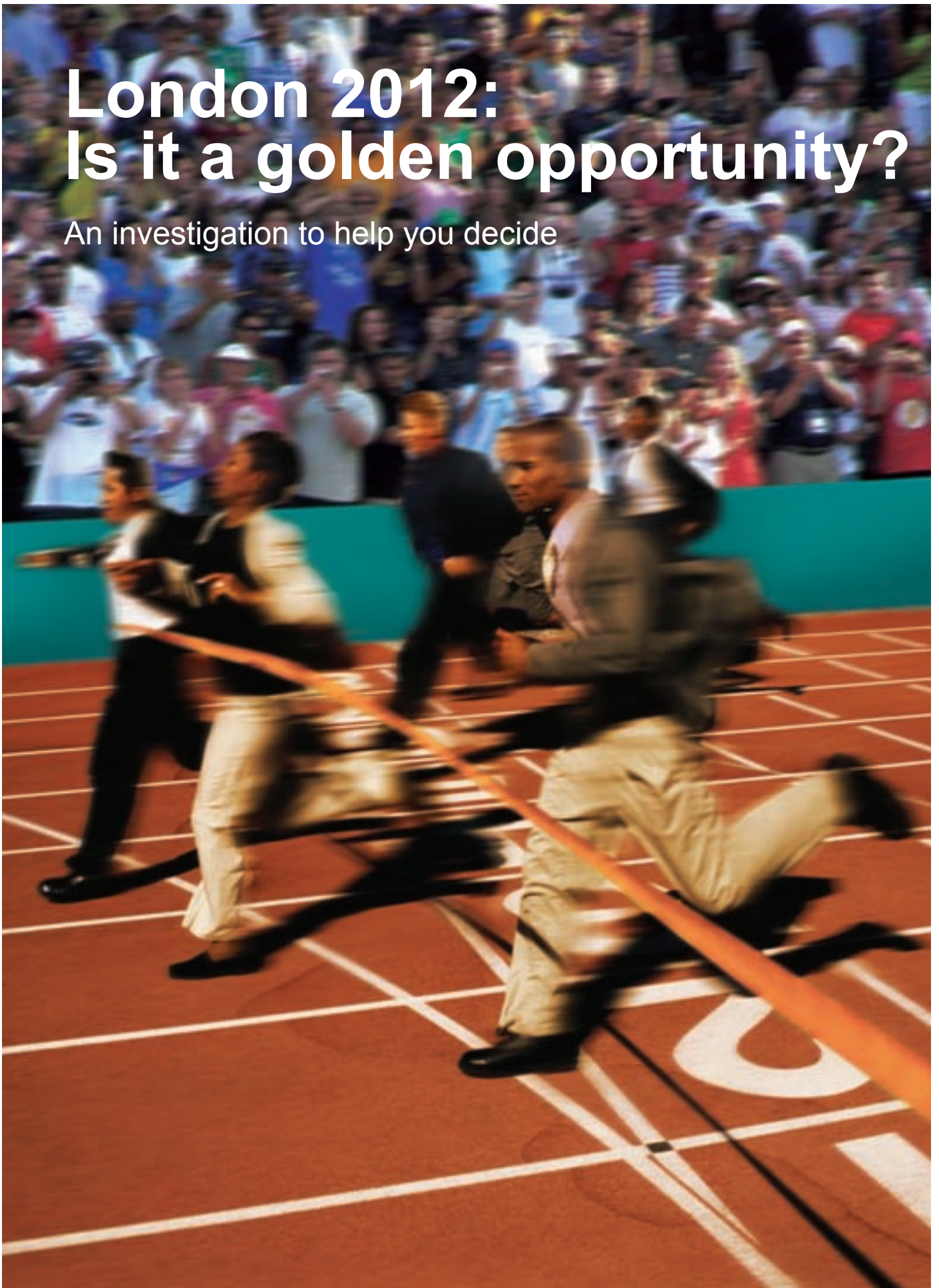


London 2012: Is it a golden opportunity?

An investigation to help you decide



mec:access

Active Engagement

Setting the scene

The biggest event in the history of British sport is fast approaching. So what are you going to do? Will you get involved? Or will you sit it out? If you join in, how will you make your brand welcome?

Brand directors will reach different conclusions about London 2012; based on their own objectives. But it's a mistake thinking the Olympic Games is just another sports event. It's a unique opportunity for British marketers to transform their brand. It has to be worth exploring what is on offer.

To help you on your way, we've compiled this short report. Using up-to-date, bespoke research commissioned by MEC Access, and expert insights, we've identified the critical points to keep in mind. If you want to know more just contact us. There's a lot more Olympic data and analysis where this comes from.

So what areas are we going to cover? Well, first we explore the benefits of linking to London 2012 – because there are plenty. Then we look at how partner brands can activate their investment to maximise ROI and achieve their objectives. Finally, we look at how to overcome the challenges, such as ambush marketing and how to avoid corporate clutter. We hope you find it all useful. Feel free to follow up via the contacts on the back cover.

The speed read

- The Olympics remains the world's most iconic event.
- London 2012 has the potential to deliver a truly unique Olympiad built on creativity and innovation.
- There is huge momentum behind London 2012 presenting a four year opportunity for brands.
- London 2012 resonates strongly across a broad spectrum of consumers providing brands with relevant reasons to engage.
- Partners of London 2012 have an unprecedented opportunity to be part of the Games' legacy.
- The new digital landscape provides partner brands with a revolutionary toolkit to engage consumers.



Part 1: In our considered opinion

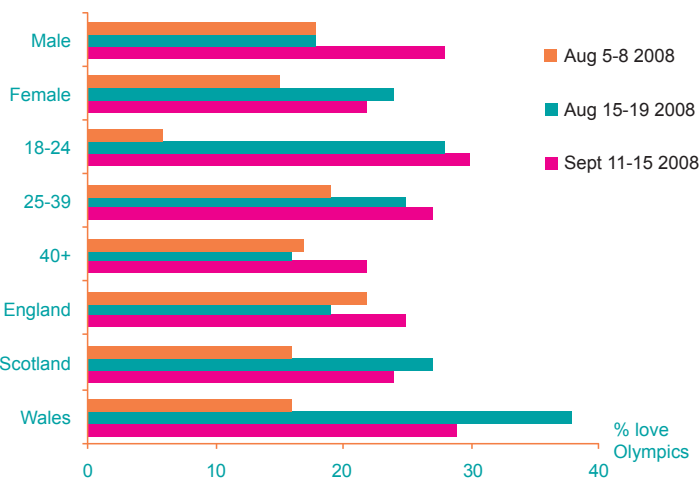
London 2012 will work beautifully (for some brands)

London 2012 is a massive opportunity for the right brands. We've all read negative headlines about the budget, the logo and potential disruption to the lives of Londoners. But the key thing to keep in mind is that this is a unique event that will generate huge interest and enthusiasm. Although we are still some way from the London 2012 opening ceremony, MEC Access research conducted around the time of Beijing shows real positives for brands which get involved.

The Olympic brand is still in great shape

Despite pre-Beijing concerns about China's human rights record, our research shows that the GB population still associates the Olympic brand with positive attributes such as 'idealism', 'friendliness', 'bravery' and 'fun'. Having tracked attitudes throughout Beijing 2008, we found that key demographics (Fig.1) became more enthusiastic the longer the Games went on. A big plus point for brands was the shift in attitude among the GB youth audience which became highly engaged.

Engagement in Olympics (Fig.1)



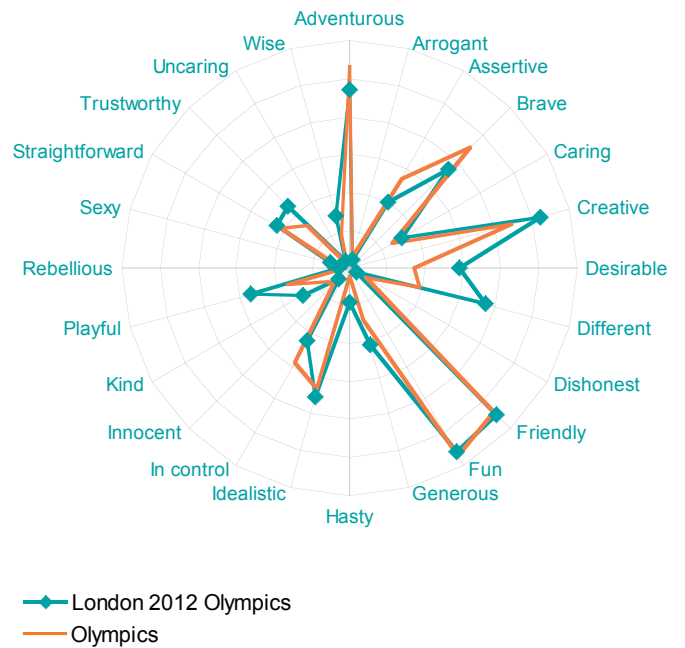
Growth in engagement builds over the course of the Olympics and peaks post the event.

Source: MEC Access Olympics research base: All GB Adults N=723

Olympic ideal + London innovation = iconic Games

London 2012 will be unique. When we asked GB consumers about their attitudes towards London 2012, words like 'desirability' and 'creativity' came to the fore (Fig.2). This tells us that the closer we get to 2012, the more London's Olympic Games will develop its own personality. Beijing's budget may have been massive but London, ideas capital of the world, is perfectly positioned to deliver an iconoclastic and innovative event.

London 2012 brand associations (Fig.2)



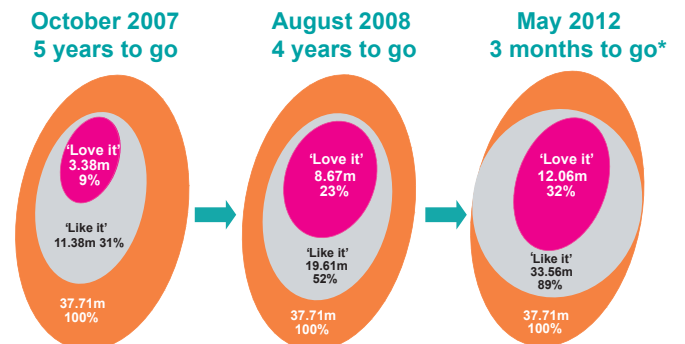
In addition to Olympics characteristics such as 'adventurous', 'brave', 'friendly', 'fun' and 'idealistic', London 2012 also brings 'creativity', 'desirability' and 'difference'.

Source: MEC Access Olympics research base: All GB Adults N=723

Momentum behind London 2012 is already building

Six months ago, no one was particularly optimistic about the chances of British competitors in Beijing. But the unparalleled success of Great Britain's Olympic and Paralympic teams has ignited interest in the London 2012 Games. A surge in TV audience figures, online buzz and positive newspaper headlines during Beijing shows just how much brands will benefit if they can tap into the interest around London 2012's over the next four years (Fig.3).

Consumer engagement in London 2012 (Fig.3)



Engagement in London 2012 amongst GB consumers has increased significantly since October 2007. Ongoing increases in engagement are likely as the Games get closer.

Source: GB PartnerZ™ October 2007: 3000 adults aged 16+ and BrandZ™ 2008
*Based on measured levels of consumer engagement amongst Chinese population towards Beijing Games three months before the event

Results from PartnerZ™ (a Mediaedge:cia proprietary research tool measuring consumers' relationships with partnership properties) shows that 52% of GB's population (19.6 million) either 'love' or 'like' the Olympics. Based on our experience of previous Olympiads, we expect this figure to grow significantly as London 2012 approaches. In the context of Beijing 2008, for example, the 'love' or 'like' index hit 89% among Chinese adults by Spring 2008.

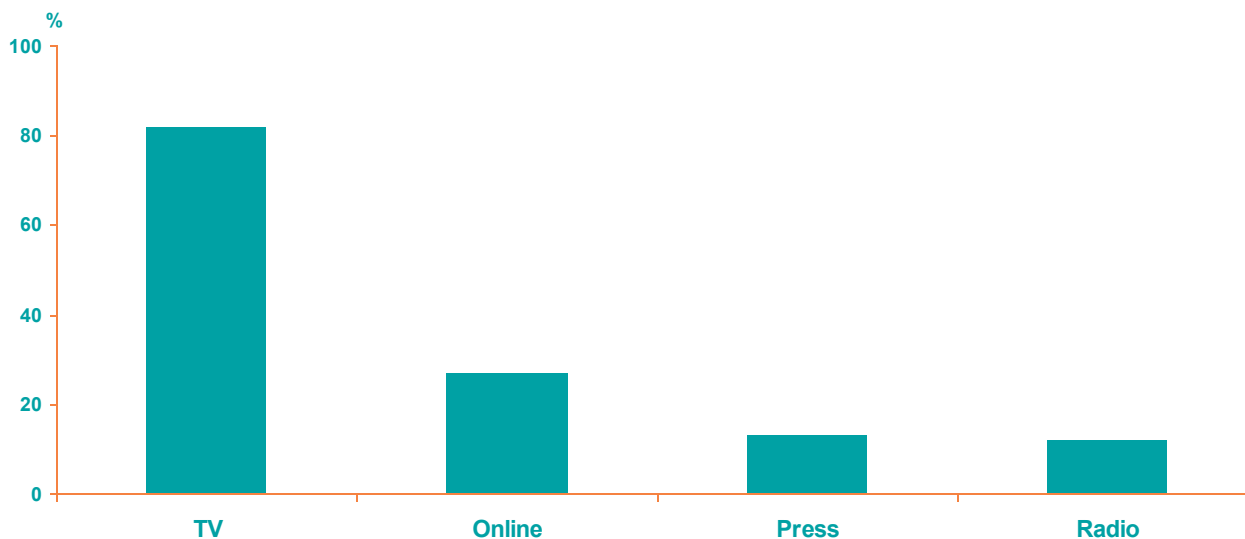
Olympic enthusiasts are 'upbeat', 'ambitious', 'adventurous'

The 8.67 million people who currently 'love' the Olympics index well against a range of measures that are interesting to brands. They are media savvy, active online and active experiencers, which means they tend to have a sense of adventure and enjoy participating in events. It is this group which will drive the momentum for London 2012 partner brands.

London 2012 will be the digital Games

Olympic Games consistently act as a catalyst for technological change, encouraging manufacturer innovation and consumer uptake of new devices. With this in mind, we expect mobile and broadband to increase the opportunities to engage around London 2012 significantly. Our research from Beijing shows just how significant online has already become as a way for consumers to stay in touch with the Games (Fig.4). But four more years of digital development can only serve to increase its significance with Olympic-themed content accessible across all digital channels. We'll look at this point more closely in the next section, but it is also worth noting that London is home to some of the world's best digital media and creative agencies. It also has a good network of digital outdoor opportunities right across its transport arteries.

GB consumers Olympic media consumption (Fig.4)



Source: MEC Access Olympics research base: All GB Adults N=723

London 2012: consumer opinion, August 2008 (Fig.5)



Strong public goodwill to London 2012 offering brands the chance to build a legacy for the country and for themselves.

Source: MEC Access Olympics research base: All GB Adults N=723

A chance for brands to build a legacy

Our research shows that the GB population expect London 2012 to bring long-lasting benefits to the nation (Fig.5). More than half expect it to play a role in nation-building by bringing people together. Now that the GB population is starting to get behind the Games, these figures suggest there is a unique opportunity for brands to have a lasting impact by getting involved in high profile legacy programmes.

The London Organising Committee of the Olympic Games (LOCOG) has made it clear that it wants to work with brands in areas such as the environment and health, using the Olympics to promote sustainable development and health awareness (tackling problematic issues such as childhood obesity). Big brands should consider the message it sends out if they are not part of this huge revitalisation process.

Part 2: Making London 2012 work for your brand

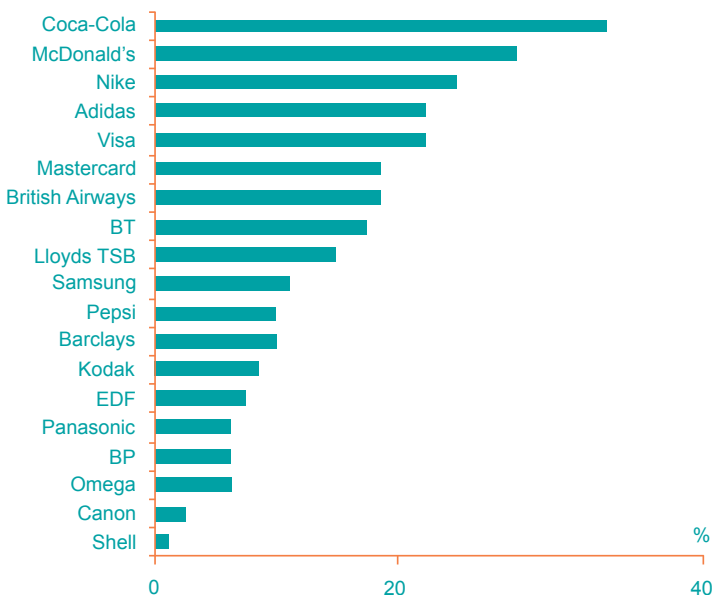
Activation and engagement

Wouldn't it be disappointing to buy into a precious opportunity like London 2012 but then fail to make the most of it through the right activation strategy? It's not easy to get it right. So what will it take to harness the potential of London 2012?

The appeal of an Olympic association is that you can work with Olympic collateral for up to four years. Don't dive in, but, equally, don't spend two years pushing proposals around. It's our view that you should act now, and we do mean now.

In **Fig.6** you can see that the brands with the highest awareness are those which a) have a long-term association with the Olympic movement or b) have already started activating their partnership with London 2012. Our view is that brands need to start work straightaway if they are to put the Olympics at the heart of their marketing plans.

Olympic sponsor awareness (aided) (Fig.6)

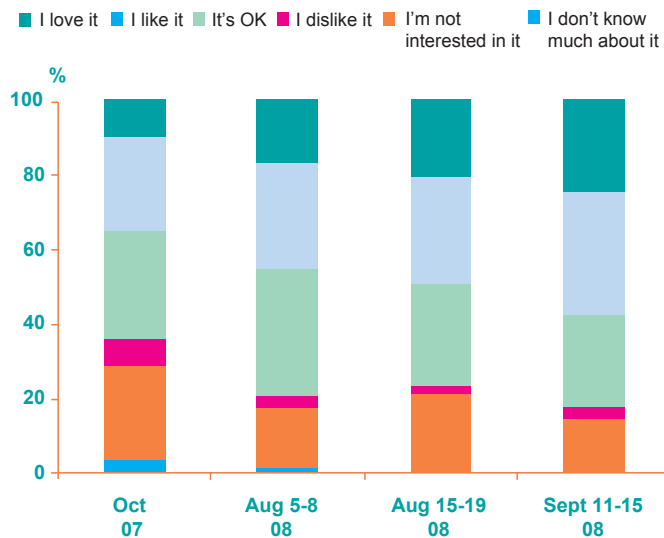


Source: MEC Access Olympics research base: All GB Adults N=723

There has, arguably, never been a better time to engage directly with consumers. This is partly thanks to the emergence of powerful and dynamic online communities at locations like Facebook and MySpace. Remember, there is a latent emotional pull towards the Olympic brand among the population even if the media doesn't always reflect it. Our research shows that fans are still interested in the Olympics even when the event

is still some way off (**Fig. 7**). For brands, this means there is an opportunity to convert this latent goodwill and enthusiasm into positive feelings towards your brand if you can find the key to unlock it.

Consumer engagement with the Olympics (Fig.7)



Unsurprisingly, there is growth in engagement in the Olympics around the event. However, it is important to note that even in a non-Olympics year consumers do have a notable attachment to the Olympics.

Source: MEC Access Olympics research base: All GB Adults N=723



What are the key triggers?

Every brand activation strategy is different, since it depends on variables such as objectives, budgets and rights allocation. But there are some general themes which emerge from our research.

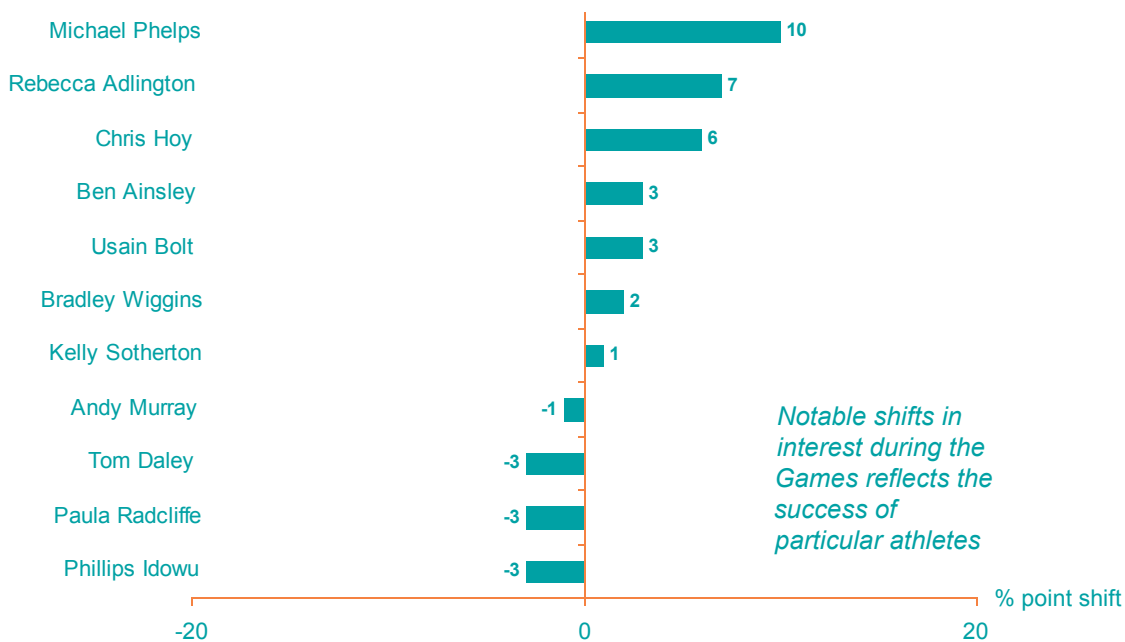
Personalise the process

It is clear that consumers engage strongly with athletes who succeed. For example **Fig.8** shows the significant shifts in interest towards British medal heroes like Chris Hoy, Ben Ainslie and Rebecca Adlington during Beijing 2008. Investing in personalities presents brands with enticing opportunities to drive exposure and engagement. It is however crucial to have a strategy in place to manage the selection and use of personalities in the right way:

- A thorough evaluation of each athlete against talent and personality requirements is vital to make sure the right choices are made
- It makes sense to select talent from a wide range of Olympic events as you can never be 100% sure of who will succeed
- Building a story outside the Games is critical – the athletes' journey can be as engaging as their success or failure at the Games
- Some past Olympians still have strong resonance offering scope to include these personalities in your activation strategy
- Great Britain has a highly successful Paralympic team that can generate inspiring human interest stories.



GB consumer interest in Olympic athletes: shifts before to during Beijing 2008 (Fig.8)



Source: MEC Access Olympics research base: All GB Adults N=723

Embrace digital and branded content

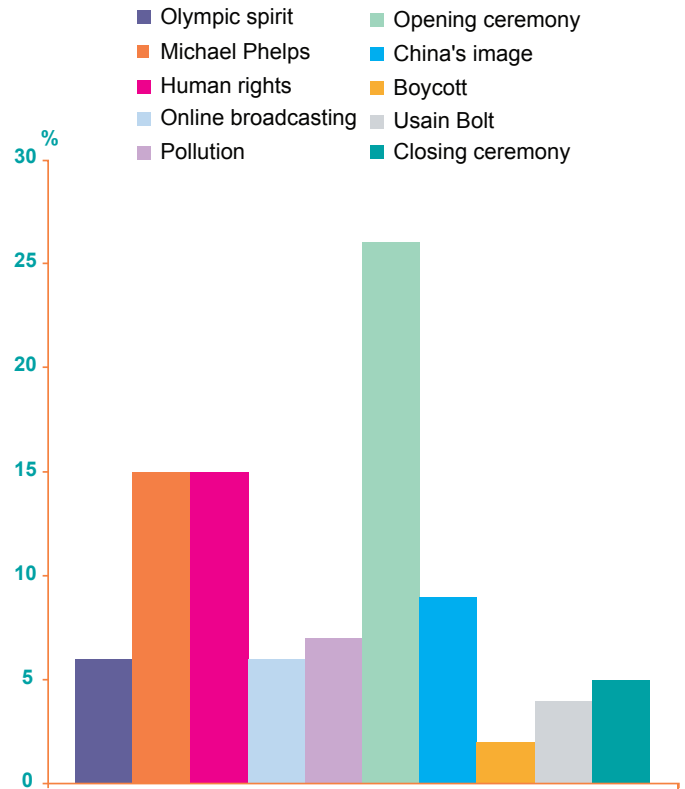
By 2012, broadband, mobile and digital outdoor will be a fundamental part of any successful Olympics activation strategy. Whether you are creating or associating with content, digital media will provide powerful channels to talk directly with consumers.

During Beijing 2008, we conducted an online media audit to see how areas such as social networking, blogging and micro-blogging fit into the wider Olympics conversation. This work clearly demonstrated a huge volume of Olympics themed conversations across all forms of online media surpassing other sporting events such as UEFA European Championships 2008, Wimbledon and Formula 1.

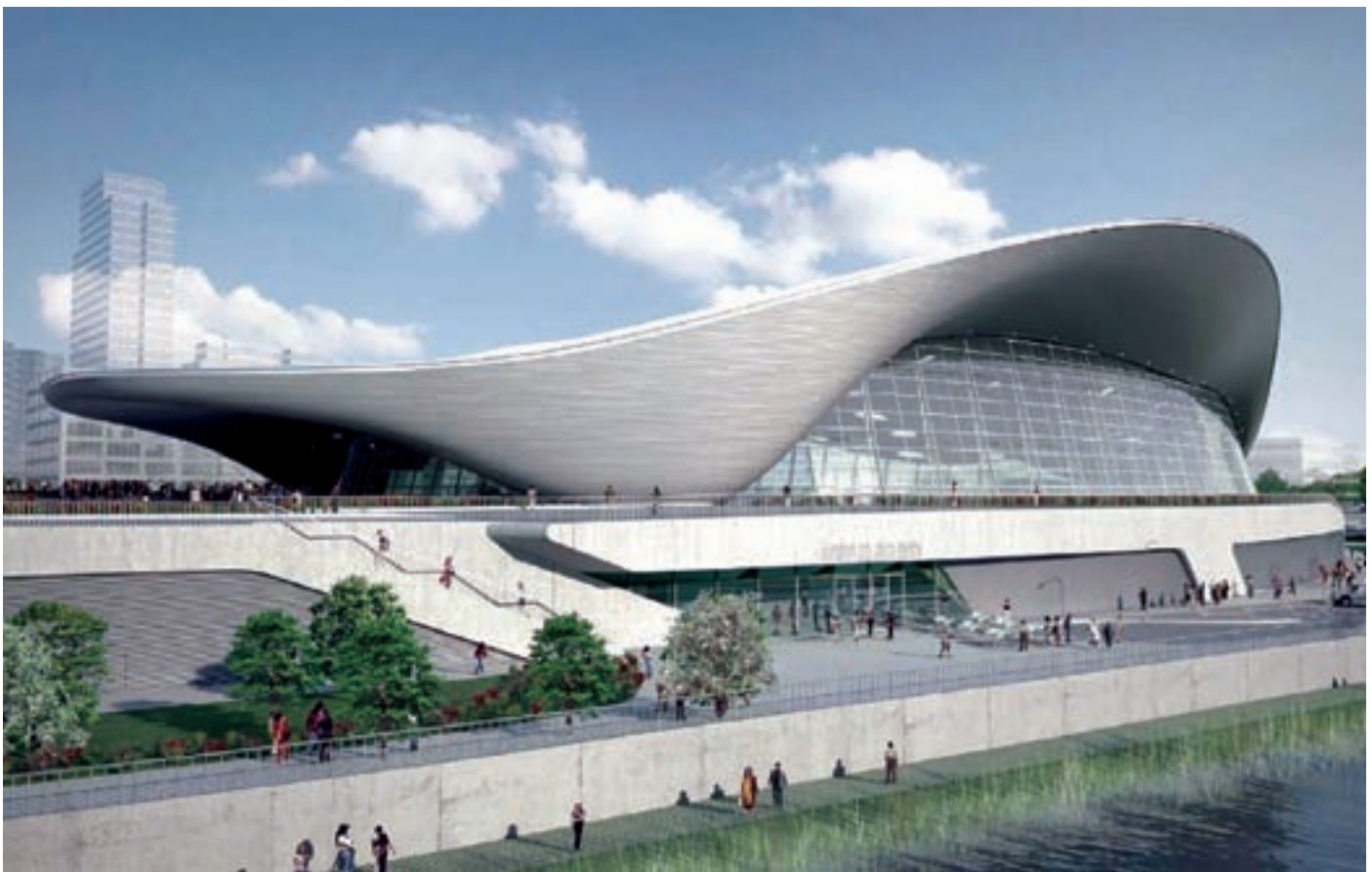
Examples of the Olympics buzz? The top five Olympic related videos on YouTube generated more than 20,000 comments and Michael Phelps now has more Facebook friends than Barack Obama.

The audit also gave us an immediate insight into what people were talking about (Fig. 10). Although this included a number of subjects with negative overtones (pollution, human rights, etc.), it also demonstrated a real thirst for a deeper association with the event. It's our view that there is an opportunity for brands in this space, perhaps working with London 2012 organisers to showcase the lives and back stories to Olympic hopefuls. There is also scope to explore the world of user-generated content, since online users showed a great interest in creating their own Olympic content.

What people were talking about (Fig.10)



Description: topic of online conversation
Source: Delib, online opinion tracker



Possible digital scenarios around London 2012

- Athletes could wear sensors providing real-time performance data during actual events that could be fed across digital channels.
- Brands could negotiate Twitter feeds for real-time updates from athletes.
- Fan Twitter and Seismic feeds could also be streamed on company sponsored channels to complement professional content.
- Non-attendees could get updates in public places such as malls and high streets via large scale touchscreens and digital displays.
- The opening and closing ceremonies are events in their own right and could provide opportunities for digital innovation for artists.

Mobilising youth audiences

Perhaps the biggest opportunity within the context of London 2012 will be to engage with youth audiences. We've already talked about the way that young people switched on to the Games at the last moment. The question now is whether brands can build a strategy around British creativity and use the developments in digital media to involve youth audiences at an earlier stage in the Olympic cycle.

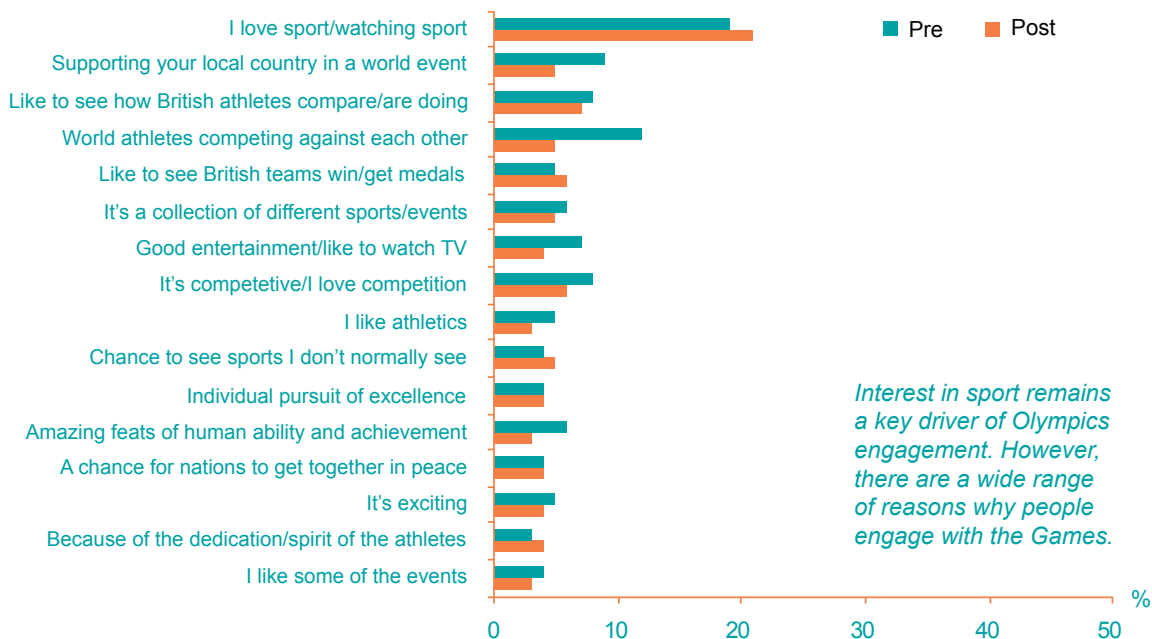
The CSR opportunity

Michael Payne, the architect of the IOC's modern day brand marketing programme, says the Olympic brand is unique because of its ability to foster seemingly contradictory brand equities (such as 'dignity' and 'dynamism').

This is supported by our own Beijing 2008 research (**Fig. 11**) which showed a diverse range of reasons why people engage with the Olympic Games (national pride, individual spirit, global harmony, exciting, etc.).

When you bring together all of these attributes with London 2012's perceived strengths, the platform is available to build a highly engaging community-based strategy capable of touching all parts of the social spectrum. After Beijing, this is definitely on the public's agenda, with our survey respondents saying that sponsors should be helping clubs and communities where potential Olympians might be found and nurtured. Community-based activities which link sustainable development and health promotion to core concepts such as creativity and entertainment is a possible strategic play by brands.

Reasons for engaging with Olympics (Fig.11)



Source: MEC Access Olympics research base: All GB Adults N=723

Part 3: Challenges for 2012 brands

All of the above observations assume a best case scenario for brands. But there are a range of issues that London 2012 partners need to deal with if they are to maximise their Olympic return on investment.

Lack of stadia branding/no commercial airtime

This is not so much a real weakness as a perceived weakness. The fact that there is no media exposure via stadia or the BBC is offset by the fact that brands have four years to engage with audiences across all other channels and venues. The relatively low awareness figures achieved by some sponsors reinforces our belief that key to Olympic ROI is having a well organised activation strategy, because there are no title rights and branded presence at stadia to do the job for you.

There will be numerous media channels to communicate your partnership. For example, there will be a big opportunity to use out-of-home media (including mobile) more effectively around London 2012.

Ambush marketing

With so little overt branding, some sponsors worry that rivals will ambush their Olympic activity. But London 2012 will be the most heavily regulated and well policed Games ever in terms of rights protection. The chance of a rival brand slipping through the cordon and spiking your strategy is remote. By the same token, any brand

thinking about going down the ambush route itself should potentially think again. The scope for the ambush approach to go wrong is substantial.

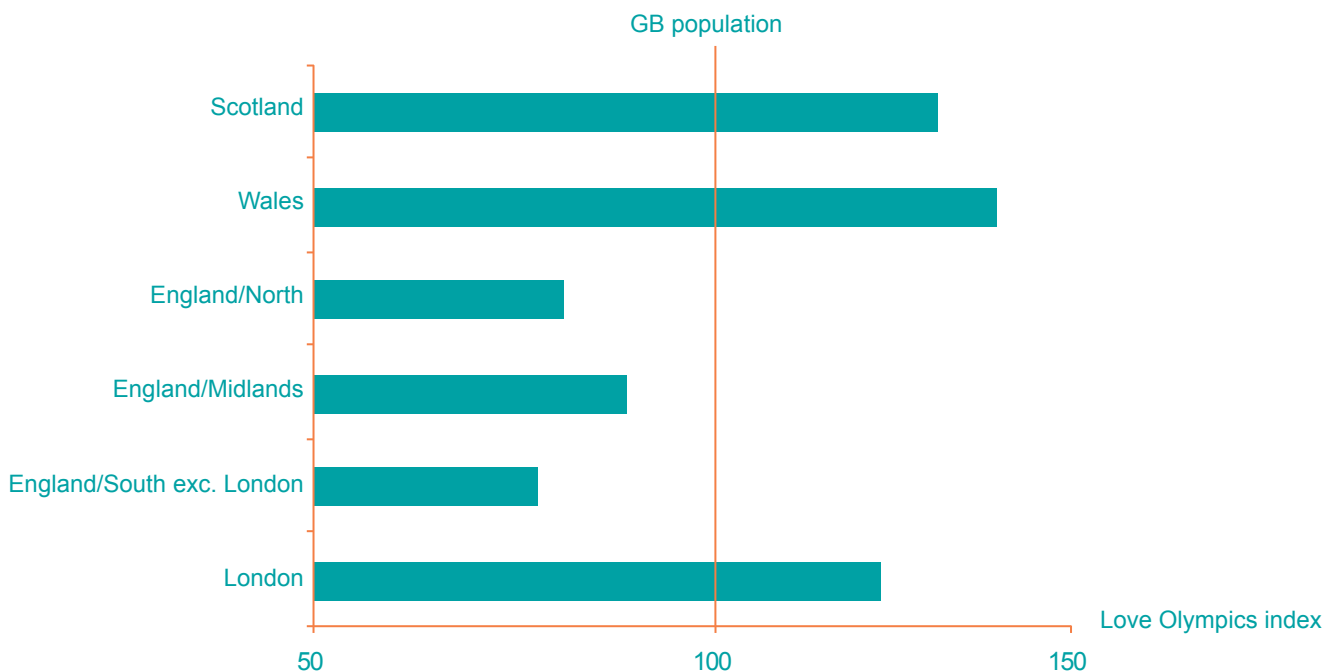
GB-wide relevance

Brands will need to work hard on their regional activation to maximise their ROI (**Fig.12**). The English regions, in particular, need to be encouraged to buy into the idea that London 2012 is a national event. This message will be easier to achieve if companies have a GB-wide presence. But perhaps the most effective way to galvanise support is through athletes who come from outside London, for example, double Olympic Gold medal winning Rebecca Adlington.

“Rebecca’s performance was simply awesome. To go out as she did and leave the world’s best swimmers in her wake was absolutely incredible. I can’t put into words how proud we are that Rebecca is a Mansfield girl.”

Tony Egginton, Mayor of Mansfield

Engagement with the Olympics by region (Fig.12)



Engagement with the Olympics is stronger in Scotland, Wales and London.

Source: MEC Access Olympics research base: All GB Adults N=723

Fear of failure

One slight concern to come out of our research is that the Brits feel a bit overawed by the scale of Beijing, the spectacular opening ceremony is at the heart of these worries. But the simple response here is to steer away from size comparisons. London 2012 partners need to play to the country's strengths, not those of an emerging China. This brings us back to themes such as creativity and innovation.

Avoiding sponsor clutter at London 2012

Just as in sectors like football, there is a risk of clutter at the Olympics. There will be significant communications from official sponsors, so it is critical to devise an innovative and distinctive activation strategy.

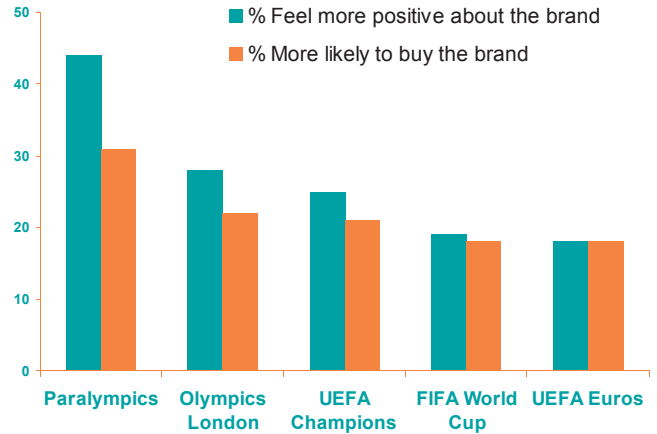
Delivering ROI

Some brands question the ability of the Olympics to deliver real benefits to their bottom line. However, it is important to understand that the Olympics offer much more than PR opportunities and media exposure.

Fig.13 shows that a significant proportion of GB consumers have a better opinion and are more likely to buy brands that partner the Olympics or Paralympics.

There are also significant opportunities across other key business stakeholders to consider. Olympic partners often describe how an Olympic association allows them to unite workforces across their networks and business units. As an Olympic sponsor, you become part of an exclusive global business community with all the benefits that this can deliver.

Impact of partnership properties (Fig.13)



Source: MEC Access Olympics research base: All GB Adults N=723 and PartnerZ™ October 2007



Part 4: How to get involved in London 2012

Now that you have read our overview of the opportunities presented by London 2012, you may be thinking about how you can get involved.

There are many ways to partner with the Olympics – directly or indirectly. The International Olympic Committee (IOC) has three tiers of partner and so does the London Organising Committee of the Olympic Games (LOCOG). As this report went to press, LOCOG was still looking for around 30 sponsors – in order to reach its total target of £750-£800 million. Most remaining opportunities sit in £5 million to £20 million budget range.

LOCOG has given a lot of guidance concerning the kind of business sectors it wants to work with. But it's important to remember that this is flexible. If you come to the table with a sound strategic and commercial proposition, you will get a good hearing, unless it conflicts with an existing IOC or LOCOG partner.

In addition to the above, there are numerous opportunities to link up with the British Olympic Association, national governing bodies and athletes. This is a good thing but it's important to evaluate each opportunity against the needs of your brand.

MEC Access

MEC Access is the market leading global sport, entertainment and cause business with over 350 specialists in over 30 countries around the world.

We help brands create partnerships across all platforms delivering consulting, creative activation and measurement services.

We have extensive Olympics experience working with a number of high profile partnerships both at the global and local level.

**If you would like to know more
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