

## ARUN SHANKAR'S VIEWS ON MOVING SPONSORSHIPS INTO ACCOUNTABLE PROFITABLE INVESTMENTS

*Differentiating between sponsorships & brand property...*

Brand property could be defined as a title, a symbol, which is strongly, if not uniquely, associated with the brand, which gives instant brand recognition. Even if the brand is not there you establish instant brand recognition, for e.g. The Femina Miss India contest, Statesman Vintage Car Rally. Branding is the sum of experiences, images and perceptions a company creates.

Hence, sponsorship is an activity undertaken by a third party and a brand is associated with it. In the case of Eicher City Maps, the maps are not outsourced, everything gets done in-house and hence it's more a brand property than a sponsorship.

*Value of brand properties...*

Why would one need brand properties and what is their role? Brand properties offer an opportunity of unique product exposure, valued much beyond the traditional modes of communication like advertising, product displays and POP's. They offer sheer exposure to the brand. They create or reinforce brand recognition and in the process help build positive association and images.

Events like Filmfare Awards, Nestle Cookery Book have a direct relation with the product and hence their value directly rubs off on the brand. However, initiatives like Limca Book of Records and Eicher City Maps have nothing to do with the product directly. This leads to the question - should the brand property always have something to do with the product or service being advertised? And why do people undertake activities not directly related to their products or services?

One of the rationales is that that the property needs to go beyond the specific usage to what the brand stands for, its values. While there might not be a direct co-relation between the brand and the activity and the product, there would certainly be a connection in terms of the value. Also, very often the product category does not catch one's imagination or lend itself to very exciting activities. Tractors (Eicher makes them) might fall into this segment and hence the idea was also to look at linkages that lend themselves to the basic brand values of the product.

*Rationale behind activities not directly linked with the product...*

A lot of sponsorships are very logical extensions of the brand, but are also very often not lead by great marketing strategies but a reflection of the passion of the individual that drives it. At Eicher too, the starting point was Vikram Lal's, (the promoter of Eicher Group) passion for maps. Having lived and worked abroad for several years he found maps very useful and was very disappointed with the poor quality of maps available in India. This passion has translated into the brand property. He is actually involved in the detailed planning and execution of the activities including the proof reading.

*Relevance to the environment....*

Beyond being a reflection of a passion, the activity also reflects the relevance to the environment. India's metros are changing rapidly, making it difficult even for long-term residents to find their way in the city. The available maps lack the necessary details that would make it user-friendly. Incidentally, the use of maps in India is very low, partly attributed to the non-availability of good maps. This provided Eicher an opportunity to create good quality, user-friendly maps. A similar opportunity also existed in the travel guides segment.

This activity, like most other brand activities must communicate and connect at an emotional level with the brand. Whether one buys the product or not, if it communicates the brand values then the purpose is served. At a macro level, the maps communicate the 'quality' aspect about the brand Eicher and that is a significant achievement. This is also the justification behind an event or an activity not being related to the product itself.

*Snapshot of Eicher publications...*

Eicher launched the Delhi City Map in 1995, with the last edition in 2002. Every print run is updated but a revised edition comes out every 5 years. The Chennai edition was launched in 2001 and the Bangalore & Mumbai editions in 2002. The first edition of the **Travel Guides** came out in 1998 & the second edition in 2002. The subsequent publications in these series have been **Walking with the Buddha** – guide to the Buddhist pilgrimage sites in India, which has won some international awards for presentation & quality; **World Cultural Heritage sites** in India in association with various tourism departments; **Varanasi City Guide** supported by UP Tourism; and the **Sikkim Guide**.

The reason why we are chosen and supported by various tourism bodies is because our quality is very high and we maintain international standards of presentation.

The map market is largely divided into the branded and

*Filling the void in the map market...*

unbranded segments. The branded segment consists of names like TTK, Maple (in Mumbai) and the unbranded maps are basically a copy of Survey of India maps and do not involve any fieldwork or verification. These maps have inaccurate and outdated details.

Eicher maps have got a unique positioning in terms of level of details e.g. house numbers are mentioned; indexed by 100 separate categories including schools, hotels, restaurants; there is a lot of cross referencing of pages; and very frequent updating to keep pace with the dynamic environment. These maps are as good as any maps available the world over.

Not everybody is a potential map user. Most maps are being sold to car owners. The corporate customer base is also a substantial potential user, which mainly comprises of infrastructure, logistics and public service companies. Most of these companies are potential customers for Eicher's commercial vehicles, so there is a brand synergy too.

*Hurdles in making this into profitable business...how PR has helped*

The challenge for making this brand property into a profitable business is not government policies or competition, but the fact that the market for maps is still nascent. Map reading is not a habit with Indians and people are not willing to spend time or money on maps. Lower priced maps still sell unlike the higher priced ones like Eicher City Maps. We are also faced with the dilemma - that if you are looking at the brand property as an activity by itself, while it is designed to promote the brand, how to promote the activity. For Eicher City Maps, advertising has been minimal and we have relied heavily on the media relations tool of public relations. This has worked to the extent that we have been flooded with sales queries from readers on the very next day after getting coverage in publications.

Currently, Eicher Maps is a self-sustaining venture. It recovers development costs that are very high because field surveys and satellite data have to be bought from the government.

The future is bright because a long-term profit potential exists, as underlying interests in these areas are expected to go up. Moreover, this endeavour is a benchmark in its field; specific institutions consider it important to be identified in Eicher city maps. Our digital maps provide back-end support to websites for map locators and this is a good revenue stream. We also provide our GIS service for GPS applications.

There is a long-term growth potential for this activity but we are aware that this is not expected to generate great

revenues and thereby become a forerunner division of the Company. Therefore when we talk about these activities as profitable businesses we need to be aware that we are not looking at our core business but a different scale of business. The direct impact on our business is unknown but that has not been our objective. There is certainly a positive rub-off of this activity for our corporate image. It would be appropriate to conclude that great brand properties can only be built up if there is a consistent long-term association with it.

#### **QUESTIONS AND ANSWERS & COMMENTS**

- Does the investment make sense vis-à-vis the returns?* Arun Shankar responded that currently the costs are being recovered. Also, the founder and the team involved and strongly believe that there is a long-term business opportunity.
- Comment on Nestlé's cookery book...* The Nestlé Cook Book was devised because lots of customers wanted recipes. The book was presented in a very user-friendly manner, with a plastic jacket to avoid being stained, complete with plastic clips for hanging from the wall, etc. The recipes were also written simply and used Nestlé products as its main ingredients. This was the third in a series, the first two being Milkmaid and Maggi cookbooks.
- However, this was an intrinsic part of promotional and PR strategy of Nestle and never meant as a self-sustaining venture.
- Comment on Amex shopping guides and Connaught Place shopping festival* Shopping Guide as an initiative has been discontinued long ago but the shopping festival is done with the aim of rewarding the merchants – who form an integral part of the credit card business, and consumers, for spending more on The American Express cards.
- American Express's sponsorship of Business Today corporate golf is also a good fit for Amex's corporate and platinum card products.
- Comment on DuPont's sponsored activities promoting science education* DuPont has done a safety manual for schools, which is being promoted through ICSE. This activity has been extremely well received and also builds in with the core values of the company.

*(Excerpted from the presentation made by Arun Shankar, Executive Director Marketing and Strategic Planning, Eicher Goodearth Ltd., at PR Pundit's Seventh PR Workshop held in New Delhi on December 10, 2002)*