

## Now is the Time to Plan Your 2017 Sports Marketing Budget

Revenues from sports in the US are exploding in growth. According to Statista\*, from 2009 to 2016, the industry jumped from \$48.73 billion to \$67.07 billion in revenue. In 2015, Forbes\*\* predicted that sports revenues would total nearly \$74 billion in the United States by 2017.

Along with all that growth comes rapidly expanding opportunities for sports marketing. While many companies contribute a large portion of their marketing budget to sports, others have yet to dive in.

If you've never participated in sports marketing, you may have some questions about its inner-workings. Mills Marketing and Communications is a leading sports marketing agency that is the sports marketing agency for huge brands such as GEICO, and partners with most major league teams. Drew Mills, its Owner and President, answered some questions about the industry, and specifically how to handle budgeting.



### It's budget time for 2017. What does that mean to you and your clients?

"It means we have to make sure we have the financial resources in place to make it a successful year for our clients. That includes mapping out every sport, venue, and television program we want to be involved in, leaving no stone unturned. We have to plan well in advance."

One of the most significant advantages to working with a firm like Mills Marketing is that they have the experience to be able to predict more accurately the ROI on any particular marketing effort. Through the years, they've been able to track thousands of marketing projects, discover the ROI, and predict the cycles that are hidden in the industry.



**How does budgeting for sports marketing differ from budgeting from any other type of marketing?**

“It’s similar, but since sports seasons are cyclical, you’re going to have overlap. You want to be sure you don’t miss something as you go from one season to another season.”

**How long have you been doing sports marketing, and where is your experience? You work with over 119 teams and over 40 regional sports television networks around the country. What leagues and teams do you have relationships with?**

“I’ve been doing sports marketing since 1981. We have deep relationships with most NFL teams, NBA, NHL, major league baseball teams, college conferences like the ACC, CAA, Big East, etc. We also work with other events, like PGA and LPGA golf, and even the Olympics. This includes minor league teams as well.”

In many cases, major league teams are the only ones that people think of as having sports marketing, but local minor leagues and even community teams and leagues can use the same techniques as the “Big Boys” and get an excellent response. You don’t have to be the New York Yankees or the Green Bay Packers to be a big deal in your hometown or region.

**What advice do you have on why companies should include sports marketing in their overall budget? And why should sports marketing be a line item with its own dedicated expenses?**

“Because sports has grown over the years - really exploded as a market. It’s not just a small piece of the puzzle anymore. It’s a full-fledged niche, and you need a budget to focus on **that**. The great thing about sports marketing is that the games are live and there is much less chance of having your message impacted by ad-skipping technologies like DVRs. With attended live events, you are assured that your audience will be exposed to your event marketing message.

Many marketing efforts, such as classic TV commercials or radio spots, disappear as soon as they end. With many sports marketing opportunities, your message stays in front of your target audience for the entire season. Whether it’s signs in the outfield, named entrances in a football stadium, or the local plumber sponsoring a Little League team, sports marketing is unique in that it tends to have a much longer shelf life than almost any other sporting event.

Every replay of Kevin Harvick’s latest Nascar victory is an advertisement for Busch beer. The same goes for every English Premier League replay. Their jerseys all have corporate sponsors on them. These are just a couple great examples of the “evergreen” nature of much of sports marketing.

**Are budgets set for the entire year? For example – we are currently in the 2016 baseball season. Should companies budget now for the 2017 baseball season?**

“Yes. Now is the time to set up your plan for 2017, which includes sports that are currently playing their 2016 seasons, such as baseball.



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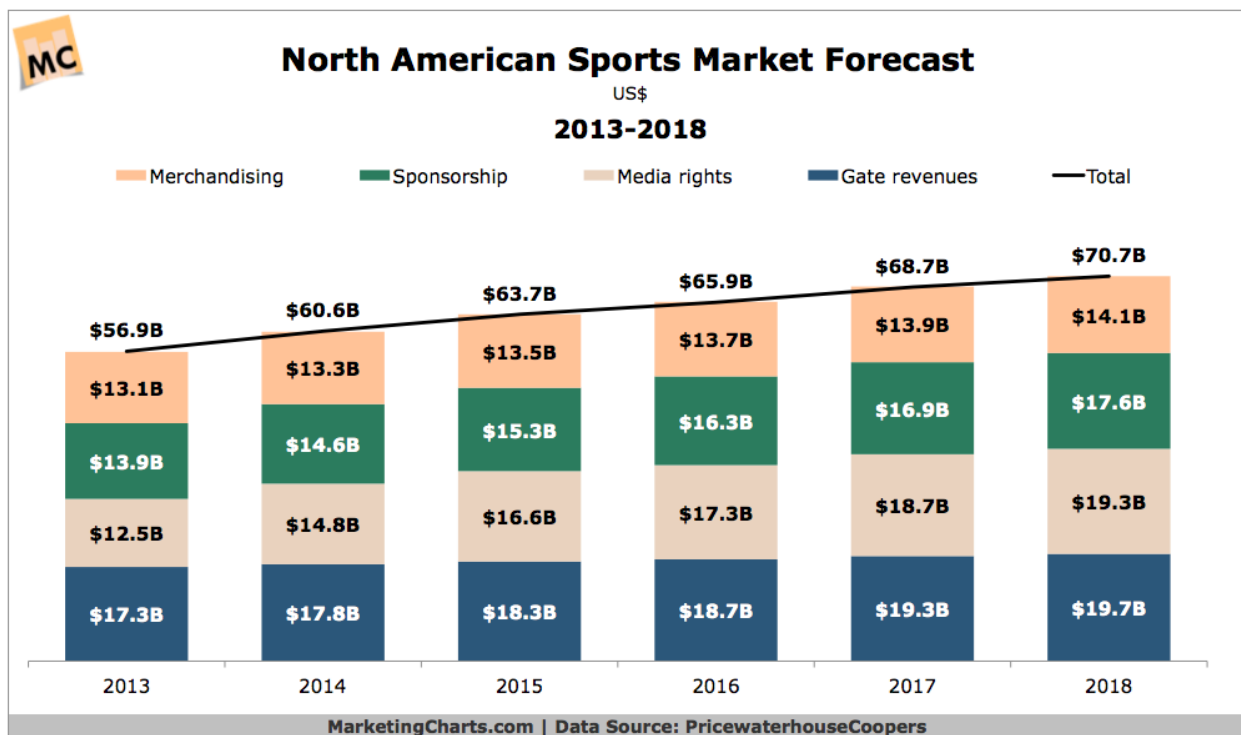
We'll create a budget, which includes making educated guesses as to which teams will be doing well and what will happen in the 2017 season. This is an area where our experience and special knowledge of sports and the sports marketing industry adds a ton of value to our clients when it comes to planning and negotiations."

### Why choose a sports marketing agency and not just any regular marketing agency?

"Because we're specialists - focused and knowledgeable about sports marketing. Just as you'd want to hire a lawyer who practices in the field of your particular case, we have the expertise to guide you through the entire process because we've done it time and time again. This means knowledge and experience in all aspects of sports marketing – placement, purchasing, and coordinating with other media partners."

### Sports marketing has shown strong growth recently and is still growing. Why is this?

"The growth of sports marketing has really mushroomed over the last 10-15 years. Even when the economy is bad, people still enjoy going to or viewing sporting events. It's recession-proof to a certain extent."



As this chart from *marketingcharts.com* illustrates, the projected growth in sports marketing shows a steady, predictable climb.

The "recession proof" nature of sports marketing comes from its "in the park" and "in the home" facets. When times are good, ticket sales will rise and people will see your signage and advertising live. When there is an economic downturn, fans will stay home and watch their favorite teams, even minor league and college teams, at home where the beer and hot dogs are much cheaper.

**Sports marketing seems to be “in your face.” To a large extent, it can’t be turned off or avoided. What are the opportunities with this?**

“The opportunities are really almost endless - naming rights, branding on regional sports networks, signage. In fact, with signage, you get a great branding aspect over and over again. Every time the game is re-watched, shown on the evening news, instant replays, etc., you create value, because there your sign is again, reinforcing your brand.”

“Another opportunity is live streaming. It’s really taking off with the NFL, NHL, NBA, MLB - all the professional leagues. Again, you get great exposure with live streaming and the branding aspects are just unlimited.”

The best part of sports marketing is its relationship with a favorite team. For example, if Miller is the official sponsor of one of the world’s most recognizable and well-liked teams, the Green Bay Packers, those good feelings rub off on the beer company. The same applies to any other sporting team or event. If you’re a fan of the Padres, the Chicago Fire, the Heat, or your local college team, subconsciously, you will begin to associate certain sponsors (advertisers) with your favorite team. It’s not a choice; it’s the power of repeated impressions.

**What services does Mills Marketing offer to clients for budgeting and placement?**

“We’re full service. Negotiations, scouting new opportunities, placement, trafficking, handling invoicing and accounting – we do it all. Of course, this includes the creative process with spots, signage, and activations. We’re also very experienced with introducing clients to sports marketing and resolving any questions or concerns they might have. That’s why we provide free initial consultations for those considering sports marketing.”

The answers above should give you a better understanding of why sports can be an integral and valuable part of your marketing budget. Americans love sports and the continuous, overlapping seasons can ensure perennial exposure for your brand.

For a free initial consultation on how sports marketing can help your company or your team, please contact Jennifer Perando by phone at 301-208-9130 Ext. 1027 or by email at [JPerando@millsmktg.com](mailto:JPerando@millsmktg.com)

\*<http://www.statista.com/statistics/214960/revenue-of-the-north-american-sports-market/>

\*\* <http://www.forbes.com/sites/darrenheitner/2015/10/19/sports-industry-to-reach-73-5-billion-by-2019/#64ee59e41585>