

Brief Analysis of Sports Marketing Strategy Adopted by Coca Cola Company

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Abstract

The process of sports marketing is to reincorporate resources of an enterprise and integrate the sports culture embodied in sports activities into products of the enterprise to realize adequate integration of the three aspects of sports culture, brand culture and corporate culture. This is aimed to arouse resonance between enterprise and consumers, form long-term special focus and interest among the consumers and facilitate the competitive priority of the enterprise.

On the international stage, quite a large number of brand enterprises come to be known well by people and become a brand of fashion and health in their eyes. Among the numerous brands, the author believes the sports marketing strategy of Coca Cola Company started earlier and its marketing method and mode is relatively peculiar, which deserves our learning and reference. The remainder of the paper is organized as follows. In the first section, it introduces the current situation of sports marketing. Then, in the second section, the importance of sports marketing on product publicity and the role of sports marketing are expounded and several modes of sports marketing are illustrated. In the following, the author makes selective analysis of the sports marketing strategy of Coca Cola. Finally, the author proposes his viewpoints and makes a conclusion.

Keywords: sports marketing, brand, Coca Cola, marketing strategy

1. Introduction

With the advent of the 2008 Beijing Olympic Games and the continuously up surging enthusiasm of the public in sports, “sports marketing” has become a strategy for multitudinous enterprises in their market promotion and setting up their brand image. Sports marketing are a kind of marketing campaign which promotes and popularizes products and brands with the carrier of sports activities. It realizes integrated communication by means of sports sponsorship, naming, inviting sports stars to represent as their product sportsman, product design that conforms to the sports culture and purchasing advertising. The most fundamental function of sports marketing is to reincorporate resources of an enterprise and integrate the sports culture embodied in sports activities into products of the enterprise to realize adequate integration of the three aspects of sports culture, brand culture and corporate culture. This is aimed to arouse resonance between enterprise and consumers, form long-term special focus and interest among the consumers and finally become a competitive priority of the enterprise.

2. The Role of Sports Marketing

Sports marketing are to reincorporate resources of an enterprise and integrate the sports culture embodied in sports activities into products of the enterprise to realize adequate integration of the three aspects of sports culture, brand culture and corporate culture. This is aimed to arouse resonance between enterprise and consumers, form long-term special focus and interest among the consumers and become a competitive priority of the enterprise. In marketing activities with the carrier of sports, the most common patterns include naming, sponsorship, and inviting sports image spokesman. The role is quite simple, just to improve the popularity, reputation of loyalty of a brand so as to achieve increase in the sales performance. In the meantime, as a kind of soft advertising, sports marketing has such characteristics as large amount of communication objects, broad communication scope and strong pertinence, etc.

2.1 Enhance the Brand Popularity of an Enterprise and the Brand Image

Sports are a cause which the entire human kind keeps eyes on. The tense and agitated occasion on the competition terrain and the struggling, enterprising and equal spirit exhibited are likely to get people's common approval. Sports marketing make effective integration of the common emotion of human kind with the ideas and cultural elements of corporate products or brands. This is aimed to enable consumers to appreciate some brand-new or more elements in the brand connotation of the enterprises, make both the public image and the brands of the sponsors more propagated and approved to a larger extent and help the enterprises establish a better social image and brand image.

2.2 Enable Brand Communication to Have More Effective Communication Effects

A sports event has great publicity potential and is able to absorb eyeballs of a large number of people within a short period of time by spanning over national borders and getting over any geographic restriction. It has great intuition and high rate of exposure to the media as it has a huge amount of audience. Marketing is of tacitness. Publicity of companies and products by means of sports marketing can enable the corporate brands and product brands to appropriately stand on the margin of the focus of the public. Not only will this not steal the show, but also this will skillfully resort to the split vision of the public vision, which will most effectively achieve the purpose of corporate marketing. The advertising does not appear directly and solely, which, on the contrary, will better highlight the brands. According to the statistics, when a football match is broadcast, the duration of the advertising board on camera nearby the competition terrain is accumulated to up to seven minutes and thirty-seven seconds. This, invisibly, will convey the information of the advertising to the audience, and will achieve better effect of publicity.

2.3 Sports Marketing Is an Effective Means to Build a Global Powerful Brand

A global brand has to be supported by a global communication platform. Such international sports activities as World Cup and Olympic Games often absorb global attention and become the most international market promotion platform. Quite a lot of multinational brands become a global brand just due to their sponsoring of such kind of activities. A questionnaire survey by an international sponsorship survey institute shows that, the symbol of the five interlocked rings in the Olympic Games leaves more profound impression on the audience than any corporate logo. Once selected as the designated sponsor for the Olympic Games, it means that the product is bound to become a world-renowned product. This, without doubt, will enhance the international image of both the enterprise and its brand. After Samsung became the sponsor for the Olympic Games, it has got rid of the brand image of medium and low class in the international market. A series of sports sponsor activities enable the corporate image, its products and technology to get approved worldwide.

3. The Mode of Sports Marketing

3.1 Sports Sponsorship

Sports sponsorship is conducted with the means of give and take between sports system and sports sponsor, in which the sponsor provides funds, entity or technical support and the one sponsored pays back with a series of rights, such as, naming, patent and advertising. It is an entirety of a series of commercial activities which aim to satisfy different needs of the two parties and finally promote common development of the two parties. Through sports sponsorship, the brand or product of the sponsor comes to a kind of spiritual interaction and communication with the target audience. Sports sponsorship creates a platform for the merchant to communicate with the sports fans in emotion. What's more, the brand or product of the merchant who has sponsored a certain sports event or league match for a long time will, likewise, be thought to represent the athletic contest spirit conveyed by the sports event that is sponsored. This can be said to a kind of sublimation of communication between the merchant and the target audience. Thus, generally speaking, it is more likely for sports sponsorship to set up a bond connection with the target audience than advertising.

Sports sponsorship can be classified into the following several types based on different types of sponsorship objects.

3.1.1 Sports Media Sponsorship

Sports media sponsorship can be conducted through the following three methods:

- (1) Sponsor the media or purchase the advertisement time frame of the media. An enterprise is able to gain high exposure rate and acquire joint interest through TV broadcast or rebroadcast of the sports event it sponsors or by means of purchasing the advertising time frame of these media.
- (2) Title sponsoring the sports programs of the media. For example, during the 28th Athens Olympic Games,

China Mobile Communication Corporation (CMCC) successfully obtained the naming right of the column of CCTV's "Athens Star Today", and shared the Olympic enthusiasm together with the audience by means of the broad platform of CCTV-1.

(3) Sponsor the media and journalists that participate in interview of sports events. For example, China CDMA specially sponsored on-the-spot interview by Chinese journalists during the World Cup in 2002. Each journalist held a CDMA mobile phone. Also, the television relay cars were also printed with the symbol of CDMA, which, afterwards, became a superexcellent flowing advertisement.

3.1.2 Sports Event Sponsorship

Sponsorship patterns and returns rights concerned with sports events include naming of sports events, sponsor of sports events, advertisement right and public relations activity right connected with sports events, sports event emblem and usage right of mascot.

3.1.3 Sports Organization Sponsorship

Sports organizations of all levels and categories represent the industrial position and authority in the sports industry. Thus, a sponsor is able to acquire returns with long duration and great influence by means of sponsoring a sports organization.

3.2 Inviting Sports Stars as the Brand Image Spokesman

It has become an important part in sports marketing strategy of an enterprise to invite sports stars as the image spokesman, which provides vivacious personality elements for the brand image. During the Olympic Year in 2004, the McDonald's cooperated successively with the two young Chinese Olympians of Yao Ming and Guo Jingjing for their brand publicity. As the spokesman for the brand activity of McDonald's "I'm loving it", Yao Ming's sincere and enthusiastic personality and tall figure fully embody the unique charm of the Big Mac and interpret the implication of "life full of vitality" that the Big Mac brings. Guo Jingjing is the first image spokesman in sports in Chinese market by the McDonald's. She reflects the features of the McDonald's brand-fashion, energy and full of vitality. All this is quite consistent with the way of life which people nowadays go after and long for. All these traits are in line with the brand image of "I'm loving it" of the McDonald's. The major profits from inviting image spokesman are listed as below:

(1) In the case that sports athletes with high reputation and perfect personal image take up the post of spokesman for enterprises and products, the figures of the sports stars appear in all kinds of advertisements, publicity materials and promotion products. This uses the celebrity effect to amplify the influencing power of the enterprises and the products.

(2) It is practical to invite sports teams or sports stars for advertising of using their own experience as an image spokesman. The alternative practice is to invite the sports stars to participate in the meet-and-meet with the soccer fans and in the fan signing event or to try out products. Or, the sports team or stars can, on behalf of the enterprises, take part in public welfare activities, reception of high level, entertaining and other communicative activities.

(3) The names of image spokesmen can be used to nominate a product after they are invited as image spokesmen. There are countless enterprises that have created sales miracle with this method. For instance, within the ten years when Nike sponsors Jordan, the output value of such production lines of sports shoes named after Jordan and basketball jersey printed with the number of Jordan attain up to 5.2 billion of US dollars. The sales volume of sneaker with the name of "Air Jordan" also occupies the top among sports shoes of the same kind in the world.

4. The Sports Marketing Strategy Adopted by Coca Cola Company

In our society, sports have become an important item in people's daily life. The influence of sports on the society is on daily increase whether in fierce professional competition or in the recreational activity participated by common people. With constant expansion of the sports market, no enterprise does not keep an eye on the sports market and the contest for the sports market also becomes more and more violent. On the international stage of sports marketing, it is without doubt that Coca Cola is a strong performer above the ordinary.

What is exhibited in the 2004 Athens Olympic Games is not only unusually brilliant sports competition, but also unforgettable spiritual experience. Every one engaged in the Athens Olympic Games are able to feel the profound Greek historical accumulation and cultural deposits. In October 2004, NBA, for the first time, detonated in China. This, likewise, has brought a brand-new basketball culture and idea to its audience and has enabled all its fans to really appreciate this kind of basketball enthusiasm and charm. Both of the two sports

events have fully exhibited the strong sports marketing capacity of Coca Cola. According to statistics, during the NBA Jam, there are 130 thousand activity visitors in Guangzhou, among which 50 thousand people personally take part in activities of the Jam. By contrast, there are respectively approximately 100 thousand people in Shanghai and Beijing who have taken part in the Jam activities.

4.1 Look forward to the Future and Create Win-win

Coca Cola Company has been a sponsor of the Olympic Games since the Amsterdam Olympic Games in 1928. Its sponsorship has lasted for as long as 76 years. This is absolutely not just a simple commercial sponsorship, but intimate cooperation as a strategic partnership. Owing to its close cooperation with the International Olympic Committee, Coca Cola Company has, in the past decades, adequately excavated Olympic resources and rights of an Olympic sponsor. Together with the International Olympic Committee, Coca Cola Company has promoted and completed a lot of activities both inside and outside the competition terrain, such as, Olympic Torch Relay, issuance of Olympic souvenir tin and souvenir medal and Olympic Youth Camp, etc. All these activities have absorbed millions of audience. At the time when Coca Cola Company is carrying forward the Olympic spirit, it has also become an exalting "Coca Cola Olympic Year" all over the world.

It is worth mentioning that, Coca Cola Company has its own unique view in selecting sports stars as their image spokesman. It is the best example that Coca Cola signed a contract with Liu Xiang, Ma Lin and Teng Haibin before the 2004 Athens Olympic Games. After careful scrutiny and impartial evaluation, Coca Cola Company selected the above three sports stars as their Olympic spokesmen. Of course, these sports stars also lived up to expectations and all went for the Olympic gold. The reason why Coca Cola selected these sports stars is that their personality and image fit in with the brand image of Coca Cola, namely, optimistic, aggressive and striving for excellence. Furthermore, they all have excellent sports performance and ambitious prospect, so they deeply win favor from the audience. As a matter of fact, in a deeper idea, Coca Cola hadn't had unrealistic expectation upon these sports spokesmen. No matter what kind of medals they might obtain, the most important is their go-aheadism spirit, which is exactly the idea that Coca Cola Brand is dedicated to communication.

4.2 Position Accurately and Comply with Connotation of a Brand

In sports marketing, Coca Cola is always taking pains to search for connection between sports exercise, consumers and Coca Cola and excavating the market opportunity. "NBA Basketball Carnival" is a good example. Through a series of market surveys, Coca Cola comes to know that basketball receives more and more favor from the adolescents and the popularity of basketball among the adolescents will gradually surpass football. What's more important, basketball movement fits in with the brand concept "To Cool Themselves" which Coca Cola is dedicated to expressing. As an accurate point of penetration, "NBA Basketball Carnival" is able to connect organically Coca Cola, basketball movement and consumers and exercise incisively and vividly the Trinitarian marketing strategy based on sports movement, consumers and Coca Cola per se. Li Xiaojun, Director of the Public Affairs and Communications in Coca Cola (China) Beverage Company Limited, says, "It is far from enough to merely purchase the naming right in sponsoring a sports event. It is also required to invest a large amount of human resources, material resources and capital funds to facilitate proceeding of all kinds of relevant marketing activities. Most often, these activities seem more important than the naming right in itself."

According to Li Xiaojun, if the sponsor does not make full use of the sponsorship right, this right will only be of little help to a brand. The biggest difference of Coca Cola from a large majority of enterprises that are crazy about sports sponsorship is that the Coca Cola knows how to effectively convert the right of sponsorship into the superiority of sponsorship. She also says, "In order for the brand to be associated with the Olympic Games in the eyes of consumers, it is necessary to resort to relevant events to extend the sponsorship further and to connect it with our target consumers. This is exactly a vigorous marketing strategy."

4.3 Promote from Multiple Angles and Market Three-dimensionally

In the communication means of integrated marketing, Coca Cola attaches great importance to diversified publicity channels to spread out the message of activities which include On air (broadcast, TV), On line (internet), Off line (print media) and On ground (on the spot). Nowadays, as an emerging medium, network receives more and more attention from the enterprises. In the NBA Chinese match, Coca Cola chooses a lot of internet media as an important publicity means for their target consumer group. In this regards, a marketing expert says, "A large part of Coca Cola's consumers are young people. Compared with the traditional media, they are more likely to get access to the internet. Therefore, it fits in with the social tide to cooperate with the internet media in terms of the publicity mode."

The marketing expert says that the two most frequently used marketing strategies for Chinese enterprises are

advertisement bombing and lucky draw with huge amount of cash. Sports marketing is a kind of all-around behavior, in which all kinds of marketing means should be integrated. The most essential function of sports marketing is to set up or improve the relationship between enterprises and consumers and to enable the consumers to approve their brands by integrating sports culture into brand culture. In October 2004, when NBA Chinese match detonated in China for the first time, Coca Cola brought in more than ten kinds of basketball games with original taste and flavor into China that are mostly popular in “NBA Basketball Carnival” in the All-Star Weekend. This is the highlight of the integrated marketing of Coca Cola. Coca Cola conveys the brand connotation of “To Cool Themselves” which Coca Cola advocates to its consumers by means of all kinds of interactive basketball games and excellent performance by the basketball slam dunk performance team.

4.4 Cover All by Extending from One Unit to a Whole Area

In this regards, the football marketing of Coca Cola is a best example. The football marketing of Coca Cola contains multiple levels and abundant content, ranging from amateur football at a basic level, such as, school football and community football, to a national team and all kinds of intercontinental competitions, and then to the World Cup, almost penetrating each field of football. As for different levels, Coca Cola has formulated different promotion strategies which are accompanied with corresponding activities to achieve maximization of the marketing effect. In the case of football at a basic level, Coca Cola has organized large scale 3-to-3 or 5-to-5 matches in a lot of cities to absorb quite a large number of citizens to participate and to let people as many as possible to appreciate the football pleasure that Coca Cola will bring. All this is aimed to expand the influencing power of the brand. However, in the case of such significant sports events as World Cup and European Cup, Coca Cola has made full use of the rights of a sponsor to design a lot of unique activities and appeal to participation and focus of the public.

In addition to such traditional terrains as Olympic Games and football match, Coca Cola does not stand still and refuse to make progress. Instead, it has extended the rich experiences in sports marketing to lots of other vigorously developed movements. Only in China in 2004, Coca Cola sponsored successively F1 and China Open Tennis Championship which were on the upsurge in China, with the purpose of continuously expanding the leading role of Coca Cola in the field of sports marketing.

5. Concluding Remarks

“Marketing of Coca Cola is to organize activities to let consumers participate and let the public participate. Any kind of activity is aimed to connect consumers closely with the brand and products of Coca Cola. The primary and final aim of all sales promotion and communication means is to connect consumers with products and brands.” Coca Cola Company summarizes its Olympic consumer-oriented strategy, which can be explained as such, “Our strategy is to let consumers, restaurant managers, retailers and representatives of bottlers strengthen their memory of the Olympic Games. In the long run, the profit is embodied in their loyalty towards the brand of Coca Cola.” In the meantime, they think that “Positioning of the Olympic marketing of Coca Cola is not athletes and the event per se, which are all secondary. Its objective is to let the common consumers share the Olympic Games. The greatest success of Coca Cola’s Olympic sponsorship activities lies in her Olympic strategy as usual, which is to position all activities on the common public.”

Actually, it is obvious that, in the whole Olympic marketing, Coca Cola merely treats Olympic Games as an instrument. By contrast, more other enterprises treat it as a target as they hold the view that sponsorship in Olympic Games means victory. If those non-sponsor enterprises hold a different view, they will, as a matter of fact, also obtain their own perfect tacit Olympic marketing strategy. For instance, “illegal” marketing of the Snowflake Beer and the “non-Olympic marketing” released by Frestec Refrigerator this year indicate that these enterprises have got the truth of Olympic marketing. That is, there is always a method to get access to resources.

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