand Marketing Concepts
Circle the best answer for each of the following questions.

1. A sponsor does all of the following *except*
   a. helps pay for an event
   b. publicly endorses the product or service it sponsors
   c. helps hold down the cost of ticket prices for fans
   d. wants to be identified with an event in which the target market is interested

2. Which of these television ads would be an endorsement?
   a. an unknown actor playing the role of a professional who recommends the product
   b. a group of teens talking about the next X Games
   c. Mia Hamm reminding you to drink milk
   d. all of the above

Think Critically
Answer the following questions as completely as possible. If necessary, use a separate sheet of paper.

3. What teams would you like to sponsor to promote your new women’s sportswear line of clothing? Explain your choices.

4. To promote your new women’s sportswear line, what female athlete would you ask to endorse the clothing and why? Explain possible advantages and disadvantages of the celebrity endorsement.
Lesson 11.3

Promotional Events

Goals

- Explain the promotional value of involvement in seasonal themed events.
- Explain the promotional value of entertainment awards.

Terms

- themed events
- event coordinator
- exhibit manager

Opening Act

The world’s largest seasonal themed event is the 70-year-old Houston Livestock Show and Rodeo. Its theme centers around the livestock industry of the Houston area. The rodeo is a major sporting event related to the industry. In 2006, 300 students received four-year, $10,000 scholarships as a result of fundraisers associated with the event. Paid attendance hit record levels when Hilary Duff performed at the event’s 70,000-seat stadium.

Work with a group. Identify seasonal themed events in your area. Who sponsors them, and who benefits from the events?

THE RIGHT EVENT

An event can be a simple meeting, a major convention, a cultural festival, a trade show, a sports competition, a concert, or an awards show, to name a few. Themed events are centered around a specific theme, such as a seasonal theme, and are held on an annual basis. They are operated predominately by volunteers. They include school-sponsored carnivals, city festivals, and county fairs.
Involvement in themed events can provide a bonanza of promotional opportunities for sports- and entertainment-related businesses and other businesses that want to reach sports and entertainment fans. Event planning and management is a rapidly growing business and contributes to the travel and tourism industry by providing an incentive for travel.

For a sponsor, deciding in which events to become involved and the extent of involvement requires careful planning. Consideration must be given to the image projected by the event and how that image will influence current and future customers. A conservative investment-banking firm, for example, probably would be wasting time and money by sponsoring a local skateboarding event. Contributing a significant amount of time and money to an event should result in new customers and/or sales for the company.

**Event Coordination**

Events are usually held in publicly owned convention centers located in a downtown or park area. The city hosting the event and/or the venue itself will usually have a full-time staff person, often called an event coordinator, who works with the event’s sponsors to plan the event. An event coordinator usually needs a bachelor’s degree in marketing or travel and hospitality management. The event coordinator’s responsibilities may include concept development, marketing, project management, and post-event analysis. Providing attendees with an experience that exceeds their expectations is the event coordinator’s goal. An event coordinator might work with an exhibit manager when exhibits are part of the event. An exhibit manager plans where various types of exhibits may be set up, rents space to businesses that wish to set up promotional booths, and ensures exhibitors have everything they need for successful setup.

**Trade Shows**

Trade shows are major events where people in a related industry meet to show their products, exchange ideas, and learn about the latest trends. South by Southwest (SXSW) has come to represent the ultimate trade show for the music, independent film, and related technology industries. Produced by SXSW, Inc., the event has been held in Austin, Texas, since 1987 and has more than 22,000 attendees over the 9-day event. Approximately 2,100 music media, 556 film media, and 580 interactive media journalists attend.
and write about the music, new films, and technology advances introduced at the convention. The news articles provide free promotion, or publicity. Due in part to SXSW, Austin bills itself as the “Live Music Capital of the World.”

Country Music Festivals
American country music is popular all over the world and is the theme of many festivals. Millions of people in countries as far away as the United Kingdom, Australia, and Japan watch the Country Music Association (CMA) Awards show each year. The Kumamoto Country Gold Festival, held in Japan annually since 1989, draws a crowd of 20,000. The Japanese interest in country music peaked after attendees at the Kumamoto Country Gold Festival learned to line dance to the music. The Japanese culture lends itself to group action, such as line dancing, where everyone is acting in a similar manner with no one standing out from the crowd.

What is the difference between a trade show and a themed event?

AWARDING THE BEST

Annual entertainment awards shows on television compete for the attention of viewers. The big four—the Grammys for music, the Tonys for Broadway shows, the Emmys for TV, and the Oscars for movies—overshadow all other awards shows and have a high marketing value. The MTV Video Music Awards, Rock and Roll Hall of Fame inductions, Screen Actors Guild Awards, and Country Music Association Awards are just a few of the other ceremonies. These awards shows have a more limited marketing value.

Awards Influence Sales
Recognition by one’s peers is a high level of honor in any industry. In the entertainment industry, recognition also brings money, praise, increased potential for future success, and publicity.

The Oscars
The most famous and prestigious of the entertainment awards is the one given by the Academy of Motion Picture Arts and Sciences. The 5,800 members determine each Academy Award, also known as the Oscar. An Oscar nomination is a promotional bonanza for a motion picture and its director, studio, and stars. A nomination creates exciting media coverage and significantly increases the number of ticket buyers. Many people want to see the nominated movies before the awards, and many others wait to see which films and stars have won. Nominations are also important because they are rare. No more than five nominations are made for each category of award each year.

Time Out
Entertainer Rita Moreno was the first performer to win all four major entertainment awards—the Oscar, the Emmy, the Tony, and the Grammy. The Oscar reportedly got its nickname in 1931 when the academy librarian, Margaret Herrick, said about the statuette—“Why he looks like my Uncle Oscar.”
Academy Award winners are almost always pictured the day after the awards ceremony on the front pages of major newspapers. Both winning an award and receiving a nomination have promotional value that money cannot buy. The Oscars are broadcast around the world in over 100 countries. The ABC network has purchased broadcast rights to the Academy Awards through the year 2008. In 1999, ABC moved the Awards from Monday night to Sunday night because Sunday is the biggest TV-watching night of the week. Following the precedent set by the Super Bowl, the Oscars program is preceded by a “pre-show” that includes shots of the stars arriving and interviews. In 2006, ABC charged between $1 million and $1.5 million for each 30-second advertising slot during the Oscars.

Marketing movies around the Oscars works two ways. Consumer interest is peaked by the excitement of pre-award publicity. The movie producers and studios also advertise their films to the members of the Academy through trade publications and the talk-show circuit. For several weeks prior to the awards night, studios spend as much as $15 million on publicity and marketing. A movie that wins the Best Picture award is likely to bring in an extra $100 million in ticket sales plus prestigious publicity for all involved.

The Grammy The National Academy of Recording Arts and Sciences (NARAS) is an association of more than 18,000 musicians, producers, and other recording professionals. The NARAS is internationally known for the annual Grammy Awards in which top music recording artists are recognized. A committee chooses the nominees, and the final winners are selected by a vote of the membership. There are 31 fields, such as pop, country, and classical, and 108 subcategories within those fields.

The Emmy The Emmys Three sister branches of the same 12,000-member organization bestow the various Emmy Awards. The Academy of Television Arts and Sciences presents the Primetime Emmy for excellence in nighttime television. The National Academy of Television Arts and Sciences presents awards for daytime television, sports programming, newscasts, and documentaries. With members from over 50 countries, the International Academy of Television Arts and Sciences presents awards for excellence in television programming produced outside the United States.

The Tony The Tonys Named after Antoinette Perry, who served as the head of the Board of the American Theatre Wing, the Tony Awards are given to professionals in live theater for distinguished achievement. Since 1976, the Tony Awards have also recognized regional theaters that have contributed to artistic achievement and growth in the industry. The ceremonies have been televised nationally in the United States since 1967. The Tony Awards are more of a special-interest award than the Oscars or Emmys because a much smaller percentage of the population is able to attend the live theater productions.
International Showcase

The Cannes International Film Festival is held in Cannes, France, a resort town on the Mediterranean coast known as the French Riviera. The Cannes Festival is managed by a nonprofit group, Festival International du Film, and is sponsored by the French Ministry of Foreign Affairs and the Ministry of Culture and Communications. The purpose of the festival is to promote the film industry worldwide.

Producers and sellers of films from throughout the world come together with purchasers of films at Cannes. The event has been held for more than 50 years, and thousands of films are screened each year. The Cannes Film Festival Board appoints a jury of prestigious film industry representatives. The jury reviews films selected by a committee whose members are also appointed by the Board.

Cannes Awards are presented for feature films and short films, among others. Winning an award at Cannes can be a bonus to the promotion of an otherwise unknown film. Although the awards and glamorous parties get the most media attention, the real purpose of the festival is film promotion to an international audience. Release of U.S.-made movies outside the United States continues to be a major source of earnings, representing more than 40 percent of motion picture and television revenues. Cannes also provides U.S. buyers an opportunity to preview the best international films.

Intermission

Name the four major entertainment awards? Why are entertainment awards important?

Ronaldo Assis de Moreira

One of the most marketable athletes in the world was born in a poor suburb in Brazil. Ronaldinho—his nickname meaning Little Ronaldo—is the star of the winning Spanish-league FC Barcelona soccer team. The team is considered an icon of soccer worldwide.

Ronaldinho endorses Nike, Pepsi, Kibon (a Brazilian ice cream), and eight other Brazilian products. A Nike video shows him dribbling a soccer ball for half a minute and then kicking it at the crossbar of a goal four times with the ball returning to him each time without touching the ground. The video is posted on YouTube’s web site and has had about 6.5 million hits.

Think Critically

Use the Internet to find additional examples of athletes, coaches, and celebrities who are positive role models for product endorsements. Do you believe they actually use the products they endorse? Explain why or why not.
Understand Marketing Concepts
Circle the best answers for each of the following questions.

1. Entertainment awards are an important form of
   a. distribution
   b. information management
   c. publicity
   d. product/service planning

2. Event coordinators are responsible for
   a. marketing
   b. project management
   c. post-event analysis
   d. all of the above

Think Critically
Answer the following questions as completely as possible. If necessary, use a separate sheet of paper.

3. If a movie, TV show, play, or song wins one of the “big four” awards, would this influence whether you want to see or hear it?

   ____________________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________

4. Name and discuss the last seasonal themed event you attended. How did you learn about it? Why did you go? Would you go again? Why or why not? Name any event sponsors you can remember. Explain why you think the business(es) sponsored the event.

   ____________________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________
   ____________________________________________
Review Marketing Concepts

Write the letter of the term that matches each definition. Some terms will not be used.

1. Provides information in terms of numbers or percentages
   a. advergame
   b. endorsement
   c. event coordinator
   d. exhibit manager
   e. Federal Trade Commission (FTC)
   f. promotional mix
   g. promotional plan
   h. qualitative measurement
   i. quantitative measurement
   j. social network
   k. sponsor
   l. sponsorship
   m. themed events

2. Annual events centered around a specific theme

3. A written, detailed description of how the elements of promotion will be used

4. A full-time staff person of a city or venue that works with an event’s sponsors to plan the event

5. An electronic or online game that incorporates marketing content to promote a product or service

6. A person, organization, or business that gives money or donates products and services in exchange for public recognition

7. The blending of the promotional elements of advertising, personal selling, publicity, and sales promotion

8. An independent U.S. governmental agency whose principal mission is the promotion of consumer protection and competitive business practices

9. Provides information that is subjective and depends on interpretation

10. A person’s public expression of approval or support for a product

   Circle the best answer.

11. Selecting the promotional mix
    a. should not take place until the promotional goals are set
    b. precedes the development of the promotional budget
    c. is the third step in promotional planning
    d. both b and c

12. According to FTC regulations, an endorser must
    a. continue to use the endorsed product and believe in it as long as the endorser is featured in the advertisements
    b. not make any deceptive or misleading statements
    c. be informed if the endorsed product changes in any way
    d. all of the above
Think Critically

13. Write a paragraph discussing the merits versus the risks of a company using a controversial athlete to endorse its products. How could the company’s promotion plan succeed? How could it fail?

14. Name a sport that appeals to adults over 50. Next, name a sport that appeals to fans between the ages of 12 and 34. Third, name a sport that appeals to all ages. Then, name three products that could be promoted successfully through each of these sports.

15. Write a one-paragraph article for a press release (publicity feature) about a popular brand of sports equipment. Remember that publicity is free. Then, change that feature into an advertisement that you will pay a magazine to publish. Explain how the two promotions differ.

16. Make a list of the businesses that might want to sponsor the MTV Video Music Awards. Explain why you chose each business.
Make Connections

17. **Marketing Math**  Your bagel shop has just given $500 to help build a neighborhood skateboarding park. In return for your donation, your shop’s sign will hang in the park for one month. The skateboarders’ association expects 1,000 people to see your sign. The average profit on a purchase at your shop is $0.96. How many customers will you need in order to make a profit of $500 to cover the donation?

18. **History**  Research and write about the early days (late 1800s) of women’s basketball. Include comments about societal standards in those days. Speculate on how the sport would have been promoted to the public and what kinds of businesses might have been sponsors. Mention any special rules, and point out any special players.

19. **Technology**  Use the Internet to research online, invitation-only social networks. How do advertisers use them? How effective are they?

20. **Communication**  Write letters to two local businesses asking the owners to sponsor one of the less prominent sports at a local high school. Describe the sport, and explain what it needs in the way of equipment, promotion, and professional advice. Propose an outline of objectives for the sponsorship. Be sure to tell the business owners what they will receive in return.
21. **Research**  Research the involvement of Wonder Bread in the movie *Talladega Nights: The Ballad of Ricky Bobby*. Describe the placement deal that resulted in the Wonder Bread sponsorship of a fictitious NASCAR driver. What were the benefits to Wonder Bread?

22. **Technology**  Find and describe an example of an advergame. What product is promoted? Who is the target market? Do you think the game is effective in promoting the product? Explain why or why not.

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**PROJECT EXTRA INNINGS**

Your advertising company has been asked to design an attention-getting and income-producing promotional campaign for the National Wheelchair Basketball Association (NWBA).

Work with a group and complete the following activities.

1. Using the Internet, research the history of wheelchair basketball. Learn how and when it started and how it has expanded over the years. Be sure to learn how it has included women and college students. Make notes about its tournaments and championships, and include information about its star athletes. Find out the market size of wheelchair citizens.

2. Write an outline of points you think the public would be interested to know.

3. Help the NWBA determine its promotional objectives.

4. Determine how, through promotion, the NWBA might move from a niche market to a mainstream market.

5. Write a one-page publicity piece about the NWBA to send to major newspapers across the country.

6. Through your research, determine who might be influential endorsers.

7. Prepare a proposal for three major corporations, asking for their sponsorship of the next NWBA championships.
WHEN ENDORSEMENTS GO BAD

Companies are anxious to associate their products, services, and names with popular athletes and celebrities. Successful sports stars are hot commodities that can boost a company's image and sales. However, since athletes are human, they can make poor choices that can blow an endorsement deal.

He Did What?

Bode Miller was viewed as being a hot endorsement commodity prior to the 2006 Winter Olympics in Torino, Italy. The American skiing sensation appeared on the covers of *Time* and *Newsweek* magazines. Most experts expected Bode to add to the pair of silver medals he won four years earlier in Salt Lake City. Both Barilla, the Italian pasta maker, and Nike signed Miller for endorsement agreements valued at more than $4 million.

Miller was expected to carry the torch for the U.S. ski team, but he fizzled out big time while in Torino. Miller created the wrong headlines, not only by failing to win a medal, but with his preference for partying and socializing at the Olympics. He did not make a positive impression as a serious athlete. During an interview with *60 Minutes*, Miller bragged about racing while being “wasted.”

Another super athlete, Dennis Rodman, was known for his rebound skills on the basketball court. Converse signed Rodman to endorse its athletic shoes. Soon afterwards, Rodman temporarily walked out on his team and kicked a photographer during a nationally broadcast game.

Some fans found Rodman to be colorful and entertaining, but Converse was not amused with the athlete’s shenanigans. The shoe company exercised an out clause to end its deal with Rodman a year early. The tattooed basketball star claimed that Converse owed him $3 million.

Later actions by Rodman did not help him regain his status as a hot endorsement commodity. He was arrested and charged with drunken boating. In October 2003, an intoxicated Rodman crashed a motorcycle, hurting a leg and his chance of returning to the NBA. The motorcycle wreck happened at a time when the Denver Nuggets were reported to have offered him $10,000 a game.

Sometimes the most colorful athletes and celebrities hired to endorse products and companies can become the greatest obstacles to success. Perfect relationships can turn bad because of one action or outburst by a celebrity.

Think Critically

1. Why do companies pay celebrities large sums of money for endorsements?
2. What is the risk of paying a celebrity for endorsement?
3. What can be done to decrease the possibility of endorsement embarrassment from an athlete or celebrity?
4. Give three examples of celebrities who endorse products. Do you believe these individuals are good or bad choices for endorsement? Explain.
GRAPHIC DESIGN PROMOTION EVENT

Computer-aided graphic design is frequently used to bring advertising campaigns and special promotions to life. The Graphic Design Promotion Event challenges participants to raise their computer skills to the next level.

Each contestant must select a theme to promote the next Super Bowl. Contestants must create a logo and a flyer based on this theme. The dimensions of the logo must not exceed 4” × 4” and the theme needs to be 25 characters or less, including spaces. Four originals of the flyer and logo must be produced at home or school. The creation and production of this graphic should not be professionally or commercially produced. All participants must submit four plastic sheet protectors (8½” × 11”), each containing a flyer, a logo, and a Graphic Design Resource/Release Form. The final product may be black and white or color and printed on white paper.

All graphics must be computer generated. Public domain and contestant-prepared graphics may be used. No copyright items may be used in this contest. Although a work may be freely accessible on the Internet and contain no statement of copyright, copyright law provides that such works are protected. Contestants must assume that works are protected by copyright until they learn otherwise.

Performance Indicators Evaluated
- Demonstrate knowledge of graphic design and rules for layout.
- Demonstrate effective use of color, lines, text, graphics, and shapes.
- Use principles of design, layout, and typography in graphic design.
- Apply technical skills to manipulate graphics, artwork, and images.
- Use appropriate artwork and design techniques to effectively illustrate a theme.
- Generate a promotional flyer for marketing purposes.
- Produce a graphic design promotion that has eye appeal, and shows imagination, creativity, and originality.

Go to the BPA web site for more detailed information.

Think Critically
1. What are three examples of graphic design productions that are frequently used in the business world?
2. Why is it important to carefully research information gathered on the Internet before using it in graphic design productions?
3. What does “copyright” mean?
4. How does graphic design enhance business publications?