

Insurers remain fans of sport sponsorship

11.2.12

Insurance Age

Insurer sponsorship deals have garnered quite a bit of coverage over the past month, with the news that Aviva's partnership with UK Athletics has come to an end after 13 years.

Meanwhile, Aon has been unveiled as the official sponsor of the National Football League UK, a move it claimed to have made in an effort to aid promotion of American football in the UK.

This is on top of its shirt sponsorship deal with Manchester United, on-going since 2010 and due to end in 2014, although it will retain other links with the club. So what is the attraction of these and other multi-million pound deals?

John Kitson led Aviva's marketing division for 14 years, joining when the provider was still known as Norwich Union, and is currently working as an adviser to SJW Marketing. During his time at the insurer it took on the sponsorship of Norwich City Football Club.

He listed several reasons why insurers sponsor sports teams, the first being that the branding can be extremely helpful in raising awareness of a company name, a new service or product, or a change of strategy.

As for how sponsorship is regarded among brokers, forking out in this way can signal intent to both customers and intermediaries that an insurer is willing to spend and that the powers that be are serious about the company. In short, it conveys confidence in the business.

On target

One of the advantages of using a team to wear your logo is that you can target a fairly specific consumer group. Mr Kitson gave the following example: "If you go with rugby the audience is fairly tight – predominantly male, probably middle class and from the South of England."

Added to that are the corporate hospitality and networking opportunities afforded to a company linked to a sporting outfit, with matches and events such as awards ceremonies going on throughout the year. And sponsoring a team helps to give consumers an "emotional connection" to a brand. Mr Kitson cited LV, which sponsors an eponymous rugby tournament in addition to Harlequins Rugby Union club, as a business that had succeeded in this: "They have given the brand meaning, above just being a set of initials."

Aviva stuck with athletics for so long because the Olympics provided the opportunity to do just this. Most importantly though, sponsorship must be part of an overall marketing strategy – it will not work in isolation. Green Flag sponsored the England football team for four years, but, according to Mr Kitson: "Everyone knew they sponsored the team but they didn't know what the company was.

"[Green Flag] should have done some advertising and PR around the shirts, it's about what your message is."

This is a point picked up by Anthony Heywood, marketing manager at Wilby, which has sponsored Huddersfield Town FC for three years now – proof that such deals can be of direct benefit to brokers too.

"It's difficult to get across what we actually do as a business," he admitted, pointing out that there was value beyond just appearing on a shirt.

"You can try to make the most of it on social media, like Twitter, and reinforce it to people who might recognise us," he argued.

Brand recognition

While he accepted it was difficult to gauge the results, Mr Heywood was certain that Wilby's brand recognition had improved due to the sponsorship and also listed further positives. Links with the regional press have improved, and it has been useful in terms of networking with other companies commercially involved with Huddersfield Town.

"They have a good standing locally, they are a Yorkshire club and that's how we are aligned as well," he said. "That potentially makes a difference to customers."

Brokers may not particularly care personally whether an insurer appears on any given sporting shirt. But there is no doubt that it filters into the minds of the end customers, their clients. It is likely therefore to stay part of the environment for years and remain an opportunity for them to promote their own brand.