

# Lesson 6.1 – Branding



# Branding

Branding describes a company's or event's efforts to develop a personality and make its products or services different from the competition

*Events are often branded to aide in marketing efforts*

## **Branding:**

The use of a name, design, symbol, or a combination of those elements that a sports organization uses to help differentiate its products from the competition

# Branding

Branding Efforts Often Include the Use Of:

---

- Brand Mark
- Logo
- Trademark
- Graphics

# Branding

---

---

**Slogans** are short, memorable catch phrases used in advertising campaigns designed to create product affiliations among consumers

---

---

# Branding

## Slogans Example

---

Dick's Sporting Goods advertising often features the slogan "Every season starts at Dick's"



### Branding

The NBA's Toronto Raptors adopted the slogan "We The North" during an organizational rebrand in 2011. The team used the same rally cry during the 2016 NBA Playoffs.



# Branding

When a brand name or trade name is registered, it also becomes a trademark

## **Trademark:**

A device that legally identifies ownership of a registered brand or trade name

### Trademark





### Branding

The NCAA paid \$17.2 million to secure the registered trademark for the phrase “March Madness”



# Branding

Trademark battles can become contentious in the court of law with companies spending millions in pursuit of intellectual property rights. In 2015, Michael Jordan was involved in a [vicious trademark battle](#) in China over the rights to his own name.



### Branding

In 2015, a jury voted that Robin Thicke's hit song "Blurred Lines" (produced by Pharrell Williams) had infringed on the copyright of a 1977 Marvin Gaye song and awarded Gaye's family a \$7.4 million settlement.



### Branding

In 2015, a Louisville lawyer trademarked the phrase “40-0” (as Kentucky’s basketball team chased an undefeated season) and proceeded to sell shirts bearing Kentucky athletics’ colors, resulting in a cease-and-desist letter from the University.



### Branding

Because Texas A&M University trademarked the phrase “The Twelfth Man” in 1990, the school sued two NFL teams for using the popular phrase in their marketing, saying the lawsuit was “mean to protect its 12th Man trademark from infringement”





# Branding & Licensing

## LESSON 6.1

### Branding

In 2016, the Aggies reached agreements with the Indianapolis Colts and Seattle Seahawks that required both teams to remove the “12th Man” phrase from their stadium’s “Ring of Honor”



### Branding

ESPN reported that in 2016, after retiring from the NBA, Kobe Bryant filed to trademark his nickname "Black Mamba." Bryant's business arm, Kobe Inc., has also filed for "HeroVillain," "Create Forever," "Dream Epic," and "Friends Hang Sometimes, Banners Hang Forever."



### Branding

Also in 2016, Clemson head football coach Dabo Swinney filed to trademark the saying “Bring Your Own Guts” and “BYOG” after using the phrase to inspire his team. Swinney also trademarked his own name in 2009, for which he earns 10% from proceeds of any third party selling products that use his name, image and likeness.





# Branding

According to the Sports Business Journal, the NHL expansion franchise in Las Vegas has struggled to finalize a name for the franchise, suggesting many of the possible team names have already been trademarked.



# Branding

Organizations will go to great lengths to protect the brand

---

According to Michael Napolitano, Licensing Director for Major League Baseball, Major League Baseball spends millions of dollars per year on trademark protection.



### Trademark

According to the *Oregonian*: "Adidas is well known for aggressively guarding the logo it's used for more than 55 years. It has pursued at least 325 infringement matters in the United States, including 35 lawsuits and 45 settlement agreements, according to court records."



What do you think?



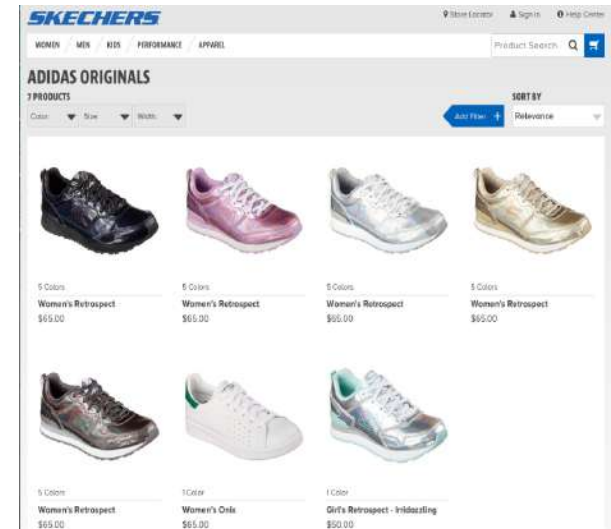
adidas



Radii

### Trademark

2016 was another busy year for Adidas' legal team as they filed numerous lawsuits against companies claiming their shoe designs infringed on Adidas' trademarks. The brand is aggressively pursuing litigation against Skechers for trademark infringement. Ecco and Athletic Propulsion Labs were other brands Adidas took to court in 2016.



## LESSON 6.1

### Trademark

In 2017, adidas took Puma to court with another trademark infringement claim over a soccer cleat that had four stripes on the side



### Trademark

Since 1967, Chapman High School in Kansas had been referring to its sports teams as the “Fighting Irish” and featuring a mascot bearing a similar resemblance to the fighting leprechaun logo used by the University of Notre Dame.

In 2012, the school received a cease and desist letter from Notre Dame, ordering them to discontinue using the logo. Unwilling to spend the money necessary to challenge the University in court, the school held an art contest to design a new logo for school athletics.



# Branding & Licensing

## LESSON 6.1

### Trademark





## LESSON 6.1

### Trademark

In 2017, NFL star Shawne Merriman sued Under Armour for trademark infringement, claiming their use of “Lights Out” in their “Curry 3 Lights Out” basketball shoe campaign confused consumers (Merriman’s nickname is “Lights Out”)



# Branding

## Guidelines for developing a successful brand

---

- Positive, distinctive and generate positive feelings and association
- Easy to remember and pronounce
- Logo is easily recognizable
- Implies the benefits the sports product delivers
- Consistent with the image of the rest of the product lines, organization, and/or city
- Legally and ethically permissible

# Branding

## Brand Building

---

- Brand awareness
- Brand image
- Brand equity
- Brand loyalty

# Branding

---

---

**Brand awareness** is the process of working toward maximizing recognition of a particular brand

---

---

### Brand Awareness

Many comic book fans associate comics with Marvel because of brand awareness. Because Marvel has such a strong brand, the Walt Disney Company purchased the company for \$4 billion.



### Brand Awareness

Despite moderate expectations, *Teenage Mutant Ninja Turtles*, the fifth installment of the film franchise, stunned *Guardians of the Galaxy* by dethroning the superhero squadron after just one week at No. 1, shattering sales forecasts by \$20 million.

In nearly 25 years,  
no Teenage Mutant  
Ninja Turtles film has  
opened below No. 1



### Brand Awareness

In 2016, Teenage Mutant Ninja Turtles: Out of the Shadows, continued the streak of being #1 when it did \$35 million in ticket sales in its first weekend.



### Branding

---

---

**Brand image** refers to consumer perceptions linked to a particular brand such as health, excitement, fun or family

---

---

*For example, the Disney brand is associated with family fun and entertainment*





# Branding

---

Brand image is not limited to just sports and entertainment properties but also to athletes and celebrities.



# Branding

---

---

**Brand equity** is the value placed on a brand by consumers

---

---

*For example, Nike has strong brand equity because consumers have long associated the brand with top level athletes and quality products*



## LESSON 6.1

### Brand Equity

Thanks to its strong brand equity, Nike is able to charge \$310 for a pair of their soccer shoes. Compare that to soccer shoes made by Nike's biggest competition, Adidas, that top out at \$240 for a pair. Typically a good pair of cleats from any brand can run \$150, but Nike's brand equity allows them to sell them at a higher price point.

#### Brand equity

- Brands represent the consumers' perceptions and feelings about products and their performance.
- The real value of branding is the ability to capture consumer preference and loyalty.
- Brands vary in power and value and have varying degrees of *brand awareness*, *brand preference* and *brand loyalty*.

# Branding

---

---

**Brand loyalty** is a consumer preference for a particular brand as compared to competitor products or services

---

---

## LESSON 6.1

### Brand Loyalty

In the recreational/sport fishing category, Plano brand tackle boxes have established a loyal customer base, maintaining a significant share of the market year in and year out. In 2009, Plano tackle boxes were again the preferred brand among anglers, representing 55.8% of all tackle box purchases.



## LESSON 6.1

### Brand Loyalty

In 2017, the Brand Keys Sports Fan Loyalty Index ranked the most loyal sports fan based on league, the top four:

1. Major League Baseball
2. National Basketball Association
3. National Football League
4. National Hockey League



### Brand Loyalty

In 2017, the Brand Keys Sports Fan Loyalty Index also ranked the “most loyal” MLB fans (results are below with the 2016 ranking in parenthesis)

MLB teams with the most brand loyalty:

1. Chicago Cubs (#7)
2. Washington Nationals (#5)
3. Los Angeles Dodgers (#2)
4. Boston Red Sox (#8)
5. San Francisco Giants (#3)

MLB teams with the least brand loyalty:

1. Arizona Diamondbacks (#29)
2. San Diego Padres (#27)
3. Colorado Rockies (#28)
4. Milwaukee Brewers (#22)
5. Minnesota Twins (#16)

# Branding

Event branding opportunities may include

---

- Naming, Event Offerings
- Promotions and Co-Promotions
- Sponsorship Opportunities
- Merchandising Opportunities
- Hospitality



## LESSON 6.1

# Event Branding

## Naming Rights

ING, a financial institution that provides banking and insurance services, has the naming rights to the popular New York City Marathon



### Event Branding

#### Promotions & Co-Promotions

PowerBar, another sponsor of the ING NYC Marathon, utilizes its partnership to provide a special promotional opportunity to race participants by offering 20% off all PowerBar products at the PowerBar store online.



## LESSON 6.1

### Event Branding

### Sponsorship opportunities and presenting rights

While ING enjoys the naming rights to the annual NYC Marathon, several other sponsors enjoy “Principal” status, such as ASICS, United Airlines, Foot Locker, The New York Times and Timex.



# Event Branding

## Merchandising Opportunities

Licensing opportunities are often available which would include the authorized use of a brand, brand name, brand mark, trademark, or logo

ASICS is a “principal” (primary) sponsor of the NYC Marathon. Part of their sponsorship agreement provides them with merchandising opportunities in that much of the merchandise sold online or on-site is co-branded by ASICS (they are also the presenting sponsor of the official Marathon Store).

# Event Branding

## Merchandising Opportunities

After 25 years of sponsoring the NYC Marathon, ASICS announced that 2016 would be their last as race sponsor (New Balance took over as official sponsor for the 2017 race).



# Event Branding

## Hospitality

Companies may have the opportunity to entertain clients, prospective customers and employees with tickets to the event

Most events offer hospitality packages, which typically include access to VIP areas and include food and beverages



# Branding

## Forms of Branding

---

- Corporate Brand
- Product Brand
- Store Brand

# Branding

*Corporate brands could include:*

- *Walt Disney Company*
- *National Football League*
- *Apple*

## **Corporate Brand:**

Represents an entire company or organization





# Branding

*Product brands could include:*

- *World of Warcraft*
- *Harry Potter*
- *iPod, iPhone, iPad*

## **Product Brand:**

Represents a particular product of a company or organization



# Branding

*Gander Mountain, an outdoor sports store, carries brand name merchandise from Columbia Sportswear and Wrangler, but also offers many products under the label of Gander Mountain*

## **Store Brand:**

The products retailers sell as their own brands



### Branding

Athleta active wear for women (apparel primarily targeting the niche yoga and pilates consumer) is actually a store brand under the Gap, Inc. umbrella.



# Branding

## Branding in SEM

---

- Sports and entertainment organizations and companies work hard to develop strong brands as a means for differentiating themselves from one another.
- Branding provides a unique means for product differentiation in that individuals (athletes, actors, musicians) can have such tremendous impact on sales.

# Branding & Licensing

## LESSON 6.1

### Branding

- Branding provides a unique means for product differentiation in that individuals (athletes, actors, musicians) can have a tremendous impact on sales.
- Fans of Johnny Depp will pay to watch nearly any movie for which he plays a role and will purchase DVDs, memorabilia and other licensed merchandise.



# Branding

---

---

**Brand extension** refers to the use of a successful brand name to launch a new or modified product or service in a new market

---

---

# Branding

*Forbes* magazine Senior Editor Matthew Miller says "Celebrities are brands, and they are marketing to us and there's stuff we consume off of them, from movies to albums to concerts to books to speaking tours to everything in between, and we sort of all buy into it."





# Branding & Licensing

## LESSON 6.1

### Branding

Musician Jimmy Buffett's list of brand extensions is expansive; from restaurants (Margaritaville cafes) and footwear (Sole of the Tropics flip-flops) to his own radio station on Sirius and a complete line of Margaritaville-branded food and beverages.





## LESSON 6.1



### Discussion Topic



Can you think of any additional examples of brand extension as it relates to the sports and entertainment industry?

## LESSON 6.1

### Discussion Topic



Celebrities use their star power to launch product brands, like Boston Red Sox star David Ortiz (Big Papi En Fuego Hot Sauce) and Usain Bolt (Bolt branded SOUL headphone line), popular music stars Kanye West, Rihanna, Jay-Z, Taylor Swift, Justin Bieber, Tim McGraw (fragrance lines), Actress Emma Watson (teen clothing line), American Olympic gold winning gymnast Nastia Liukin (girls clothing line for JC Penney).



### Branding

Former Seattle Seahawk running back, Marshawn Lynch, nicknamed 'Beast Mode', teamed up with McLoughlin Jeep in 2016 to create a small fleet of customized Beast Mode vehicles.



### Branding

Rap mogul Dr. Dre launched Beats Electronics (makers of high end headphones branded as "Beats by Dre") in 2006 and in 2011, he sold 51% of the audio company for \$309 million.



In 2014, Apple purchased the Beats brand for a lucrative sum \$3 billion

## LESSON 6.1



### Discussion Topic



Athletes and celebrities also leverage their popularity to open restaurants (according to a recent article in ESPN the Magazine, over 200 athletes are also restaurant owners), such as John Elway's "Elway's Colorado Steakhouse" in Colorado or Aerosmith's "Mount Blue" in Massachusetts

ELWAY'S  
*John Elway*

### Branding

Brand extension is not limited to individual athletes and celebrities. The University of Notre Dame sells a Notre Dame branded cologne, with 3.4-ounce bottles retailing for \$62.



### Branding

The entire Pirates of the Caribbean film franchise is an extension of a Disney brand (originally a theme park ride) that has been around for years and the films have now made nearly \$3 billion at the box office (that is the booty from the films alone, not including licensed merchandise sales, which range from Halloween costumes to nail polish to lamps).



### Branding



Stance introduced its first brand extension last season, expanding their product offering from niche socks to MLB-licensed underwear.





# Branding & Licensing

## LESSON 6.1

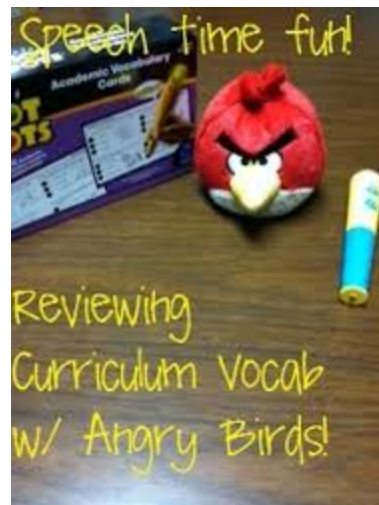
In 2011, the Food Network began offering concessions items at eight Major League ballparks, including the “Red, White & Blue” steak sandwich which was developed specifically for stadium cuisine in the Food Network kitchen in New York City.



# Branding & Licensing

## LESSON 6.1

Rovio, creator of the wildly popular Angry Birds video game app, announced a brand extension into education in which they will be marketing early childhood curriculum worldwide.



# Branding & Licensing

## LESSON 6.1

In 2016, the popular Warcraft brand, known originally for its video games and novels, expanded into movie theatres and was the #2 film during its opening weekend.



# Branding & Licensing

## LESSON 6.1

ESPN has grown to include ESPN2, ESPN News, ESPN Classic, ESPNU, ESPN Deportes, ESPN Films, 47 international channels; the largest sports-radio network in America; a magazine (ESPN the Magazine), restaurants (ESPN Zone), and a website that clocks 52 million unique visitors a month; and its own \$100 million theme park in Florida.



# Branding & Licensing

## LESSON 6.1

In 2015, Disney announced a 'Frozen' themed cruise on the company's cruise line would make a stop in Norway that would include on-board meet-and-greets with popular characters from the film and other activities based on the popular film.



# Branding & Licensing

## LESSON 6.1

Reebok launched a unique brand extension in an effort to continue to connect with cross fit brand by introducing a Reebok branded bacon product.





# Branding

## Importance of a Strong Brand

---

**There are a number of benefits associated with the development of a strong brand:**

- Strong brands have the power to create business value and impact more than just corporate revenues and profit margins
- Strong brands also create competitive advantage, command price premiums and decrease cost of entry into new markets and/or categories
- Strong brands reduce business risk and attract and retain talented staff

# Branding

---

---

**Rebranding** is the updating or creation of a new name, term, symbol, design, or a combination thereof for an established brand with the intention of developing a differentiated (new) position in the mind of stakeholders and competitors.

---

---



### Branding

**Re-establishing brand position and strengthening the brand is a critical component for maintaining a strong brand**

Gatorade determined it needed to see more growth within the teenage segment of its customer base so it launched the "G Series" campaign



## LESSON 6.1

### Branding



In an effort to forge a better connection with the community, a Minor League Baseball franchise in Akron, Ohio changed their team name from the "Aeros" to the "RubberDucks", a tribute to the city's longstanding connection to the rubber industry (not to mention that the rubber duck was invented in Akron). As a result, the team won "logo/branding of the year" honors from Ballpark Digest.

## LESSON 6.1

### Branding

Many sports properties have recently included a logo update or re-design as part of their re-branding strategy, including the Sacramento Kings adopted new logos in 2016 as part of their re-brand, the Hickory Crawdads also revealed new logos (as well as lettering, numbers, jerseys, and hats) in 2016, and the NHL's Florida Panthers introduced their first new logo (which was inspired by the Army's 101<sup>st</sup> Airborne Division) since 1993 in 2016.



### Branding

Several NBA teams recently adjusted their logos, ranging from minor tweaks (Blazers) to entire collections (Cavs), in preparation for the league's switch from adidas to Nike as jersey sponsor for the 2017-18 season

- The Portland Trail Blazers gave their logo a slightly new look
- The Minnesota Timberwolves updated their logo with new colors and an entirely different wolf
- The Cleveland Cavaliers introduced an entire collection of new logos

# Branding & Licensing

## LESSON 6.1

### Branding



# Branding & Licensing

## LESSON 6.1

### Branding

Because rebranding entails some major overhauling for organizations, it can be an expensive investment for sports and entertainment properties.

According to the [Charlotte Observer](#), Charlotte's rebranding effort cost the franchise nearly \$3 million but has resulted in an immediate uptick in sales, with an increase of 59% in new ticket sales and a significant boost in sponsorship and merchandise sales.





### Branding

After a two year rebranding process that set The Big 12 Conference back roughly \$415,000 on logo design and implementation alone, it was reported by *Sports Business Journal* that, for the first time in league history, the logo would be required to appear on football uniforms.



### Branding

As part of their very successful rebranding campaign, the Atlanta Hawks introduced new uniforms along with secondary marks.



Click [here](#) for a behind-the-scenes look at the uniform creation process



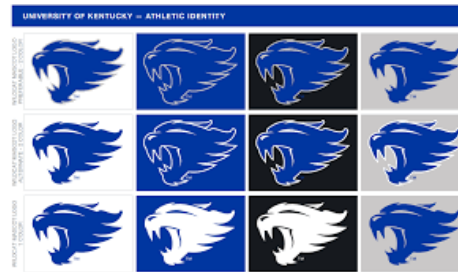
### Branding

In 2016, Rutgers University, in partnership with Nike, unveiled new uniforms and a secondary mark. Rutgers Director of Athletics Patrick Hobbs explained the decision in a story posted on the Big Ten Network's website, saying: "Having strong brand identity is fundamental to our success."



### Branding

Nike also worked with the University of Kentucky in 2016 to develop a new secondary logo and sleek new jerseys.



### Branding

Here is a new secondary jersey the San Jose Earthquakes released in 2016 in partnership with Adidas



### Branding

The NBA's San Antonio Spurs were one of only a few professional teams to not have a secondary logo, but according to SportsLogos.net, that will change for the 2017-18 season



### Branding

However, with some iconic franchises, a more traditional look without bold or flashy logo updates and jersey/uniform designs helps the team remain true to their brand



# Branding

---

---

**Co-branding** is the practice of using multiple brand names to jointly promote or market a single product or service

---

---

## LESSON 6.1

### Branding

Reebok and Marvel partnered to launch a limited edition sneaker collaboration featuring shoes inspired by some of the most popular characters in the Marvel Universe (including Wolverine, Spider-Man and Captain America among others). The co-branded kicks were available online and through Finish Line retail stores.



### Branding

Texas Tech University's licensed retail store, Red Raider Outfitter, partnered with the Texas Rangers and Houston Astros in 2016 through a cross-licensing agreement to create co-branded apparel.





## LESSON 6.1

### Branding

A few years ago, five Australian rugby league teams suited up as Marvel Comics superheroes: Thor, Wolverine, Captain America, Iron Man and Hulk. The uniforms were licensed by Marvel Comics and replica jerseys were available to fans for a retail price of around \$150.



### Branding

In 2015, ESPN and the Missouri Valley Conference announced plans to create a co-branded network, “The Valley on ESPN3.”



### Branding

In 2017, Major League Baseball teams offered Star Wars co-branded merchandise at their team stores and online



## LESSON 6.1

### Top Brands of 2017

A brand analyst and strategy company (Kantar Millward Brown) annually ranks the world's most powerful brands measured by their dollar value

1. Google



6. AT&T



2. Apple



7. VISA



3. Microsoft



8. Tencent

*Tencent* 腾讯

4. Amazon



9. IBM



5. Facebook



10. McDonald's



### Top Brands

Top sports/entertainment industry related global brands of 2017 (overall rank listed in parenthesis)

2. Apple (2)



3. Microsoft (3)



7. Amazon (4)



19. Disney (18)



24. Nike (26)



## LESSON 6.1

### Top Brands

The latest Forbes magazine ranking of the most valuable sports team brands (defined as “the portion of a team's overall value that is derived from its name”), and the increase/decrease from the previous year



New York Yankees (MLB) - brand value: \$660 million, same

Dallas Cowboys (NFL) – brand value: \$577 million, 19% increase



Los Angeles Lakers (NBA) – brand value: \$546 million, 4.8% increase

Real Madrid (UEFA Champions League) – brand value: \$521 million, 12.3% increase



Barcelona (UEFA Champions League) – brand value: \$509 million, 16.5% increase

## LESSON 6.1

### Top Brands

The latest Forbes magazine ranking of the most valuable sports business brands based on overall brand value (previous year's value in parenthesis)

Nike – \$27 billion (\$26 billion), 3.8% increase



ESPN - \$16.5 billion (\$17 billion), 2.9% decrease

Adidas - \$7 billion (\$6.2 billion), 12.9% increase



Under Armour – \$5.5 billion (\$5.0 billion), 10% increase

Sky Sports – \$5 billion (\$4.6 billion), 8.7% increase



## LESSON 6.1

### Top Brands

The latest Forbes ranking of the most valuable event brands based on overall brand value (previous year's value in parenthesis)

1. Super Bowl: \$630 million (\$580 million), 8.6% increase

2. Summer Olympic Games: \$366 million (\$348 million), 5.2% increase

3. Winter Olympic Games: \$285 million (\$285 million), same

4. FIFA World Cup: \$229 million (\$229 million), same

5. WrestleMania: \$180 million (\$170 million), 5.9% increase





*Blank Slide Available  
for Teacher Edits*

# LESSON 6.1 REVIEW (ANSWERS)

## Branding & Licensing

### 1) Define branding

The use of a name, design, symbol, or a combination of those elements that a sports organization uses to help differentiate its products from the competition

### 2) Define brand equity and brand extension

Brand equity is the value placed on a brand by consumers while brand extension refers to the use of a successful brand name to launch a new or modified product or service in a new market

# LESSON 6.1 REVIEW (ANSWERS)

## Branding & Licensing

3) Differentiate between corporate brand, product brand and store brand

*A corporate brand represents an entire company or organization*

*A product brand represents a particular product of a company or organization*

*Store brands are the products retailers sell as their own brands*

# LESSON 6.1 REVIEW (ANSWERS)

## Branding & Licensing

4) Determine the characteristics of an effective brand name

Positive, distinctive and generates positive feelings and association

Easy to remember and pronounce

Logo is easily recognizable

Implies the benefits the sports or entertainment product delivers

Consistent with the image of the rest of the product lines and company/organization

Legally and ethically permissible