

MARKETING FOR MOTORSPORT COMPETITORS

MARKETING BASICS



INTRODUCTION

A key part of succeeding in motorsport – or any sport for that matter – is how well you sell yourself as a competitor. Self-promotion should not be arrogant or boastful but it is something you need to do in order to be noticed, which is particularly necessary if you're hoping to attract sponsors to support you.

The irony is that it is not always the best competitors that get the best sponsors. Obviously good performances get you noticed but the right kind of marketing activity is even more likely to do so. Think of Ken Block as a prime example. Although he competes at world championship level, he is far better known to the general public because of the online videos of him doing amazing things with cars. He is, first and foremost, a showman with fantastic car control who has developed a massive following through electronic media, which has allowed him to get major brands to financially support his various exploits.

Before you start thinking that Ken Block status is out of the question (which it may well be) just bear in mind that he too had to start somewhere. So do you and there is simply no way of knowing how much you can achieve if you never give it your best shot.

We're hoping that this series of booklets will help you with your efforts. This particular module covers the following:

- **Marketing basics** (which will give you a sense of what you can expect from the five remaining modules);
- **Taking stock**, which is understanding what you have to offer a potential sponsor;
- **Seeking sponsorship**, which highlights the key components of a sponsorship seeking drive; and
- **Attaching value**, which is about understanding the costs required to get you through a season and therefore what is required from potential sponsors. It also touches on how to divide the elements between the sponsors you manage to secure.

We hope you find this information useful and that it helps you to make a good start with your marketing efforts. Please provide us with feedback on the booklet and look out for the next one, which addresses **Building your Brand**.

All the best,



Adrian Scholtz
CEO - Motorsport South Africa



MARKETING BASICS

The core functions of marketing that relate to motorsport are:

1. Value creation

- The primary aim of any business or sports entity is to **create value** for shareholders, partners and sponsors. This ensures sustainability of the team/discipline/sport.

2. Brand building

- This is about generating awareness, establishing and promoting yourself using strategies and tactics. Branding is crucial as it is your 'visual voice'.

3. Promotions

- This refers to raising awareness of a product or brand – YOU – and creating a loyal following.

4. Market research

- This is "The process that links the producers, customers, and end users to the marketer through information" In our case it's mostly about providing feedback to sponsors and partners.



The content of this booklet is presented under these headings, with two additions:

5. **Communication**, and
6. A final **Wrap up**.



TAKING STOCK

This is taking stock of what you have achieved and what you're hoping to achieve



- **ACHIEVEMENTS**
 - What sports and/or disciplines you have previously participated in
 - How you have performed (races, championships, awards, acknowledgements etc)
 - Fan base
 - Social media followers
 - Regulars at events
 - Media supporters etc
- **GOALS**
 - What you're hoping to achieve in the up coming season
 - What activities you have planned or can offer your sponsors or potential sponsors (such as corporate days, displays or demonstrations etc)



SEEKING SPONSORSHIP

A key consideration for sponsors is that you help them to connect with their target market



1. Compile a list of potential sponsors
2. Carry out research to understand their business – what they offer, who they target and how they promote their products or services
3. Work out which potential sponsors are a match and why
4. Create a customised presentation for them showing how a relationship with you would be mutually beneficial
5. Work out how to implement and service your sponsorship programmes – with your sponsor
6. Establish feedback mechanisms – such as monthly reports or quarterly meetings
7. Make sure you deliver on EVERYTHING you have promised!

Sponsorship is not a donation, it's a partnership that has to offer value to your sponsor – and you have to be responsible for providing that value!



ATTACHING VALUE

Be clear about what you are looking for and what it DOES or DOESN'T include – once the ball is rolling, it's difficult to make changes



You have to know what your ANNUAL COSTS are before seeking sponsorship. Then you need to clearly define the different types of sponsorship you are offering and the value of each:

Are you looking for:

- A SOLE TEAM SPONSOR or
- Are you splitting the value into a PRIMARY + 2 SECONDARY and 4 THIRD-LEVEL sponsors?



An example of value percentages is as follows:

TIER		SOLE TEAM	PRIMARY (A)	SECOND (B)	THIRD (C)
Packages available	Number of sponsors	1	1	2	4
Package value	Percentage of total cost	100%	40%	20%	5%

Bear in mind, you can opt for sponsorship of elements within your budget. This may be in the form of products or services as opposed to cash – though you do have to understand the cash value of each and provide returns on that basis.

You could look for the following:

- Vehicle related costs (the vehicle itself or fuel, tyres, decals, repairs etc)
- Event related costs (entry fees, hosting, hospitality, refreshments etc), or
- Logistical costs (travel, transport, accommodation etc).



Start promoting a brand even if the company doesn't sponsor you. If the brand notices you talking about them on social media and in interviews, they might contact you instead of you having to contact them





Be very clear about each piece of 'real estate', how much it's worth and what your sponsor gets in return for owning that space. Don't forget about anything from vehicle to clothing, to pit area, to posters and signature cards. These things need to be agreed upfront and signed off. Any issues raised later could sour the relationship.





Branding opportunities – depending on sponsorship agreement – include:

- Kart, bike or car
- Helmet
- Gloves
- Race suit
- Team gear
 - Caps
 - T-shirts
 - Shorts
 - Jackets
- Service vehicle/s

Other options if collateral is provided:

- Posters
- Banners
- Signature cards
- Gazebos
- Giveaway stickers

Think about other opportunities beyond the obvious. Look at the view of your GoPro (if allowed). Options include:

- Dashboard
- Handle bars/steering wheel
- Gloves
- Back of helmet
- Inside of windscreen (the top strip may be owned on the outside but on the inside it's fair game)

Make the best use of your sponsor's logo:

- Make sure it's as big and bold as possible
- Make sure there's white space around it to make it more visible (see how well Manitou stands out in the image above)
- Think about highly visible placement such as on the roof or sump guard (for cars or bakkies)



Other booklets in the series:

- Building a Brand
- Promotions
- Social Media
- Reporting and Feedback
- Wrapping it all up

If you have any comments or queries, please contact:

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