

## ***SUDIPTA SEN GUPTA'S VIEWS ON HOW TO 'LEVERAGE' SPONSORSHIPS***

*One can associate with an idea without having to spend a lot of money...*

One does not necessarily need mega budgets for sponsorships and gaining mileage from it. Unlike big budget brands like Coca-Cola, Adidas and Airtel, Café Coffee Day is a mid-sized company with a retail chain of 312 outlets in India and it has managed sponsorships with reasonable spends and got the maximum bang for its buck too. This can be illustrated with its association with the recently concluded FIFA World Cup 2006.

Café Coffee Day exercised the option of being associated with the game, yet not sponsoring it and gaining mileage from the football fever raging in the country. It decided to concentrate on in-premise football related communication. It capitalized on the fact that on an average a person spends 45 minutes at a Café Coffee Day; and that captive audience could be exposed to football related communication and be engaged with football excitement.

The company redesigned the menu cards and filled it with football related trivia on the game; named the coffees after the teams like Brazil, Italy etc., to be in sync with the brand and the game. Customers were asked to choose the 'Power Team' of the week and were given prizes. The contest involved four teams to be chosen, culminating in a grand winner and was executed with the help of sponsorship from HP Power, Philips, etc.

All these activities created a lot of buzz within the coffee café frequenting community, which was what the company wanted to achieve. The entire exercise was focused and within the ideal budget, achieving the desired objective without spending a lot of money.

Let us consider why sponsorships are important to Café Coffee Day?

*PR can help in creating effective brand recall*

Café Coffee Day does not advertise – It would rather utilise the money to open new outlets every month. Given this reality and the fact that brand recall still needs to be created, it uses the tool of PR and accords it due importance in the brand building efforts. PR has helped support and sustain even the sponsorships.

Café Coffee Day has been equally successful in creating recall through noteworthy sponsorships of

- Films & Television
- Music Events &
- Popular youth-oriented events in the year

All sponsorships are partly in cash and partly in kind and in some cases all of it is in kind. There is a specific service that Café Coffee Day can provide and that has a value to it. Hard negotiation skills also help in paying in kind!

Some noteworthy association with films include:

### **Main Hoon Na (April 2004)**

- A perfect fit for brand Café Coffee Day in the film's script as it was going to be a college 'hangout' place.
- Café Coffee Day facilitated in building this 'hangout' and gained visibility in a 'super hit' film of the year

### **Mujhse Shaadi Karogi (July 2004)**

- The script demanded the creation of a neighbourhood 'hangout' place for the young lovers - Priyanka Chopra, Salman Khan and Akshay Kumar
- Café Coffee Day helped in building the 'hangout', a Café Coffee Day mock café set
- Pre launch publicity at Café Coffee Day was a contest that would gratify the winners with a 'Coffee Evening' with Priyanka Chopra

### **Main Aisa Hi Hoon (April 2005)**

- The script was a perfect opportunity for Café Coffee Day to express its gratitude towards its thousands of young employees working at cafes across the country
- The protagonist played by superstar 'Ajay Devgan' was a Café Coffee Day employee
- Café Coffee Day created a mock café set at the location in Shimla

What was common to all the above associations was that the company got involved in the film during its scripting stage. Café Coffee Day even set up a coffee counter for the film breaks and provided free coffee for 100 day shoots.

*While extracting mileage from a sponsorship might be a costly affair, one can not shirk from that task...*

Apart from spending a few lakhs as sponsorship fees, some money was kept aside to beautify the sets. It was a conscious decision to make the sets as real and attractive as possible as they were all branded.

A point to note is also that the money kept aside for the promotion of the film was more than the sponsorship paid! Events and contests were held in-premise to build and sustain the excitement much after the launch of the movie.

The key learning from the In-film sponsorships has been that one should be involved with a film during its scripting stage to get a better brand fit. Also, set aside as much budget if not more to make better use of the sponsorship opportunity as the sponsorship fee itself.

Some of our noteworthy association with television include:

### **Star One serial 'Remix'**

- A perfect fit for brand Café Coffee Day in the script as it included a school 'hangout' place
- Was slated to become the channel's 'flagship' show
- The plot revolved around the four key characters hanging out

- and planning their lives over 'coffee'
- The channel approached Café Coffee Day for a three month association wherein Café Coffee Day would be featured as the place where the youngsters meet and plan their due course of action
- The task at hand was to again create a mock café set
- Café Coffee Day in return received 60 minutes of prime time exposure in the serial during the three months along with visibility in promotions across all Star Group channels

**In the course of Café Coffee Day's association with Sahara One's 'Dial One aur Jeeto' (August 2005)**

- Café Coffee Day staff was involved in generating participation for the show. The customers filled the contest questionnaire at leisure inside the cafe
- Café Coffee Day customers were invited to play the game on TV and also won exciting prizes
- Café Coffee Day brand received huge brand presence on air

Again like films, the key learning from television sponsorships has been that one should be involved with a serial during its scripting stage. Take a 360-degree approach, which means support the on-air contest/programme equally on-ground at the café level. It is very important to get to the core messaging of the programme and replicate the same across cafes.

Café Coffee Day has also been associated as F&B sponsor with:

- Filmfare Awards –2005, 2006, Film Awards (South) – 2005
- 2nd Apsara Film and Television Producers Guild Awards – 2006
- The Indian Express Children's Day Run on November 14, 2004 in Mumbai
  - Café Coffee Day was new to South Mumbai and the then newly opened outlet at Marine Drive was made to be the last stop for children for refreshments
  - The activity generated recall for the brand with South Mumbaikars
- Café Coffee Day acted as the ticket sale and publicity medium for both domestic and international artistes
  - Anoushka Shankar's Rise India Tour
  - Amaan Ali and Ayaan Ali Khan's Reincarnation Tour
  - Enrique Iglesias (April 2004), Pink Flyod (2004) Michael Learns to Rock to name a few

*Be selective in choosing events to be associated with, there has to be a brand fit...*

The key learning from the special events sponsorships has been that there is a lot of food spoilage and therefore Café Coffee Day has to negotiate hard on facilities offered to them during a ground event. More importantly, the event has to fit the Café Coffee Day customer profile.

The points to remember when contemplating a sponsorship activity:

*Need an eye for detail to extract the maximum mileage...*

- Associate with events/films/shows that are relevant to the target audience
- Get involved in the ideation stage
- Keep aside spends AFTER the sponsorship fees if any
- Perform a specific function as a sponsor. For e.g., if Café Coffee Day is a ticketing partner for a concert, it will negotiate permission for a coffee vending counter outside the venue
- Negotiate for on premise/on ground facilities against responsibilities

### **QUESTIONS AND ANSWERS**

*Do logistics like ticket selling associated with events, distract Café Coffee Day from its core competency?*

A firm no was Sudipta's response to sponsorships being a distraction from Café Coffee Day's core competency. She said the core competency is not to serve coffee but to give a youngster a good time and give them several other options that will make their leisure or experience of hanging out a coffee shop much more enjoyable. Café Coffee Day brings to him newness with new ideas, information about new events, the ability to win branded prizes, makeovers and more. This adds to the café experience. Yes, it puts a bit of strain on the staff, to make coffee, sell it and also sell tickets, but it is something the staff is happily involved in. The staff does realise that a lot of people walk into the café after having seen an advertisement or heard on the radio that a favourite musician is coming to India and tickets are available at Café Coffee Day amongst others.

*How do you measure the cost benefit?*

Sudipta replied that footfalls is a very important measurement tool for a retailer such as Café Coffee Day and also a reliable benchmark. The cafes do not get hangers on, everybody who enters the café, ends up buying something.

Another metric used is that of increase in bill amounts.

*Can brands like Lakme do without advertising?*

Sudipta replied in the negative and opined that sponsorship has its role. A brand like Lakme would definitely gain from a sponsorship, however, being a product driven company it cannot stop advertising. For mass brands advertisements lead the way with sponsorships playing a minor role. However, a super luxury brand like a wine label would find better value in niche events like a wine and cheese evening than advertising.

*How do you handle requests for sponsorships from small schools and NGOs?*

Sudipta shared that Café Coffee Day is very careful in aligning itself to a cause. While there are several events and offers, the company exercises a firm regret if they are not in line with one's business. End of the day, there has to be an exchange, and the company has to see what it is getting in return. For example, the company tied up with the SOS children's village and ran a one-month collection programme to fund a new project. Cash boxes were put up at the cafes and customers were encouraged to donate. SOS was entrusted with the task of driving PR and Café Coffee Day insisted with them to get their patron Raveena Tandon to accept the cheque, which created a great PR opportunity. Sudipta shared that Café Coffee Day is very careful in

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#### **COMMENTS FROM PARTICIPANTS ON RELEVANT SPONSORSHIPS**

***IBM*** The Kingfisher Oktoberfest is a good example of a well thought out sponsorship.

***GANJAM*** For the last 10 years, Ganjam has been organising an annual music festival in November called Flights of Fancy. Focussing on Carnatic and Hindustani music, the festival is so popular people start calling for passes a month before the event!

(Excerpted from the presentation made by Sudipta Sen Gupta, Senior GM Marketing, Café Coffee Day, at PR Pundit's workshop, held in Bangalore on July 20, 2006)