



## **How Athletic Endorsements Impact CPG Sales: Nielsen**

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What is a brand? Is it a bottle of shampoo? A bar of soap? Of course, but the word "brand" is applicable to much more than your standard consumer packaged goods definition. Anything has the potential to be a brand: musicians, celebrities, athletes, reporters, and even everyday, ordinary people have the power and potential to become a brand. Granted it's not easy to be a brand, but you'll know when you cross that line when there's public recognition for specific, often unique, and expected characteristics.

This new research by Nielsen PreView and Anita Elberse of Harvard Business School looks into the world of Sports Endorsements.

### **The Value of an Endorsement**

In the analysis of 347 endorsement deals, the research uncovered a significant impact of athletic endorsements upon the sales of a brand. According to the research, six months after the signed endorsement deal, sales of the average brand increased 4 percent above expected levels.

### **Choosing an Athlete/Sport**

The research also qualifies the fact that not all sports are created equal in generating impact for a brand. For example, the higher a brand's penetration among fans of a particular sport, the higher you can expect the sales impact to be. In other words, the best sports endorsements capitalize upon a brand's core consumer base.

This phenomenon can work in reverse as well. When category penetration for one sport is much higher than in another sport, then a brand should expect a smaller impact on sales. In essence, if the sport is very popular for the category, this may see a watering down of the positive effects of the brand endorsement as attention of fans is drawn elsewhere.