

**Reebok: Brand Development and
Sales Promotion Activities for Reebok IPL
(Royal Challengers Bangalore) Campaign in Bangalore**

Mohita Kaushik

(PGDM No.:12150)

Student, SDMIMD, Mysore
mohita12150@sdmimd.ac.in

Jojo Joy N

Assistant Professor - Marketing Area
SDMIMD, Mysore
jojo@sdmimd.ac.in

Comments by the Faculty

The Study titled ‘Reebok: Brand Development and Sales Promotion Activities for Reebok IPL (Royal Challengers Bangalore) Campaign in Bangalore’ explores the possibility of brand loyalty behaviour on sportswear and examines key brand loyalty factors – brand name , product quality, style, store environment and promotion strategies that can be adopted by leading sportswear companies by collaborating with major events such as IPL. The study assumes relevance as it is stated by FICCI that the Indian Sportswear Retail Market is set to grow rapidly and will reach an estimated 400 billion by the end of 2015. Another pertinent factor that makes the study timely is the immense potential that has been unlocked by the Indian Government by opening the country for multi brand retail by which the growth of organised retail is expected to soar high.

In a market where you have fewer but powerful players dominate, it becomes natural imperative for the marketing managers to contribute investment and time in upholding brand identity, preserving brand loyalty and developing new lines so that they could occupy more market share. In this process, marketers realises the rising trends of brand switching and recognise consumer retention as an easier and more reliable source of superior performance. Therefore it is important to acquire new methods, which are cost effective, to get more insights into the creation of brand loyalty and it is in this context the study assumes greater relevance.

Jojo Joy N

Reebok: Brand Development and Sales Promotion Activities for Reebok IPL (Royal Challengers Bangalore) Campaign in Bangalore

About Industry – Sportswear Retail

Indian Sportswear Retail Market, estimated at INR 365.8 billion, has evolved from a niche segment targeting only sportsperson, to a burgeoning consumer segment. The industry has seen rapid growth over the years, and is driven by change in lifestyle of the people, growth in income level, increase in sporting events, and entry of foreign players to Indian Market after liberalisation. Other emerging trends in the industry are – Online Shopping, Product Innovation (example – Reebok Zigtech and Easytone), Sports Merchandising, and Lifestyle Positioning.

Despite of huge success and growth in the organized sportswear retail market, the industry faces certain challenges as counterfeiting, rising cost, low participation in sports, and unorganised players (approx. 70%).

Though the major players in the Organized Sector are Liberty, Woodland, Nike, Adidas, Reebok, Lotto, Kappa, Puma, Bata, Fila, and Rockport, the project revolves mainly around Reebok and its Marketing Strategies for Promotion of its IPL (Indian Premier League) Merchandise.

About Reebok

Reebok, an American Inspired Global Brand and an oldest Shoe Company, is known for creating and marketing Sports and Lifestyle Products, built upon its strong heritage in the segments of Sports, Lifestyle, and Women's Category. The brand's vision is to help every athlete – from professional athlete to recreational runners on the ground to provide an opportunity by giving them products and the feeling to aspire more, and to achieve what they are capable of. Reebok's Mission is to always lead and challenge through Creativity. The brand has always positioned itself as a brand of people with unique qualities, individualities, and the courage to forge their own path to greatness. The individuality, the creativity, and the greatness of the brand is supported by its 2000 campaign "I Am What I Am", which is one of the largest Global Campaign in the World.

Reebok started its operation in India in 1995, the initial phases being difficult to figure out the right marketing mix for Reebok. Though gradually, by understanding the Indian Customers and their needs, Reebok became the Market Leader in Indian Sportswear Market.

In 2006, German Sports Giant Adidas Group purchased Reebok for \$3.8 billion, in an attempt to be a world leader in Sportswear Market, the position being held by Nike. Post-merger, Adidas-Reebok has delivered excellent product performance and excellent price performance by developing great relationships with its stakeholders.

Reebok – Association with Sports

Reebok has positioned itself as a premium sports and lifestyle brand. Given its positioning, and its strong heritage, Reebok has always been associated with leading sports throughout the world. Be it National Football League, Rugby Union, Brazilian Club, or Cricket, Reebok has sponsored various teams across the World and has provided them with Uniform Jerseys, Side-line Apparels, Caps, and other related Accessorise.

In India, Reebok has partnered with Formula One Racing, ICC, and IPL. In IPL, Reebok has sponsored kits for Teams – Royal Challengers Bangalore, Chennai Super Kings, Rajasthan Royals, Kings XI Punjab, and Kolkata Knight Riders.

The Project – Reebok and Royal Challengers Bangalore

In IPL 6, Reebok has sponsored three teams – Royal Challengers Bangalore (RCB), Chennai Super Kings (CSK), and Kolkata Knight Riders (KKR). During the IPL duration, which was of two months, Reebok conducted certain activities in the three cities – Bangalore, Chennai, and Kolkata, to increase the Brand Visibility of Reebok in relation to IPL, and hence to increase the Sales of Reebok IPL Merchandise.

The activities conducted by Reebok in Bangalore, for Royal Challengers Bangalore Team, are mainly focused upon in this article. The project work done can be divided into two parts –

- Getting Endorsements in the form of Ad Spaces (Barter Deals) from Malls, Bars, and Restaurants in Bangalore, for promoting Reebok IPL Campaign (RCB Team).
- To propose and implement a BTL (Below the Line) Activity Plan for the same.

Apart from the points mentioned above, other activities were also done which are covered in the topics to come.

Activity 1 – Getting Endorsements

The steps followed for getting endorsements were –

Step 1 (Database Creation)

Bangalore Area was segmented on the basis of Popularity among Youth, Crowd or Footfall, Number of Bars and Restaurants, and Availability of Reebok Showroom. After Segmentation, Contact Information was collected of the Managers of various locations, and phone calls were made to fix up the meeting, to discuss about the deal.

Step 2 (Proposal Preparation)

A proposal detailing about the type of Ad Space Requirement, Duration, Promotional Activities, and In Exchange, was prepared. The Proposal was either presented to the concerned person, or sent via electronic mails.

Step 3 (Closing Deals)

Seeing upon the interest of other party, and discussing with Reebok Marketing Team, few deals were closed. The related work was coordinating with the Vendors for printing of Ads and proper placements of them, and delivering the promise to the Other Party.

Deals Closed and Other Details

The areas covered in Bangalore were – Indiranagar, Koramangala, Brigade Road, and UB City Vitthal Mallya Road. Out of a number of deals proposed, few were closed, the details of same are as shown in the table on the next page.

Few Points worth noting in the entire process are –

- All the deals closed were Barter in nature, which means in today's world of Advertisements, due importance is given to the non-cash deals.
- Majority of the Ads placed were of Standee kind, because the cost involved in printing of a Standee is low, as compared to any other print media such as Tent Cards, or Pamphlets.
- Since most parties would not prefer Barter over Cash, decent Negotiation is required, which also involves understanding other party's requirements.

The entire process can be described with the help of a flowchart shown below

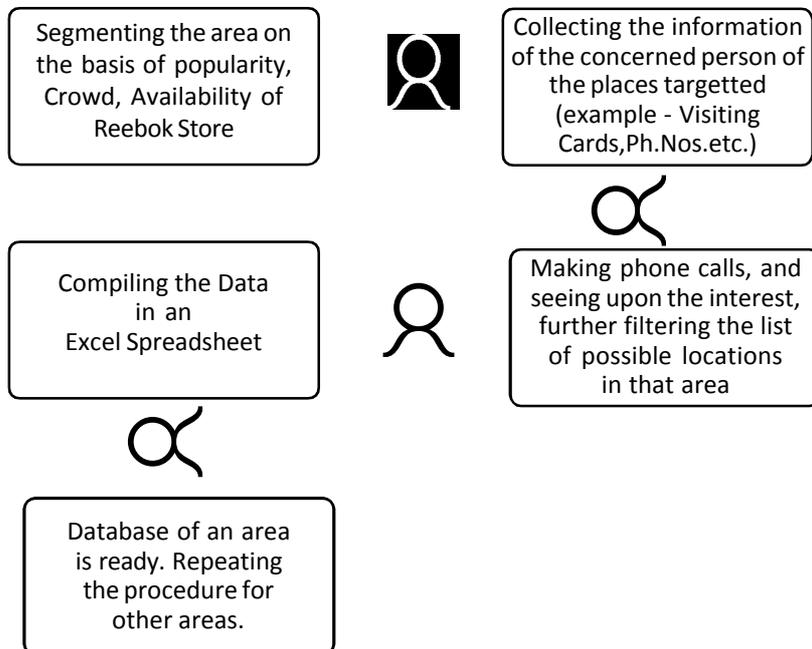


Figure 1 : Database Creation Approach

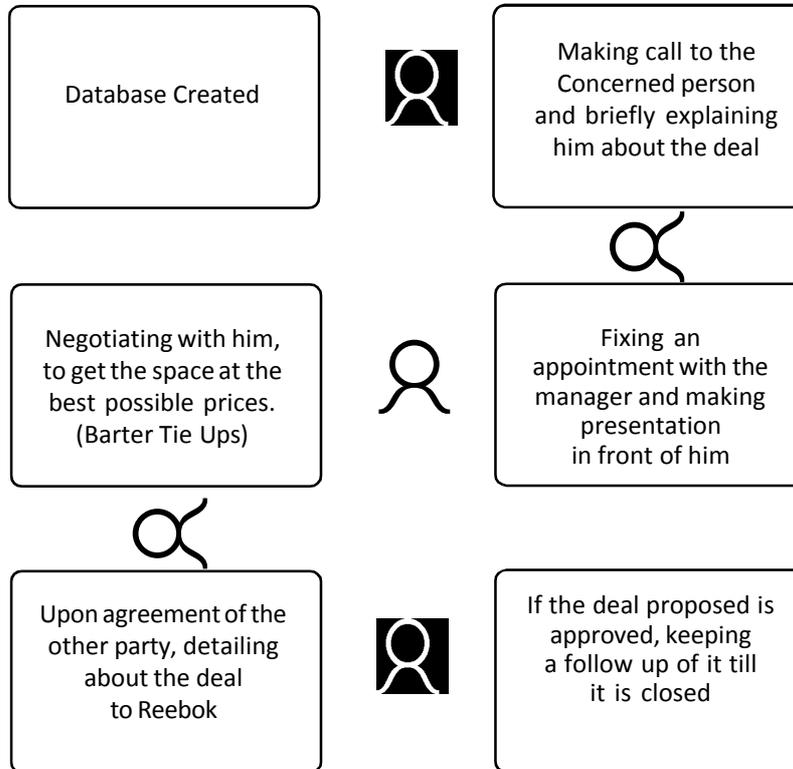


Figure 2: Deal Closing Approach

**Table 2 :
BTL Activity Done**

S. No.	Location	Type of Ad Space/ Endorsement	In Exchange
1.	Forum Mall	2 Standees	20 IPL Jerseys
2.	ION Bar and Kitchen	3 Standees	10 IPL Jerseys
3.	Legacy of Punjab Restaurant	1 Standee + Tent Cards	15 IPL Jerseys
4.	Java City Café	1 Standee + Pamphlets	Rs. 5000 or a Reebok Shoe
5.	Le Rock Pub Café	1 Standee	10 IPL Jerseys + 10 Reebok Caps



Figure 3: Creative Placed at Various Places

Activity 2 – BTL Plan

A BTL activity or Below the Line Activity, can be summed up in three points - Low Cost to the Company, Greater Visibility, and Direct Interaction with the Customers. Keeping this in mind, and using the AIDA Model (Attention, Interest, Desire, and Action), seven ideas were proposed. Out of the ideas proposed, three were selected by the Reebok Team, which are given as follows:

My Face, My Team, My IPL

On the day of IPL Matches, a tattoo artist can be hired and people will be given a chance to get an IPL Tattoo on their face, but along with a Reebok Logo. This will be done without charging anything in return.

Head to Toe, It is Cricket, It is IPL

A person completely dressed up in an IPL Cricket Player's Outfit, i.e. wearing an IPL Jersey, Trousers, Leg Pads, Arm Guards, Gloves and Helmet, and holding a bat in his hand, roaming around at a specific location, and doing batting actions sometimes in between.

This can be done for three teams which Reebok is sponsoring – Royal Challengers Bangalore, Kolkata Knight Riders and Chennai Super Kings.

Lend Your Face

A large proportion of Bangalore Population is College Goers or Youngsters. If we can ask some of them to have their Faces painted with an IPL Team Logo on one Side and Reebok logo on the other side, for a day, in a particular location, this will attract a huge attention because of its unusual quirkiness. In exchange, we can give those students some goodies from Reebok.



Figure 4: Logo Designed for Face Painting

** The logo proposed for getting it painted on the face is as shown in the figure.

The three ideas selected were in a way related to face painting, and the idea “Lend Your Face” was conducted in Chennai Expressway Mall, as said by Reebok Marketing Team, because already many activities were going on in Bangalore.

Activity 3 – Forum Mall Event

An event was organized in Forum Mall, Bangalore, where customers of Reebok and Fans of Royal Challengers Bangalore were given chance to meet the Team Players, but only after fulfilling one of the below mentioned conditions –

1. People were asked to send their photographs cheering the RCB Team in Red, in a Facebook contest organized by Reebok
2. They have to make a purchase of Rs. 4999 and above from Reebok

The event was organized for two major purposes –

1. Reebok's association with IPL – Firstly, because of the event, Reebok gained more popularity, as the public was given the chance to meet the RCBs Players. Secondly, there was a direct impact on the sales that day which was increased because people were getting signed merchandises from Reebok (signed by the players).

2. Reebok's launch of CrossFit – The second purpose of the event was to launch the CrossFit Brand of Reebok, which is mainly focused on fitness.



Figure 5: RCB Team at Forum Mall

Reebok – Other Strategies

Apart from the activities mentioned above, which were only related to IPL, and Reebok's Promotion in Bangalore, the brand has followed other approaches also, which are very well understood by its activities. These other branding approaches are –

Sponsorships

Sponsorship is the acquisition of right to affiliate or directly associate with a product or event for the purpose of deriving benefits related to that affiliation or association. The sponsor then uses this relationship to achieve its promotional objectives or to facilitate and support its broader marketing objectives.

Reebok sponsoring IPL Teams, and other Sporting Events, supports its positioning and relationship with sports. Moreover, it is using the name of IPL to promote its merchandise, and to establish an emotional connect with the customers.

Strategic Partnerships

The utilization of Promotion Partners such as teams, leagues and events is an important part of endorsing Brand's Positioning. Reebok is partnering with some of the most influential and accomplished people in the fitness industry to validate its key concepts and positioning.

Reebok key assets include Reebok CrossFit Games 2012 Champions Rich Froning Jr. and Annie Thorisdottir, as well as, renowned Yoga Instructor Tara Stiles. In 2013, Reebok has also partnered with some of the premier fitness events in the world such as Reebok CrossFit Games. The same can be linked to the Forum Mall event where the Cricketers and the General Public was involved in few of the games of CrossFit.

Co-Branding

Co-Branding is a frequently practiced in Fashion and Apparel Industry, which involves combining of two or more brands into a single product or service.

Promotional co-branding starts with endorsements with celebrities and institutions and can enhance the brand image. Sponsorships can be a part of such activity which provides ample opportunities as described above.

Reebok also has successfully pursued design and co-branding strategies with complementary partners. In 2012, Reebok has deepened its partnership with CrossFit which is one of the fastest growing fitness movements in the world.

In a nutshell, the activities of Reebok can be described by using the following model of Brand Management System:

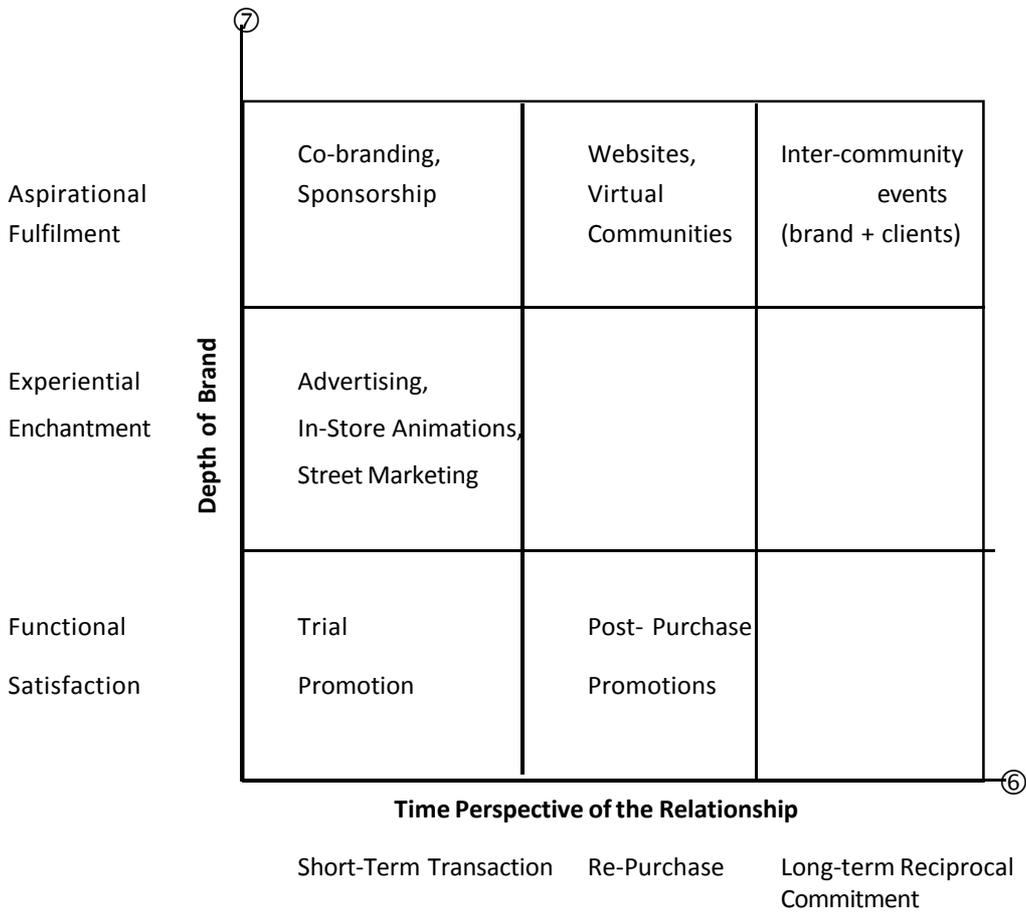


Figure 6: Brand Management System

The Brand Management System, plotted over a two-dimensional matrix, depicts the depth of relationship of Reebok with its Customers over time. It can be described as below.

Reebok has tried to build the aspirational fulfilment among its customers by engaging into sponsorship events like IPL, as well as co-branding with brand such as CrossFit. By sponsoring the IPL Teams, and providing merchandises from Reebok for Team Fans, Reebok is able to fulfil the aspiration of the customers and hence leading into a Short-Term Transaction for itself.

Also, Reebok kept its customers engaged through Website, and Virtual Communities formed over Social Media Sites, by introducing various Contests. This again led to the aspirational fulfilment, and Re-purchase also, as customers were willing to purchase more in orders to win the contests.

Inter-community events, such as the Forum Mall event, where Reebok associated itself with various clients, which were the management of Forum Mall, Reebok's Media Planner Team, and others. This leads to a long-term relationship with clients and customers as well.

Suggestions and Recommendations

Apart from the brand development and sales promotion activities undertaken by Reebok in IPL season 6, the following activities can also be undertaken:

1. Pamphlets attached to the bills provide direct visibility to the brand, so it can be implemented
2. ION Bar proposed to have a Stall Activity in its Bar, without any charges, that could be done
3. Gift Vouchers or Discount Coupons on a certain purchase could be given, so as to have increased sales, word of mouth publicity, and increased customer relationships
4. Mobile Advertising could be done by sending Bulk SMSs, and by advertising on Games Downloading Sites on Mobile Applications related to IPL

References

Aaker D A, 1996. *Building Strong Brands*, Free Press, New York.

About Reebok. (2013, March 10). Retrieved from http://corporate.reebok.com/en/about_reebok/default.asp

Adidas reebok-merger. (2013, May 8). Retrieved from <http://www.articlesbase.com/marketing-articles/adidasreebok-merger-1983240.html>

AIDA_(marketing)# Purchase_Funnel. (2013, May 29). Retrieved from [http://en.wikipedia.org/wiki/AIDA_\(marketing\)#Purchase_Funnel](http://en.wikipedia.org/wiki/AIDA_(marketing)#Purchase_Funnel)

Annual Report 2012. (2013, April 18). Retrieved from http://www.adidasgroup.com/en/investorrelations/assets/pdf/annual_reports/2012/GB_2012_En.pdf

- Barter-based-media-buying-enjoys-business-reputation-bump. (2013, March 28). Retrieved from <http://adage.com/article/agency-news/barter-based-media-buying-enjoysbusiness-reputation-bump/238787/>
- Below-the-Line Promotion. (2013, April 2). Retrieved from http://www.ofs.edu.sg/BACCpacks/Marketing_student/page_204.htm
- BTL Promotion. (2013, April 8). Retrieved from [http://en.wikipedia.org/wiki/Below_the_line_\(advertising\)](http://en.wikipedia.org/wiki/Below_the_line_(advertising))
- Doing Business without Exchanging Money: The Scale and Creativity of Modern Barter.* (2013). California Management Review, 55-58, 64-67.
- Principles and Tactics of Negotiation. (2013, March 27). Retrieved from <http://jop.ascopubs.org/content/3/2/102.full>
- Reebok Strategy. (2013, April 3). Retrieved from <http://www.adidasgroup.com/en/investorrelations/strategy/reebok/>
- Reebok_history. (2013, April 3). Retrieved from http://corporate.reebok.com/en/reebok_history/default.asp
- Sportswear Retail. (2013, May 9). Retrieved from <http://www.ey.com/IN/en/Industries/India-sectors/Retail—Wholesale/Key-drivers>
- Andrew M Kaikati, J. G. (2013). *Doing Business Without Exchanging Money: The Scale and Creativity of Modern Barter.* California Management Review, pp. 55-58, 64-67.
- Kapferer, J. N. (n.d.). The Brand System. In J.-N. Kapferer, *The New Strategic Brand Management* (pp. 160-163).