Integrated Brand Promotion – Advertisement for STADIUM OY

Tung Mai

Bachelor’s Thesis
DP International Business
focused on Marketing
2014
This project-based thesis is an advertisement for Stadium Oy. In 23 years of leading marketing department, Stadium’s marketing manager had to say this is a pioneer time when Stadium’s outsources an advertising project to an external individual resource. The project, therefore, consists a number of business partners so that professional quality is guaranteed to deliver.

STADIUM’s advertising strategy stays committed to the company’s business model and its mission. This directly affects the marketing strategy such as distributing channels, advertising message, etc. as well as the thesis production’s content. The following report will discuss the influential factors.

On personal development side, the author has a firm career path to pursue. Specifically, advertising industry is the target. Therefore, taking advance from the thesis opportunity, the author got himself exposed to practice by working with Stadium as a miniature agency. Consequently, the paper will report the whole process from planning to execution, including progress of sales, negotiation, production, and project management.

In conclusion, outcomes of the project is taken into consideration. The results embrace the use of material and remark on project management experience. Discussion on pros and cons will be taken place in comparison with theoretical analysis.

Follow the link for the production content: [http://bit.ly/1iH2eOq](http://bit.ly/1iH2eOq)

**Keywords**
Advertising, marketing, retailing, project management, STADIUM
# Table of Contents

1. **Introduction** ................................................................................................. 1
   1.1 Thesis topic ................................................................................................. 1
   1.2 Thesis objectives ......................................................................................... 2

2. **STADIUM Company** .................................................................................... 3
   2.1 About STADIUM ....................................................................................... 3
   2.2 Business model .......................................................................................... 5
   2.3 Mission ....................................................................................................... 6
   2.4 STADIUM’s marketing strategy ................................................................. 6

3. **Theoretical framework** .................................................................................. 7
   3.1 Sport promotional mix ............................................................................... 9
   3.2 Pull strategy versus Push strategy ............................................................. 10
   3.3 The hierarchy of effects ............................................................................ 12
   3.4 Sport advertising ....................................................................................... 16
   3.5 Retail advertising ....................................................................................... 20

4. **Project planning** .......................................................................................... 23
   4.1 Side aims and objectives .......................................................................... 23
   4.2 Commissioner acquisition ....................................................................... 24
   4.3 Commissioner’s expectations – Advertisement content & Media plan .... 26
   4.4 Human Resource & Partners ................................................................... 27
   4.5 Time management ...................................................................................... 28
   4.6 Risk Management ...................................................................................... 29

5. **Project implementation** ................................................................................ 29
   5.1 Production process .................................................................................... 29
   5.2 Challenges .................................................................................................. 30
   5.3 Project finance & partners ........................................................................ 31

6. **Production evaluation** .................................................................................. 32

7. **References** .................................................................................................. 33
1 Introduction

Sports marketing never stops. It is believed that although product sales might not increase by having more ads, sales will drop when ads stop. Having numerous public relation contracts with famous sports players, Nike strategy has always been dynamic on launching diverse campaigns to create noise and excite buyers regardless any seasons around a year.

As the largest sports retail business in Nordic countries, Stadium never rests from the race of advertising. Besides period sales off campaigns, market trend is a subject which Stadium constantly keep eyes on. In fact, according to Stadium’s marketing manager, market research is one of the flagship activities since it would critically identify pricing strategy and advertising campaigns.

Generated sales lead at the right time when Stadium was preparing advertising campaign for winter season, the author has reached an agreement with Stadium’s Marketing Manager about producing an advertisement to support Stadium’s advertising resources. In other words, Stadium purchases the service in which the author would act as a miniature agency to produce an advertising video that is in line with the company’s strategic conditions.

The thesis document below reports in details the project implementation. Theoretical analysis will also be demonstrated. However, since the project execution was based on both individual experience and strategic planning, theoretical support will only be discussed at phases where it is applied to avoid cliché examination.

1.1 Thesis topic

Advertising industry has a diverse segmentations from online to offline platform. Although the internet era has made digital marketing no longer a prominent but significant component, traditional advertising with print and media channels never seem to be out-dated. In fact, Stadium – a 27-year company with wisdom – still have full commitment with their traditional channels. Utilizing the power of graphics and videography, Stadium commercials are mostly conducted via print and media assets.
On a quarter basis, Stadium introduces their products with a series of ads according to seasonal trendy sports. With initiatives and active sales approach, the author’s thesis proposal has been selected to be part of Stadium’s 2014 advertising campaign. In other words, by paying the author individually, what Stadium expects from the return on investment is an advertising video that promotes 2014 winter sports. In addition, the video content must strictly comply to Stadium’s business model, mission and vision. Confirmed by the marketing manager, as long as required conditions are fulfilled, the production would be used as an in-store advertisement for Stadium stores in Sweden, Denmark, Finland and Stadium Youtube channel.

€1500 is the official price that STADIUM paid to the author for production. Combined with other self-raised sponsorships, the thesis value is worth approximately €2000. According to Rogers and Thorson (2012, 4.), advertising is a paid communication produced by identified sponsor that uses mass media to persuade consumers. In other words, with Stadium’s compensation, the thesis should not be misunderstood as a promotional material schoolwork-type but an advertisement at business level.

The author is a sales-oriented person who can be thorough at business analysis and creative at initiatives to make ends meet. However, when it comes to hard skills such as videography, it is the limit of the author’s capability. As a matter of fact, in order to satisfy and produce added value to the result, the project has been outsourced to be produced by a professional in proper advertising industry. Conducting at professional business level – this is one of the main factors that makes the thesis exclusive, since typical theses do not reach out of the comfort zone to make cooperation with multiple partners to make a business impact in advertising industry.

1.2 Thesis objectives

Author’s objectives

In order to make the thesis an achievement, account manager and producer are the two roles that the author needs to manage and demonstrate. Breaking down to specific skills, the thesis has practical relevance characteristics to working life when account management, project management and financial management are the three main skills
for the author to be exposed and managed. Considering in terms of Marketing Degree program of HAAG-HELIA Porvoo, the thesis objective has strong relevance to the results which the degree program offers at first sight.

The second purpose of this thesis is to support the author’s inception. Setting career goal as an account executive in advertising agency, the objective motivates the author to create and conduct a proper advertising project with a company as a miniature agency. The project is executed professionally from ground up to final stage. In other words, the thesis provides valuable experiences in conducting an advertising project, which would endorse the author’s prestige in practice.

**Stadium’s objectives**

From any company’s perspective, cost-efficiency is always the first and top benefit to get from student project.

In 23 years of leading marketing department, Stadium’s marketing manager is impressed as the author is the first one who approached Stadium and proposed an advertising project. Besides, since Stadium’s marketing strategy mainly focus on print and media channels, long-term contract with limited agencies are signed in order to keep brand consistence in line with different campaigns. This leads to the point that similar approach is repeatedly conducted over years. However, when it comes to advertising, creativity is one of the first priorities towards decision making. The project, therefore, is a pioneer test for Stadium to welcome initiatives and new thoughts on how to approach the advertising message.

## 2 STADIUM Company

### 2.1 About STADIUM

STADIUM is the Swedish largest sport retail business representing in four countries: Sweden, Denmark, and Finland. At the end of 2013, STADIUM currently has more than 3400 employees working in 153 stores. Operated the first store in Sweden in 1987, STADIUM has entered Finnish market since 2001. Until 2013, STADIUM is running 26 stores in Finland with 600 employees. (STADIUM 2013)
STADIUM does sport retail business. This means that STADIUM does not manufacture sport goods to be sold but the company operates as a distribution channel selling products from other sport brands. STADIUM compiles a variety of sport products from different brands so that consumers are able to make consumption based on their favours. As an advantage mentioned earlier, the nature of this business helps STADIUM not to promote their products but rather focus on STADIUM brand.

STADIUM AB is the parent company in Norrköping, Sweden. The parent company acts as a service office for all stores. Other than stores, STADIUM also functions into other branches as the following chart describes.

![STADIUM company structure](image_url)

Figure 1: Stadium company structure (Stadium 2013)

Initial founders of STADIUM are Ulf and Ebo Eklöf. Presently STADIUM ownership splits in: Eklöf family 75% and Ikano 25% (Dagmar 2014). Ikano is owned by Swedish Kamprad family business, and Ingvar Kamprad is the founder of IKEA.
2.2 Business model

Southwest Airlines’ CEO has made an impressive example of how company commits to its business model. Recapped from customer’s feedback, the airlines staffs propose to serve chicken salad on board to satisfy the wants of all passengers. The initiative seemed to be much innovative, yet until the CEO rejects it hard. Explaining this, the CEO insists that the Southwest Airlines is popular with its business model: ‘THE low-cost airline’. Hence, in order to ensure the model sticky to consumers” mind, it is consequently important to keep the standards prevalent to all consumers. (Chip and Dan Heath 2007, 22.)

Theoretically, Kotler (2008, 5.) also discusses the essence of an oriented business model. Every organization exists to accomplish certain purposes. For the time being, business development has to adapt to external changes in the market. This might introduce new conditions in the new environment. Nevertheless, business concepts cannot be changed periodically. Therefore, business model is the most simple, yet most difficult, statement to keep company’s business concept not from drifting away.
Officially, STADIUM defines their business concept as ‘Modern, functional sports and sportswear at the best price’ (STADIUM 2014). An important point to take into account is STADIUM offers the ‘best’ price, not the ‘cheapest’ price, as STADIUM’s marketing manager insisted.

2.3 Mission

Marketing strategy often adapts to changes occurred in business environment. Nevertheless, organizational structure such as business model, vision and mission is inflexible. Decided by company’s top management, these factors directly influence the marketing process. Marketing managers must manipulate the strategies to find balance between revenues and company’s culture. (Shank 2009, 41.)

‘Company mission is to inform various stakeholders (consumers, employees, general public, and suppliers) about the direction of the organization (Shank 2009, 41.)’. In terms of communication, mission defines the products/services that are offered to consumers. It is also the company’s values towards consumers and the ultimate guide leading marketing in reaching consumers’ needs. (Shank 2009, 42.)

STADIUM’s slogan – ‘Join the Movement’ – is rather closer to the company’s mission than the business model.

‘Inspire the active lifestyle’ – with their mission, STADIUM believes ‘there is a winner in everyone and that is the one STADIUM wants to communicate with’ (STADIUM 2014). Explaining the company’s mission, Torgny Johansson (STADIUM Marketing Manager) expresses the temptation is to utilize the absolute advantage in sport business. As theoretically analyzed before, sports reflect positive impact on social and personal factors. People perceive sports as steady healthy lifestyle. Therefore, Torgny believes that it is sport business” job to turn the emotional relationship between consumers and sports into passion to make revenue.

2.4 STADIUM’s marketing strategy

Torgny Johansson does not hesitate to declare that STADIUM’s marketing „stiffly” commits to their business concept, rather than the company’s mission. Through many
available channels (TV ads, Youtube, etc.), reality proves that STADIUM’s promotion does not embrace any creative content or copywriting, so that it may not confuse prospects with other values the company has. TV ads and Youtube channel contains similar content of the TV ads. In other words, the final and frank message STADIUM expects prospects to memorize is about the reasonable offers. Sports inspiration is only considered to be part of the hierarchy of effects.

It is also important to take into account that the author is unable to access further information of STADIUM marketing strategy. The marketing manner as discussed above is concluded from the marketing manager’s perspective towards the extent of this thesis project.

3 Theoretical framework

What is marketing

More than any other business function, marketing primarily focuses on customer. In each business market, marketing is conducted differently according to the nature of the field. However, the mutual goal of marketing in general is to attract new customers by offering superior values and to keep and maintain satisfaction for continual consumption. (Kotler 2008, 4.)

There are mistaken believes that selling and advertising are considered as marketing. Although consumers are bombarded with such promotions nowadays, selling and advertising are only parts of the marketing iceberg. In other words, it is a misconception by understanding marketing as ‘telling and selling’. In fact, Peter Drucker states, ‘the aim of marketing is to make selling unnecessary’ (Kotler 2008, 5.). As components of the ‘marketing mix’, selling and advertising are marketing tools to serve for the core purpose of marketing; satisfying customer needs and build customer relationships. (Kotler 2008, 5.)

In brief, marketing, according to Kotler (2008, 5.), is defined as ‘a social and managerial process by which individuals and organizations obtain what they need and want through creating and exchanging value with others’. Marketing is managing profitable customer
relationships. Therefore, marketing is ‘the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return’.

**What is sport marketing?**

Sport and sports are different concepts. The nature of ‘sports’ refers to participant(s) equipped with facilities compete against each other in a standard of rules; examples are individual, dual or team sports activities such as basketball, golf, boxing, etc. Meanwhile, sport concerns ‘activities, experiences or business enterprises that center on athletics, health and wellness, recreation, and leisure time opportunities’ (Schwarz, Hunter & Lafleur 2013, 4.). Another approach to define ‘sport’ would be wide-ranging aspects, including operations, which make the sporting actions happen. (Schwarz, Hunter & Lafleur 2013, 4.)

Sport consumers purchase goods and services for personal/organizational use and ownership. As a result, sport business illustrates individuals or organizations that work towards profit by providing sport goods and services. In order to satisfy needs, wants and desires from consumers, the association of sport and business sets out a strategic collaboration of planning, organizing, directing, controlling, budgeting, leading and evaluation to make tangible and intangible sport product/service profitable. (Schwarz, Hunter & Lafleur 2013, 18.)

Sport marketing, according to Schwarz, Hunter & Lafleur (2013, 5.), covers business functions which aim to deliver sport goods and services from producer to consumer. It is ‘the specific application of marketing principles and processes to sport product’ (Shank 2009, 3.).

It is a conventional misconception when marketing is only assumed as marketing tactics. As to preclude this misperception, Schwarz, Hunter & Lafleur (2013, 5.) introduces the 4Cs concepts of sport marketing analysis: the consumer, the company, the competition and the climate.

In terms of first C - the consumer, in the purpose of reaching prospects, sport marketing professionals analyse situation through a set of process. The traditional 4Ps of marketing
(product, price, place, and promotion) helps to accomplish at this stage. As mentioned earlier, advertising is the subcategory which falls under this fourth P – promotion (Schwarz, Hunter & Lafleur 2013, 5).

3.1 **Sport promotional mix**

Sales and traffic are the two elements that Schwarz, Hunter & Lafleur (2013, 238.) believe to be outcomes of sport promotion. Consolidated into academic categories, sport promotional mix is classified into following generalizations: advertising, sponsorship, public relations, licensing, personal contact, incentives and atmospherics.

Out of the list, advertising is the primary and most common element in sport promotional mix. It is also the most used communication channel. There are three basic distinctions within advertising.

*Advertisement*: paid communication produced by identified sponsor that uses mass media to persuade consumers

*Advertising campaign*: series of advertisements which has mutual mission to promote exclusive marketing messages during certain time frame.

*Integrated brand promotion*: multiple promotional tools are used in certain manner to promote awareness, identity and preference for sport products, services and the associated brands. Schwarz, Hunter & Lafleur (2013, 238.). Consequently, the relations between theory and the author thesis can be concluded as following figure.
The final purpose of any brand communication is to have consumers purchased products. Pull and push strategy are to influence buyers behaviour to achieve this objective. Although the terms sound opposite, the means are actually supportive and beneficial each other (Fetchko, Roy & Clow 2013, 211). Shank (2009, 275) also emphasizes that target audience is the decisive factor by implementing these two strategies.

**Pull strategy.** According to Shank (2009, 275.), pull strategy reckons any action of brand communication that makes products from distributing channels appealing to consumers. Whether communication channels are online or offline, as long as the implementation engages consumers to acknowledge the brand to lead to desired action, pull strategy is concerned. Pull strategy highly stimulates demand from consumers hence the ultimate target audience is the end users.

In addition, Fetchko, Roy & Clow (2013, 211.) explains the different levels of pull strategy achievements. Special offer coupons, as an example, might lead consumers to
consumption (the top-notch purpose of pull strategy). However at other levels, the objectives do not aim at immediate purchasing action but stay at having consumers acknowledged the brand. In other words, pull strategy embraces chains of promotional activities that influence consumers’ behaviour at certain levels that lead to product consumption.

As a matter of fact, advertising is one of the long-used pull strategies (Fetchko, Roy & Clow 2013, 211.). Shank (2009, 275.) also believes sport marketing needs to promote both the goods and services that the goods offer. Besides typical sponsorship on sport events, in-store advertising has a critical role as it directly inspire consumers to purchase at the time they are ready to spent money on available goods around. This is exactly the expectation STADIUM sets for productions not only from the author’s thesis but also STADIUM's advertising agency partners.

**Push strategy.** Push strategy, nevertheless, ignores consumers (Shank 2009, 275.). Push strategy comprises tactics that move products from distribution channels to buyers (Fetchko, Roy & Clow 2013, 212.). By loading goods into distribution pipeline, the objective is to get as much product as possible into warehouse or stores, so as to satisfy the demands which result from the supportive pull strategies.

Push strategy is more applicable to manufacturing companies such as Nike, Adidas, etc. STADIUM itself is not a sport brand but a retailer which distributes sport goods to consumers. In this context, STADIUM and sport manufacturing companies partner each other to boost revenues accordingly to agreement.

**Dual Strategy.** Shared by Fetchko, Roy & Clow (2013, 212.) and Shank (2009, 275.), the roles of pull and push strategies cannot be either/or situation. As to ensure business ROI (return on investment), both the tactics should be employed side by side. Although the approaches are different, the outcomes are interdependent. Relationship between consumers and business is too complex for companies to deploy each tactic alone. In fact, relationship progression results better from combination of pull and push strategies.
3.3 The hierarchy of effects

Prospects may like the brand but not consume what the brand offer. In other words, consumer relationship progression is diverse but final business impact results in sales. Consequently, it is essential for companies to develop strategies at every brand communication stages. By strategically obtaining desired outcomes at certain stage, brands would manage to turn prospects into revenue. Despite the amount of time spent on brand, the following figure demonstrates different stage that prospects engage to brands. (Fetchko, Roy & Clow 2013, 217.)

![Figure 4: The Hierarchy of Effects in sports brands](Fetchko, Roy & Clow 2013, 217.)

**Awareness**

Awareness, without any doubt, is the first milestone that brands would focus on. As similar as a freshman who would like to ask a female classmate out, top-notch goal on the list is to let her know that he exists.
The challenge for brands is tougher than ever as the number of competitors keeps growing in any market. In addition, if a recruiter, on average, spends 30 seconds to scan an applicant’s CV, brands have much shorter time to create awareness in consumers’ mind in nowadays era. Technology has spoken this truth. Vine, a mobile app owned by Twitter, has been a successful viral business with its platform, which enables users to upload short videos (within 6 seconds). Over a year, Vine currently has at least 40 million users (Mashable 2014). However, the number is just something to compare with 150 million users that Instagram owns. The company, after acquired by Facebook, has introduced their 16 seconds video feature and companies are working hard to build up their advertising channel on this platform (Mashable 2014).

There are various kinds of awareness that sport brands expect consumers to recognize. Above and beyond general branding about the company, sport marketing is greatly influenced by seasonal sports. For example, autumn is the perfect timing for STADIUM to promote winter sports; meanwhile during summer, English football clubs’ promotions aim to sell out all-season-tickets. In other words, any sport promotional campaign critically depends on the nature of products (Fetchko, Roy & Clow 2013, 217.).

**Association**

It is not accidental that NBA (National Basketball Association) always reserves the last seconds in every advertising videos to direct audiences to desired links. Indeed, these links are to educate people after the awareness aroused by star players in the ads. The logic applies to any other sport promotion.

The relationship once consumers gain awareness stays at ‘I have heard of you’. The next step, according to Fetchko, Roy & Clow (2013, 218.) and Shank (2009, 276.), is to educate people about tangible and intangible benefits. There is no fuss to be made over but only necessary information is provided to consumers. This is the primary objective at this stage.

**Attitude**

‘As consumers move from knowledge to affinity, their relationship with a brand focuses more on feelings and emotions about the brand. The knowledge stage forms a vital foundation, but consumers generally are not moved to take action based on awareness
and associations alone. Sport brands possess an advantage that brands in other product categories envy. The emotion-based relationship many sports fans have with their favourite sport, team, player, or product differs from their other brand relationships in terms of the intensity of passion. From a marketing communications standpoint it is important to tap into the affinity of fans through messages and tactics that reinforce the emotional benefits of being a fan and then of consuming goods and services.’ (Fetchko, Roy & Clow 2013, 219.)

Shank (2009, 277.) also states the importance of promotion at this stage. Since being aware and having knowledge about sport product might not result in consumption, it is the job of promotion to create chemistry between the positive attitude towards promotion and the attitude towards products.

Preference
Not only do consumers have a variety of choices to spend money (entertainment, movies, concert, shopping, etc.), sport brands also have to compete among themselves for the limited resources of consumers. The next step after getting the likes from consumers is to stand out from alternatives. This is where characteristics of each brand show. Sport brands race each other to sign exclusive deals with famous athletes, football teams, or even the home team Stadium, etc. to be part of the fans’ religion. As taking one step closer, what brands offer is no longer a product, but it is part of consumers’ faith. (Fetchko, Roy & Clow 2013, 219.)

Engagement can be conducted via many promotional tools. Besides social media – the ultimate powerful tool, event is one of the effective channels for brand to bond with consumers. (Fetchko, Roy & Clow 2013, 220.)

Trial
‘Behavior intention, however, does not guarantee action’ (Shank, 2009, 276.). There are too many needs and wants surrounded consumers that to influence buying decision anytime. As a result, brands need to strengthen their conviction towards consumers by creating for them a desire to act. (Shank, 2009, 276.)
Product trial, as Fetchko, Roy & Clow (2013, 220.) describe, is crucially important as it enables consumers to make judgement about the value of offered products. This consumption experience is even more powerful than any advertising, sales presentation or word of mouth communication. Before a prospect becomes a buyer and loyal customer, any individual must experience this stage via the first consumption. Based on the judgement, certain brand would be considered as the right choice for future use.

Brands tend to make it easy for target prospects who are in product trial phase. Tactics such as coupons and other incentives frequently work as they give rather fair opportunity for consumers to evaluate benefits in advance. (Fetchko, Roy & Clow 2013, 220.)

**Purchase**

The battle between brands and consumers’ commitment, nevertheless, does not stop here. In the harsh market nowadays, rarely do companies wait for consumers to respond and just make the move to buy the product. As Fetchko, Roy & Clow (2013, 221.) pinpoints, by persuading prospective to close the deal, companies can reinforce the offer by extra incentives. To be mentioned, product warranty, special parking venues for all-season-ticket, etc. are always strongly influential to buying decision.

This is the ‘moment of truth’ to testify whether marketer has successfully converted a prospect into consumer. Efforts started from Awareness to Trial stage would be valueless and wasteful without any consumption made.

**Loyalty**

Reported by Kendall Thorton (2013), ‘it is 6-7 times more costly to attract a new customer than it is to retain an existing customer (White House Office of Consumer Act, 2013.’. A loyal fan can easily buy and influence others to buy all-season-tickets. This sales success is much higher and can even compensate for the cost of promoting strangers to buy the same amount of single match ticket.

Realizing this long-term financial benefit, customer loyalty is an inevitable part of customer service in today’s business. This results not only in the spending level increase but also testimonials from loyal consumers. As a matter of fact, special offers and
exclusive incentives are deployed to help brands relationship with consumer more bonding. ‘One marketing expert distinguishes between the focal points of loyalty management by recommending top-level customers be targeted with service programs while other customers that are prospects to escalate their relationship be targets with marketing programs’ (Fetchko, Roy & Clow 2013, 221.).

Conclusion on the hierarchy of effects

A conclusion not to be ignored by Shank (2009, 278.) is the hierarchy of effects cannot always be the case. For example, a purchase of all-season-ticket for a sport professional regarding business purpose does not belong to any of the mentioned stage. Since the majority of consumers must pass through the stages, the hierarchy of effects, therefore, remains to be a handy tool to develop promotional strategies based on specific objectives.

3.4 Sport advertising

Advertising is an artistic profession that is to articulate image of brand, product and service. Inevitably, advertising plays one of the most important role in business. Sport business is not an exception. In fact, as it is the direct touchpoint to consumers, advertising is one of the final decisive factors that determine business development. (Schwarz, Hunter & Lafleur 2013, 254.)

Sport advertising and integrated brand promotion

Since consumers are surrounded by overloaded advertising, there is not much ‘space’ for an advertised brand to stay in consumers’ mind. As a matter of fact, every advertising message needs to be concise and stand out of the crowd with its segmentation. There is nothing right or wrong in advertising ideas, only smart difference makes brand noticeable. (Schwarz, Hunter & Lafleur 2013, 254.)

With the purpose of having consumers perceived brand’s attributes and values, branding process has to begin from baby steps. Initially, target market is everything. Because ‘if you say three things, you say nothing’ (Chip and Dan Heath 2007, 92.), brands must identify their most unique values to offer to a core and focused target group. This can
be done, according to Shank (2009, 30.), via market research and monitoring changes of external conditions. Via analysis, it is essential not only to identify and understand consumers demand, but also to determine consumer behavior and actions of competitors. Once this is enacted, the company is able to categorize levels within the organization, such as classifying main and sub-brands. From this, communication with prospects are formed in purpose of having them comprehended description and value of product and service. In order to ensure promotion does its job, advertising is used to articulate those marketing messages to be artistically consistent. (Schwarz, Hunter & Lafleur 2013, 255.)

Sport is one of the most crucial social concepts. As convincing as how employers promote gym sponsorship to be employee’s benefits, sport activities are life influencers which people cannot live without. Sport businesses, as a result, tend to utilize famous athlete image to reflect success. Besides the huge revenue from sports business (football matches, hockey matches, etc.), sport retail business significantly popularizes athlete image with their skills and image. This explains why successful athletes’ incomes are incomparable with typical job positions. (Schwarz, Hunter & Lafleur 2013, 258.)

On the other hand, advertisement makes sport popular. Sport set goals for people to achieve. Hence with the art in advertising, the image of success linked to sport product creates needs and wants for purchase decision. (Schwarz, Hunter & Lafleur 2013, 258.)

According to Schwarz, Hunter & Lafleur’s (2013, 265.) definition, integrated brand promotion concept describes the closest use of the thesis advertisement for STADIUM. In broader terms, the main goals of integrated brand promotion are to build and strengthen brand awareness of the retail business. This type of advertising closely associates with the company’s image. Channels included would be support media, point-of-purchase (P-O-P) displays, sales promotions, direct marketing, sponsorship and promotion.

Skipping through other channels, point-of-purchase display is accurately the channel which STADIUM put the author’s production into use. Combining traditional and modern technology in digital age, P-O-P display exhibits product and service at critical selling point via visible signage such as in-store display (TV screen, creative signs, kiosk,
etc.). P-O-P display aims to raise interest from target audience (store visitors) to make both unplanned purchase and planned purchase (when they have prepared money to be spent. (Schwarz, Hunter & Lafleur’s 2013, 265.)

Supporting the notion above, Fetchko, Roy & Clow (2013, 257.) introduces concepts of exposure versus engagement. As communication channels exposed to consumers are defined, level of relationship is also targeted. Exposure refers to a low-level income as impacts generated might not be more advance than brand awareness. In contrast, engagement rather focuses on producing leads to further action such as purchase and brand loyalty (registration, membership, etc.). Examples for this can be taken from the author’s thesis, which stands for exposure level; and an interactive advertising that leads to company’s online store (engagement level).

Advertising for sport teams and sport retail business

It would always be a mistake to apply advertising rules of sport teams to traditional sport retail business. First of all, target audiences are distinct. One is ‘consumer’, one is ‘fan’. Typically, the purchasing power from consumers would come from good price and functional product. The get-it-and-forget-it attitude applies in most cases. On the contrary, fan connects with sport teams by emotional and eternal bond. (Schwarz, Hunter & Lafleur 2013, 256-257.) As an example, in front of Manchester United’s Old Trafford Stadium, hardly can functional football items be found, but the best-selling products are team’s cheering items (even with short-lived items used for single match).

Taking a closer look at advertising for sports team, followings are examples describing how this type differs from advertising for sport retail business. The major revenue of sports team comes from number of ticket sold. Therefore, besides campaigns in order to raise loyal supports for the team, in-game entertainment is one of the most important parts of a sport match. Unlike retail business, sport team pays more attention to activities take place at half-time or between the periods. The goal is to entertain audience so that ticket cost is justified. (Schwarz, Hunter & Lafleur 2013, 257.)

Sports team focuses more on the wants (fans’ loyalty), while sport retail business has to provide practicality based on consumer’s needs. Therefore, factors which influence
business operations approach from different angles. Besides administrative conditions such as store location, merchandise, pricing, advertising, public relations, etc., retailer’s interior and exterior aspects also matter. Examples including display window, color, lighting, personnel, in-store display, technology applied, etc. (Schwarz, Hunter & Lafleur 2013, 257.)

For big brand of sport chain such as Nike or Adidas, it is essential to create selectively impressive image for each product series. For retail business, it is an ongoing process of promotion to enhance brand loyalty. (Schwarz, Hunter & Lafleur 2013, 257.)

STADIUM is an outlet store distributing goods from a collection of brands, which means there is no such a STADIUM product. As a matter of fact, instead of promoting product brands, STADIUM focuses on branding themselves. Additionally, STADIUM also inherits advantage from product brands’ promotion. In proportion to the hierarchy of effects, the outcomes from sport chain’s (Nike, Adidas, etc.) promotion are bounded from Awareness to Preference level. Trial and Purchase level can only be achieved via distribution channel. STADIUM’s marketing might not be as influential as Nike’s or Adidas’, but STADIUM’s sales partially come from such marketing success.

*Sport advertising and consumer behaviour*

It is not groundless that the word ‘Honda’ means ‘motorcycle’ in Vietnam. This is one of the causes of advertising.

There are countless competitors within a market sector. Consumer is an integral part of all business competitions and every company wants their brands to be on top. The good and bad news, brought by Schwarz, Hunter & Lafleur (2013, 262.), is once consumer is loyal to a brand, it is a complex challenge to make a new first impression towards.

On the bright side, consumers are systematic decision makers. This is the permanent loophole that any brand aims to win (back) consumers. Because consumers cannot react to advertisement unless there are benefits contained, all advertising and promotional messages must provide consumers incentives desired by brand managers. (Schwarz, Hunter & Lafleur 2013, 262.)
In sports team advertising, fans enjoy performance of their supporting team. This is the demand for teams to acquire high-quality players to dominate the league and firmly hold the pride of the club history. Achievements of the team greatly result in mostly ticket sales and the club’s accessories. On the other hand, sport retail business advertising often offers direct benefits, incentives and inducement towards consumers’ needs. (Schwarz, Hunter & Lafleur 2013, 261.)

3.5 Retail advertising

What is retailing

Retailing, according to Kotler (2008, 367.), refers to ‘all the activities involved in selling products or services directly to final consumers for their personal, non-business use’. As a matter of fact, retailers are businesses who generate revenue by primary sales from retailing.

Along with technology revolution, retailing nowadays is not restricted only retail stores. Non-store retailing has been growing faster than ever. Besides catalogues, telephone, vending machines, etc. the Internet is the most powerful tool that consumers are using. The scale expands not only within computer but also to mobile platforms. (Kotler 2008, 367.)

Specialty store is the type Kotler (2008, 367.) lists STADIUM’s business into. Specialty store ‘carries a narrow product line with a deep assortment. In contemporary society, specialty stores are blossomed due to the fact that market segmentation and product specialization are creating greater needs from customers in certain product lines.

Retailers’ expectations from advertising

The major reason retailers deploy advertising, as Diamond (2011, 14.) discusses, is to increase sales and compete in the hard environment. Depending on goals and objectives, the approaches of retail advertising are diverse. For instance, discounting is a strategic advertising that would attract more shoppers to visit. However, to some retailers this is only short-term tactics because in the long run, customers might merely come for the frequent discounts. In addition, luxury brands seem not to concern much about
discounting strategy but branding purpose. Reported by the Huffington Post, Victoria Secret has a policy of terminating returned product to guarantee the quality of every sold product (Moss, 2011).

Retail advertising is subject to the company’s size and operation. These factors shape up budget and determine the scale of advertising campaigns. Followings are typical expectations that retailers set out for advertising at different levels:

*To promote the store as a brand:* ‘the goal of this type of promotion is to motivate shoppers to remember the advertiser’s name and not manufacturer brands and labels that are available in a host of outlets’ (Diamond 2011, 15.). Supermarkets and retailers such as STADIUM can never manage to promote any single manufacturer’s brand available in store. Instead, it is more strategic and beneficial to promote the retailer for better brand recognition. This is also exactly the motive of this thesis for STADIUM. (Diamond 2011, 15.)

*To encourage consumer purchasing at times:* retailers such as STADIUM have to deal with seasonal merchandise. Timing is everything in these seasonal sales since retailers do not have much time to sell out new collections. If consumer purchasing is delayed, profitability is sharply decreased. Therefore, retailers need to be proactive and flexible to approach and kick off the seasonal sales with advertising. Moreover, this objective, together with the above one, defines the purpose of the thesis’ advertisement. (Diamond 2011, 16.)

*To gain a competitive advantage:* gone are the days when customers would actively visit the stores to get what they need. Whether it is online or offline business, the competition is harsher than ever as customers are bombarded enough with advertisements from multiple channels. Regardless the spamming factor, customers are receiving enough information about their needs and wants providers in presence and future. Having advertising campaign deployed strategically, as a result, confirms the competitive edge of the company within the market. (Diamond 2011, 15.)

*To increase traffic on bricks-and-mortar operations:* in terms of convenience, the number of customers who shop for pleasure is decreased significantly by the booming of Internet
and mobile devices. Online channel also offers cheaper price than offline purchase. In contrast, research has shown that customers tend to spend more without preplanning when they personally visit the stores, especially cosmetics product line. Advertising, for that reason, is used to generate traffic. By using product and promotional ads, stores aim to have shoppers consumed not only by the advertised products but also other in-store visual presentations. (Diamond 2011, 15.)

*To increase sales of advertised items:* based on sales record report, retailers can easily determine which items are generating great sales. In order to maximize sales potential, cross-media approach – combination of multiple advertising endeavours (newspapers, magazines, TV, etc.) – is recommended to be widely deployed. (Diamond 2011, 15.)

*To expand the awareness of private brands and labels:* TESCO is a huge example of the increasing numbers of retailers which are developing private brands. By producing products under the retailer brand (i.e. TESCO shampoo), this greatly results in price-cutting competitive advantage. This type of promotion is considered to kill 2 birds at once. (Diamond 2011, 16.)

*To dispose of slow-selling merchandise:* there is nothing to assure that retailers would manage to sell out all on-shelf items. The failing reasons are numerous and sometimes unidentifiable. Consequently, as a way to dispose unwanted items, retailers put them on sale by offering cheaper price than originals. This is one of the most common offers that almost every retailer makes. Additionally, this tactic can also be deployed to attract more shoppers to visit the store as presented above. (Diamond 2011, 18.)

*To promote special event:* retailers also attract shoppers via special events. Besides public shopping days such as Black Friday sales, retailers and shopping centres especially foster shoppers with annually special events. By making a buzz about the actual meaning of the event (shopping centre’s 10th birthday), promotion of interior brands are embraced. *To encourage consumer purchasing at times:* retailers such as STADIUM have to deal with seasonal merchandise. Timing is everything in these seasonal sales since retailers do not have much time to sell out new collections. If consumer purchasing is delayed, profitability is sharply decreased. Therefore, retailers need to be proactive and flexible to approach and
kick off the seasonal sales with advertising. Moreover, this objective, together with the above one, defines the purpose of the thesis’ advertisement. (Diamond 2011, 18.)

4 Project planning

Advertisement differs from advertising campaign. A campaign embraces a series of advertisements that have different content but contribute for a mutual objective. Since any campaign bears a serious cost, strategy is the decisive factor leading to consistent execution. Although this is an independent project that STADIUM outsources with the author, there is no room for superfluous creativity but the content must commit to the company’s long term strategy. The following subchapters will be discussing considered aspects in the project planning.

4.1 Side aims and objectives

The theory in literature is written for companies to plan and execute campaigns in the most effective way. This thesis project is different in an extent that it also consists of the author’s personal goals. These objectives are the initial incentives stimulating the author to work on such product-oriented thesis topic. In other words, the aims and objectives to be mentioned is regardless STADIUM’s perspective but the author’s personal desire.

Annually, there are at least thousands of Vietnamese students who studied overseas come back to the motherland looking for professional jobs. The number keeps escalating years after years; hence Vietnamese job market is getting more competitive than ever, especially during the global economic recession. To stand out from the crowd, it is not only a degree with excellent GPA (grade point average) that matters, but exposure to professional experience is notably taken into account. This leads to the point that employment abroad becomes critically essential. In this case, with all the experience devoted to Finnish society during university years, employment in Finland earns the first privilege in the author’s career plan.
In 2013, Finland was ranked to be the 3rd competitive country in the world (WEF 2014). The job market segmentation is even narrower for English speaking residents as Finnish companies keep being skeptical about having non-Finnish-speaking employees. Although there have been pioneers with innovative operations, it is still a controversial debate among Finnish corporate level. Majoring in sales and marketing profession, the author foresees that it is infeasible to reach to the corporate level of Finnish language within the schooling years. Therefore, a solution for this is to gain as much relevant professional experience as possible to equate the lack of language skills. Together with work placement and other extracurricular activities, thesis project practically demonstrates greatest strengths and skills of an individual. As a matter of fact, the author aims to have the thesis produced practical added value for the company’s business. Ambitiously, payment for the thesis is also targeted since project achievement is one of the decisive factors in a convincing resume.

4.2 Commissioner acquisition

Presales

In order to satisfy the desired objectives, a prestigious commissioner is the first priority of initial project planning. At the outset, the preliminary planning is to compile a list of companies, which have appropriate profiles to be beneficial for the author’s objective. STADIUM, with their international operation and certain prestige in the Nordic market, was chosen to be one of the targets. Research about each company was done in order to initiate advertising ideas for each brand. The ideas are kept to be consistent to each brand, depending on their business model, mission, vision and current digital marketing channels. This is the step which the author believes to be important since companies are not willing to work with student projects unless there are initiatives in it.

Cold contact and lead management

With the accumulated sales experience, the author follows the cold contact strategy as:

- Identify the right person to be contacted
- Email proposal
- Email follow-up after each non-reply week (follow-up twice for each company case)
- Call follow-up if non-reply
- Move on for the next account

At the second stage of email proposal, STADIUM was interested in the proposal and the author had an agreement with Torgny Johansson – STADIUM Marketing Manager – to plan and execute the project.

**Negotiations**

Ideas, even creative ones, are too subjective to be described by verbal communication. Particularly when it comes to business, clients always demand for concrete presentation before deciding on any budget plan. As requests were clarified, the next step for the author was to produce a “mood film” (a demo short clip [http://bit.ly/1fqnrtP](http://bit.ly/1fqnrtP)) to demonstrate the production in a more detailed approach. Mood film plays a key role in the production as it visually indicates STADIUM’s expectations. The mood film was compiled from different existing films and the footage was selected accordingly to STADIUM’s theme. The director was in charge based on the agreements between STADIUM and the author. After the mood film had been approved, the script was arranged correspondingly.

After receiving positive impression from STADIUM about the mood film, the author has priced €5000 for the production. Planning to raise a high price to earn a profitable return after company’s counter, the author has made a mistake in negotiation rules at this stage. According to Fisher and Ury (1991, 22.), it is recommended to negotiate over interests, not positions. STADIUM, at the time, has their own advertising agency that produces materials for their promotion. The interest which STADIUM has for the author was the curiosity of how advertising material could be done differently from their advertising agency. Such interest was not worth €5000, and STADIUM also considered the price was over position negotiation. Meanwhile, the author has greater interest in the project as it brings the career potentials as analyzed above. Therefore, both sides were happy with a commissioning agreement at €1500.
4.3 Commissioner’s expectations – Advertisement content & Media plan

Theoretically, it is advisable by Barry (2008, 247.) that the initial idea should embrace the passionate factor. However, ’because every ad is subjective, any ad can be criticized (Baryy, 2008, 247.).’ With all the expertise in running the business, it is STADIUM’s (client’s) job to make comments on ideas. The author’s strategy, at the first meeting, was not to be over confident with the original idea but to be ready for criticism. ‘Selling is about minimizing the things a client won’t like and maximizing the things they will like’ (Barry 2008, 247.).

The final production was not in the initial plan. Perceived STADIUM’s Youtube channel is inactive and only contains content of TV commercials, the author proposed to activate this channel by a creative ad. Utilizing the power of social media and the content marketing trend, the content of the initial proposal focused on STADIUM’s mission (‘Inspire the active lifestyle’). The outcome of this was to create a viral buzz on STADIUM’s social media channel and distinguish STADIUM’s Youtube content from TV commercial content.

The idea was then rejected by STADIUM because it did not comply with the marketing strategy that the company pursues. The gap was at STADIUM’s business model and the company’s mission. Meanwhile the author initiated the idea based on the company’s mission (‘Inspire the active lifestyle’), STADIUM’s marketing strategy was completely driven by the business model (‘Modern, functional sports and sportswear at the best price’). Another reason for the rejection is the author has initiated the idea based on STADIUM’s online knowledge. Without a brief of client’s marketing strategy, a robust promotional idea cannot be adequately formed. Consequently, STADIUM confirms that the company is happy with their long term marketing strategy and there is no need to stir or install a new concept at current development phase. At a corporate level, STADIUM fully perceives their values and the return on investment in every marketing classification as described above in the hierarchy of effects. Moreover, insights from the company’s internal market research are instantly updated. As a result, the concept was change accordingly to STADIUM requests:

- Target audience: store shoppers
- **Media channel**: the advertisement is used for in-store advertising, which is one of the non-stop streaming videos installed in every STADIUM retailing stores.

- **Objectives**: The ad is to promote winter season and aims for customer’s brand awareness in the hierarchy of effects.

- **Content requests**: concluded from internal marketing research, STADIUM Marketing Manager indicates that there are certain sports that are becoming ‘sexier’ to Finnish youth. Therefore, expectations of the production include the following sports:
  - Tour skating
  - Figure skating – Rink skating
  - Cross country skiing

Content of an in-store advertisement is different from social media advertisement. Storytelling takes time to follow and comprehend. Meanwhile, store visitors can spot on the TV screen at any moment and it is the advertisement’s job to impress the customers an second. In other words, in-store advertisement does not contain any story but a series of sports actions to inspire and motivate customers to experiment. The production was executed according to this belief. Besides, since the advertisement focuses on consumer’s brand awareness, the *advertising message* follows STADIUM’s traditional slogan: ‘Join the Movement’.

### 4.4 Human Resource & Partners

Initially, the project was an individual work. In the commissioner acquisition phase, the author worked independently in finding an appropriate account. Once this step had been achieved, the author began to employ the creative team and partner with relevant sponsors/companies. By coordinating the project to have STADIUM’s desire accomplished, the author was in charge as an account executive role.

**Director**: a media freelancer who has been employed by TBWA advertising agency.

**Kinofilmi**: a media equipment rental company.
HAAGA-HELLA UAS: the technical department of HAAGA-HELLA Pasila agrees on supporting the project by lending out cameras and lens.

Actor/Actress: photogenic participants were found from the authors’ network with proper skills.

Driver: vehicle was needed for equipment transportation.

4.5 Time management

The advertisement is a promotion for winter sports product. The commissioner agreement was contracted in February, the time when 2013 winter is nearly over. This led to the fact that STADIUM has reserved the advertisement for 2014 winter promotion, and the project has to be finished within 2013 winter. In details, 28 February 2014 is the deadline which STADIUM expects to have the production ready for assessment. This means the production needed to be completed within February.
4.6 Risk Management

<table>
<thead>
<tr>
<th><strong>Risks</strong></th>
<th><strong>Explanations</strong></th>
<th><strong>Solution</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner</td>
<td>The author’s personal objectives would be meaningless without a commissioner</td>
<td>Only work with commissioners who are willing to invest in the project</td>
</tr>
<tr>
<td>Creative team</td>
<td>Although it is the author’s individual project, the advertisement has to be professionally executed by industrial experts</td>
<td>Hire TBWA’s freelance editor to be the project director</td>
</tr>
<tr>
<td>Weather</td>
<td>The sporting shooting completely relies on weather condition to produce great footage</td>
<td>Shooting schedule was planned ahead for good weather condition dates and plan B for incidents</td>
</tr>
<tr>
<td>Client’s dissatisfaction</td>
<td>STADIUM is not happy with production</td>
<td>Contract with the director to commit to the project until client’s approval</td>
</tr>
<tr>
<td>Budget</td>
<td>STADIUM’s sponsorship is highly limited for an advertising project</td>
<td>Raise sponsorship from various partnerships</td>
</tr>
</tbody>
</table>

5 Project implementation

5.1 Production process

In terms of production, the author worked as the job description of a producer. Firstly, the core team of the producer, director and his assistant were formed. At the point of searching for appropriate pricing, the director, who is currently working in the advertising agency TBWA, recommended Kinosfilmi to be the media rental partner. 70% discount was gained after sponsorship negotiation. Simultaneously, the author also managed to have HAAGA-HELIA as a sponsor with additional media equipment.
Actors and actresses were individuals among the author’s network with consistent sports skills. Although no wage was paid to any actors/actresses, it was the producer’s task to provide sports apparel and equipment for actors/actresses, since STADIUM neglected to expand the cost outside the €1500 sponsorship.

One of the most important tasks of a producer is to inspire creative team from the client’s brief. This is the phase when production strategy is planned to commit with client’s request. The advertisement has to speak the brand’s voice while being executed by outsiders. In other words, not only does the producer make the creative team to feel the brand, client’s request also has to be described consistently so that advertising problem can be expressed creatively via creativity. Therefore, in parallel with administrative activities, a workshop has been held to assure the creative team is on the same page with STADIUM’s desire. Once this phase is achieved, shooting preparation was planned accordingly. Main arrangement included exploration concerning landscapes, weather, transportation and skillful actors. Moreover, additional execution was also taken into consideration to boost up STADIUM’s satisfaction as well as to anticipate unexpected disappointment.

Once all inquiries of shooting venues had been approved, the shooting was executed in three different occasions. The shootings went smoothly at Espoo Cross-country Park and an open tour skating lake, before moving to the artificial ice skating rink in Central Railway Station. The next assignment of editing and rendering fell into the director’s responsibility.

The production was finished in time (within February) as contracted with STADIUM. Once the content was approved by STADIUM and STADIUM’s outsourcing marketing consultant, different versions for in-store material (HD video), Youtube and Instagram channels were submitted adequately. The reason for such difference is every channel requires a unique dimension to opt-in.

5.2 Challenges

Weather was the biggest obstacle in the shooting session. 2013 winter was remarkably unpredictable hence some footage was not at its best condition. Markedly, the frozen
ocean surface was not thick enough to guarantee safety for the actors/actresses (the skating safety standard of a lake surface is 13cm thick). The producer did not want to take any risk at this matter; therefore some part of the plan was forfeit. Instead, plan B for the missing footage was conducted on artificial condition (i.e. ice rink). The shooting was taken place in 3 occasions, 2 were put into use and 1 was inoperable due to weather condition.

Hakaniemi public sauna was an incident during the shooting process. Since there was no contact detail online, the team spontaneously came to the place requesting for shooting. In response, the business owners rejected harshly due to privacy command. It was informed that this business does not expect any appearance on any online/offline platforms, despite there has been a number of requests from different associations. Told by the business owners, the business” core value is to provide relaxing moment and privacy for customers who seek for self-contained space.

5.3 Project finance & partners

**Revenues**

STADIUM sponsorship:

€1500

**Costs**

Media facilities rental (Kinosfilmi):

€514.60 (original price)

€167.40 (after negotiation)

Cameras (HAAGA-HELIA):

€190 (market price)

€0 (after negotiation)

Actors/Actresses:

€209.70

Director & assistant:

€485.25

Car rental:

€50
6 Production evaluation

The thesis thoroughly commits to HAAGA-HELIA guidelines in terms of a product-oriented thesis. The author has demonstrated his professional competencies via consistent execution in real-life business environment. This especially gains the author practical business experience that essentially complies with the author’s career guidance. Also, the thesis topic is original and constructively contributes to the company’s value. The production is an investment which STADIUM expects the work to generate value as return on investment.

Although the company has been having the „Education Fund” invested in innovative business development initiatives, the project with the author was the first time STADIUM invests in such big scale. The marketing manager also impressed with the author’s pro-activeness, since no student has ever approached him with such a bold and ambitious proposal. STADIUM, therefore, carefully considers the project as a tester for further future investment in analogous innovation. Also, STADIUM establishes partnership with an advertising agency that is in charge of producing promotional materials. The thesis production, as a matter of fact, is not only cost efficient but also a new approach compared with the traditional content that has been produced by the outsourced agency.

STADIUM has a marketing agency to consult strategies. After the production was completed, the video was sent to the marketing agency for approval. No comment was made so far from both the agency and STADIUM. Therefore, the project could be considered as satisfactory.
7 References


