

CONFIDENTIAL

Benson and Hedges
and
Formula One Sponsorship

Qualitative Debrief

Presented to:

Gallaher Ltd
Members Hill
Brooklands Road
Weybridge
Surrey
KT13 0QU

Date: 21 April 1997

Presented by:

Melanie Haslam
Melanie Haslam & Associates
19 Dunford Road
LONDON N7 6EP

Tel: 0171 609 4611
Fax: 0171 700 0869
e - mail: HaslamDrury@
compuserve.com

Job No: 067



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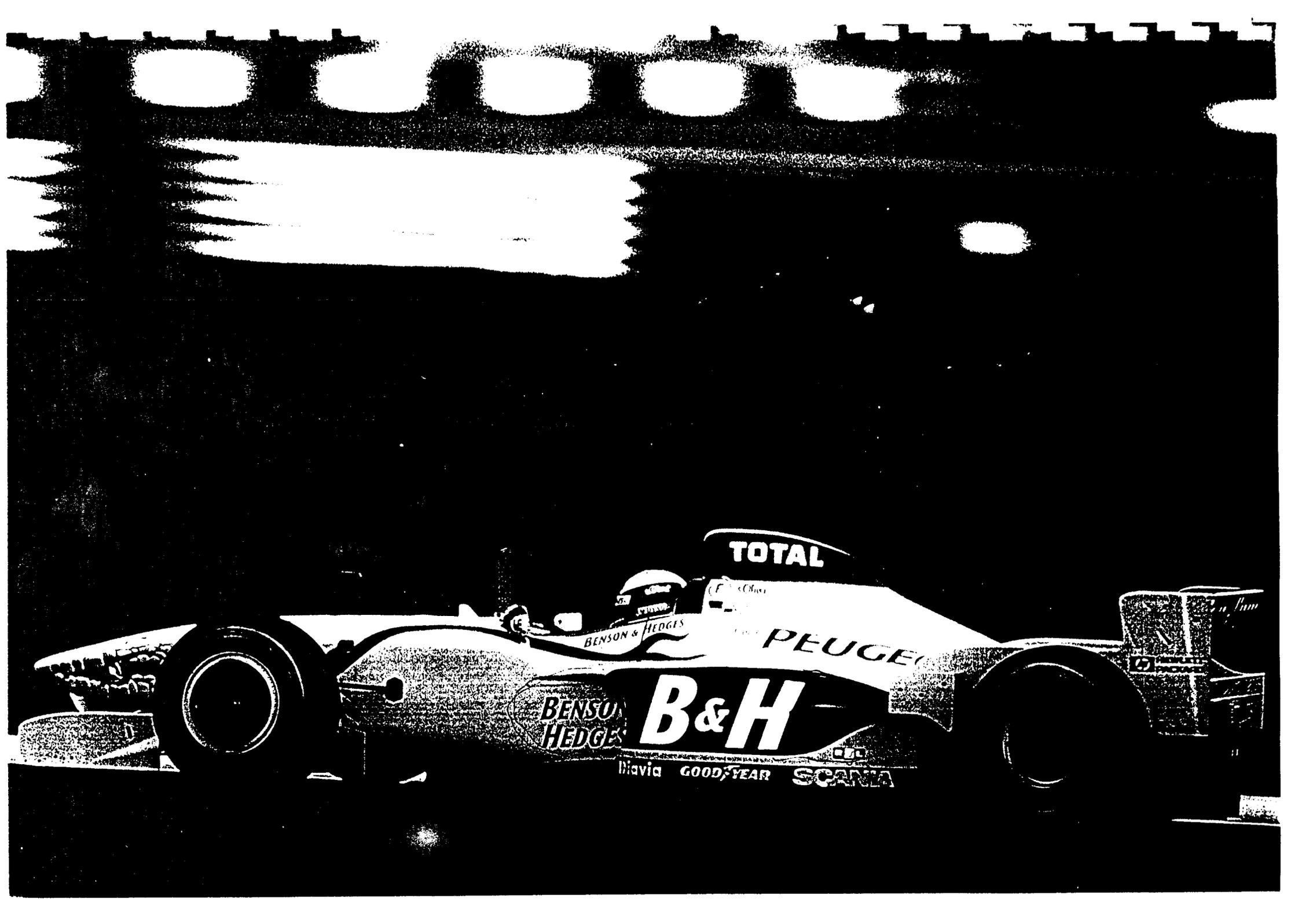
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TOTAL

PEUGEOT

BENSON
HEDGES

B&H

GOODYEAR

SCANIA

BENSON & HEDGES

PEUGEOT

BACKGROUND

- Benson and Hedges are sponsoring Formula One racing for the second year, specifically the Jordans Peugeot Team.
- A quantified tracking study set up to monitor the effectiveness of the sponsorship, initially showed little movement in awareness among the target market.
- A qualitative project was commissioned to shed light on and complement the quantified research findings, and to help understand awareness and attitudes towards Benson and Hedges and Formula One sponsorship.



RESEARCH OBJECTIVES

- To investigate attitudes towards sport sponsorship with particular focus on Formula One.
- To investigate the pro's and con's of cigarette sponsorship.
- To investigate awareness of cigarette sponsorship with particular focus on Benson and Hedges.
- To examine and evaluate Benson & Hedges sponsorship of Formula One.



RESEARCH METHOD

- Four group discussions among male, most often smokers:
 - South, Benson and Hedges, 25-34, BC1, viewers of Formula One
 - South, premium smokers, 25-34, C1C2, non-viewers
 - West Midlands, Benson and Hedges, 20-30, C1C2, non-viewers
 - West Midlands, premium smokers, 18-24, C2D, viewers of Formula One
- Other premium brand smokers included smokers of Embassy No1, Rothmans, Marlboro and Marlboro Lights.
- Fieldwork took place in Twickenham and Solihull w/c 31st March, 1997.
- All moderating and analysis was undertaken by Melanie Haslam.



MAIN FINDINGS

Sponsorship

and

Brand Imagery



ATTITUDES TOWARDS SPORT SPONSORSHIP

- Generally seen to be a very good thing with benefits all round.
- Investing in sport for the benefit of the sport, the players, the viewers/spectators.
- Seen as essential to the establishment, growth and continuing success of sport
- Across the board to support and develop:
 - established popular sports (football)
 - expensive sports (motor racing, round the world sailing)
 - amateur sports turning professional (rugby)
 - smaller emerging sports (ice hockey, basketball)
- The cynical minority describe it as exploitative, but without resentment, and only in the sense that the brand/company get something out of it:
 - awareness and association



- There is a general understanding about how money is spent; lack of specific details about investment are not an issue.
- Development of:
 - facilities for players and viewers
 - training for established sports people and youngsters
 - technical investment, equipment, maintenance
- The latter in particular are recognised as huge costs for the motor sports industry:
 - the enormous costs involved in developing and maintaining a car and team:
“£1 million a car a race”.



ATTITUDE TO CIGARETTE SPONSORSHIP

- Seen to be something that companies increasingly have to do, because able to do so little else.
- More complex range of attitudes than towards sponsorship in general, depending on:
 - attitudes towards cigarette sponsorship in general
 - feelings about the appropriateness of different sports
- The attitude range:
 - the majority differentiate between different types of sport
 - others feel sponsorship is justified and helpful across all sports
 - a small minority feel uncomfortable about doing it at all



DIFFERENTIATION BETWEEN SPORTS

- The majority differentiate between those sports which are more physically active and those which are not.
- Active sports which require a high level of physical fitness and exertion are considered inappropriate for sponsorship:
 - football, rugby, athletics
 - basketball for some
- On the other hand, more sedentary sports often associated with drinking and smoking, are considered generally acceptable:
 - darts, snooker
 - bowls



- There is more ambivalence about sports requiring less overt physical fitness:
 - golf, cricket, show jumping
- And another category of more powerful, strenuous, even potentially dangerous sports, considered appropriate for sponsorship:
 - more mentally challenging:
 - motor sports
 - round the world (as opposed to dingy) sailing
 - more physical contact sports:
 - ice hockey



SUMMARY IMAGE OF DIFFERENT SPORTS

FORMULA ONE

- International
- Rich people, expensive sport
- Glamorous
- Challenging
- Mental fitness
- Fast, furious, dangerous
- Living life to the full
- Living life on the edge



Ferrari, Porsche, Lotus



DARTS

"Beer bellied, pint in your hand....you have to smoke to play....no energy vested."



"A dust cart"

SNOOKER

- Originally, similar to darts
- But now younger, smarter, monied sport, associated with glamour and success
- Sedate and civilised



BMW's, Mercs



BOWLS

"An old man's game"

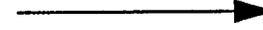
- English
- Slow and sedate
- Smoke while they play
(a cigarette at either end)



Classic car

BASKETBALL

- Energetic
- Fast, furious
- Clean cut
- American
- Young



Golf GTi



ICE HOCKEY

- Young, American
- Fast and furious
- Hard , contact sport

—————→ Suzuki Jeep

TENNIS AND HORSE RIDING

- Some degree of fitness required
- Less hard, mach.o
- Less exciting, dynamic
- More middle of the road

GOLF AND CRICKET

- Classy, more upmarket
- Gentler pace
- Older

—————→ Mercedes



SAILING

- Big names, a sport for the rich
- International, glamorous
- Power, strength, more macho
- Mental challenge
- Potentially dangerous

vs

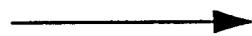
- Recreational (dingy) sailing
- More fun, less exciting and dynamic
- Gentler and more sedate
- Less hard and macho



SUMMARY OF BRAND IMAGE

EMBASSY

- Older
- More old fashioned
- Flat cap



Middle of the road, Vauxhall

MARLBORO

- The great outdoors
- American
- Young, dynamic, successful
- Macho (the cowboy), rugged



Ferrari, Jeep



SUMMARY OF BRAND IMAGE

SILK CUT

- Yuppie, middle class
- Smooth, elegant, more refined
- More feminine

ROTHMANS

- Upper class, old fashioned, (international)

vs

- Downmarket, female cleaner



BENSON AND HEDGES IMAGERY

Distinctive gold pack, high profile advertising,
premium price, quality product,
popular brand



USERS

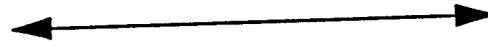
- "The gold standard"
- Classy, aspirational
- Grown up

→ Porsche

NON-USERS

- Too strong
- Bit flash
- Potentially common

→ BMW with flash wheels



More modern and classy than Embassy
Less dynamic and exciting than Marlboro



**MORE ACTIVE SPORTS, WITH POTENTIAL TO CREATE A MORE DYNAMIC,
EXCITING BRAND IMAGE**

- Formula One
- Big boat sailing
- Basket ball
- Ice Hockey

**LESS ACTIVE SPORTS, MORE APPROPRIATE TO REINFORCE EXISTING BRAND
IMAGERY**

- Darts
 - Snooker
 - Bowls
 - Golf and cricket
 - Tennis and horse riding
-
- With the caveat that some sports are more appropriate for cigarette sponsorship than others



POTENTIAL BRAND IMAGE FIT

- In general terms:
 - sponsorship associated with international premium brands (a virtuous circle)
 - harder more macho sports a better fit with cigarettes, with the exception of Silk Cut

SILK CUT

Big boat sailing
(Tennis)
(Horse jumping)



Only the first has
the potential to
be an image
driver

MARLBORO

Formula One
(Basket Ball)
Ice Hockey



All capable of
capitalising on
and driving brand
imagery

EMBASSY

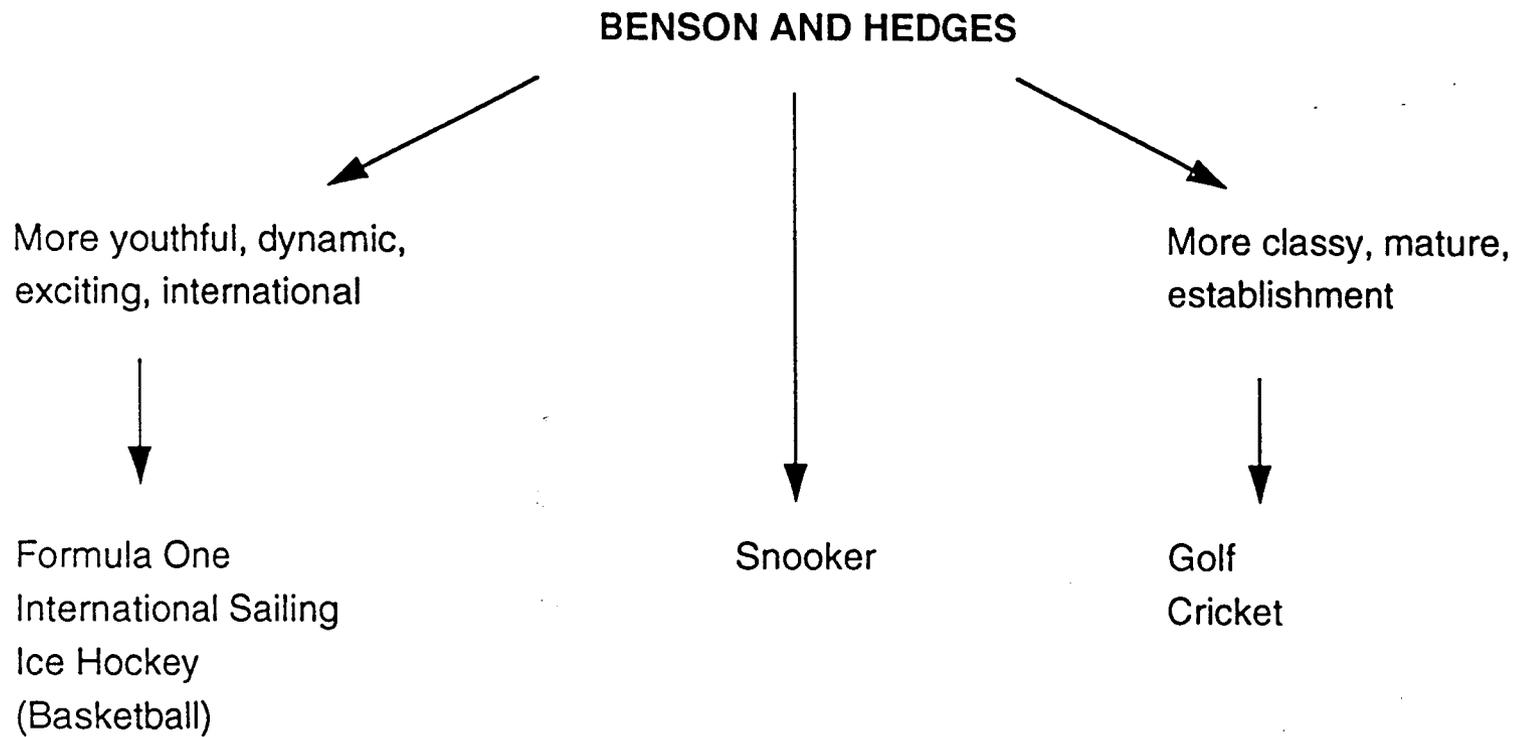
Darts
Bowls
Snooker



No real potential.
to drive but
rather maintain,
brand image



BENSON AND HEDGES BRAND IMAGE FIT



FORMULA ONE

M H A

BACKGROUND: VIEWING OF SPORT

- TV dominates information about sport:
 - some newspaper readership, especially for football
 - no specialist magazine purchasing
 - half or so viewed Sky as well as terrestrial TV
- Main sports viewing; football, boxing, rugby, racing, motorsports, snooker (not darts)
- Less viewing of golf, cricket and tennis
- Minority interest in motorcycling, ice hockey, snowboarding, fishing, basketball, watersports
- Although wide variations in intensity and commitment of viewing:
 - difference between a real follower
 - and someone whose viewing is more incidental, or 'couch potato'



SPONTANEOUS BRAND-SPORT ASSOCIATIONS

FIRST LEVEL (top of mind)

- Darts - Embassy
- Snooker - Embassy, Benson and Hedges
- Formula One - Marlboro, Rothmans, JPS

SECOND LEVEL (accessed)

- Bowls - Embassy
- Golf - Benson and Hedges
- Cricket - Benson and Hedges
- Sailing - Silk Cut
- Desert Rally - Camel

THIRD LEVEL (expert)

- Ice Hockey - Benson and Hedges



FORMULA ONE AWARENESS

- Seen as a relatively high profile sport. Even if not a TV viewer likely to have some knowledge about it:
 - interest in Damon Hill a national event
 - media coverage in build up to season
 - advertising with switch to ITV coverage
 - visitors to the Motor Show (Birmingham)
- Cars of general interest to the majority in any case.



FORMULA ONE VIEWING

- Viewing habits of both 'viewers' and 'non-viewers' vary widely.
- A small number of dedicated followers might even watch a race in the middle of the night:
 - a minority of aficionados
- The majority watch the highlights (Australian Grand prix the previous Sunday). These vary between:
 - those who set aside the time to watch
 - those who are slouching on a Sunday afternoon with nothing better to do
- Bearing in mind interest heightens towards the end of the season depending on:
 - the national interest
 - the nature of the league table



- The **nature** of TV coverage also affects viewing and consequently brand awareness:
 - the build up towards the end of the season
 - the focus on leading cars:
 - highlights
 - the last few laps of the race
 - camera emphasis on:
 - lead cars, often from **above** the car
 - crashes



The focus is on the winning cars or the disasters



BRAND ASSOCIATIONS

- Three brands are strongly linked into Formula One, recalled in terms of distinctive car livery, and sometimes the teams:
 - Marlboro, red and white car, McLarens
 - Rothmans, blue and white, Williams
 - JPS, black and silver, Lotus
- These associations have been built up:
 - over a considerable period of time
 - seemingly some with high profile success
- Recall of JPS is driven mainly by the highly desirable car and livery.
- Marlboro and Rothmans mainly through history and profile



- Very low recall of Benson and Hedges:
 - on the TV rather than in print
 - but lack of clarity or detail
- Low recall of specifics:
 - of the distinctive 'snake' car, but sometimes without the brand

*"The car with the viper or snake head on front, now **that** one sticks in my mind."*

- gold or yellow as the B & H colours
 - Eddie Jordan/Peugeot
- Recognised as a newcomer, but no surprise:
 - getting in on the act
 - high profile sport, needing investment/backers
 - suitable sport for cigarette sponsorship
 - good fit for Benson and Hedges



WINNING OR NOT

Winning is important in two respects:

- Getting coverage and **building awareness**:
 - the focus on the last few laps
 - the focus on the lead cars

"In Formula One you wouldn't bother having it if it was a losing car because you'd never see it....it's not like ice hockey or something where the name is plastered all over the stadium."

- Building brand cudos and **imagery**:
 - the positive associations with success
- However recognition that this is an investment sport, especially among the officinados:
 - may take a couple of seasons to come good



CAR AND LIVERY

- Precedent sets up the expectation that the car should be the same as the pack colour.
- Some dispute as to whether it should be yellow or gold:
 - strong advocate of gold, often B & H smokers
 - yellow not associated with B & H
 - but some recognition that gold might be a difficult colour on the track
- Car and Livery thought smart and distinctive:
 - the majority like the snake head feature

“Like Spitfire pilots in the Second World War.”



THE TEAM

- Unproven, but everything to go for.
- Some recognition of Eddie Jordan as an ex-driver.
- Both drivers unknowns, therefore, assumed inexperienced:
 - element of confusion over Schumacher name a potential benefit
- Peugeot a good name, but not proven.
- Overall, a feeling that it would be ideal to have an English car and driver:
 - a feeling that success would render irrelevant!



BRANDING

- Gold is more likely to brand the car B & H than yellow.
- “**Benson and Hedges**” thought of as the right prominent branding.
- Important to keep the same typeface as the brand:
 - “B & H” looks like a chocolate brand (M & M’s)
- Is the branding in the right position on the car?
 - need for branding from the **top** of the car (like Marlboro)
 - to suit the camera angle
 - to fit with the snake head, so you see the two simultaneously
 - is existing balance between B&H and full branding on the side of the car right?
 - ‘Total’ branding is in a particularly good position



CONCLUSIONS

M H A

CONCLUSIONS

- Formula One is one of the least contentious sports for association with cigarette sponsorship, indeed there is a natural fit between the two.
- The image is dynamic, macho and international and consequently can potentially bring these image values to a brand.
- Formula One is seen to be an appropriate fit for Benson and Hedges and can help to drive the more youthful and exciting elements of the brand imagery.



- Branding elements on the car could potentially be improved:
 - in that context gold is preferable to yellow
 - positioning and typeface of brand name
- However, the nature of the media coverage of the sport means that real brand awareness will only begin to build:
 - over time
 - more importantly, with **success**:
 - as the car becomes a greater focus of attention as a lead car on the track
- Success also will obviously bring greater cudos to the brand.

