



# TELECOMMUNICATIONS

A SPONSORSHIP CATEGORY UPDATE

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# TELECOMMUNICATIONS

## A SPONSORSHIP CATEGORY UPDATE

Few industries have undergone more change than telecommunications.

While AT&T, Verizon and other wireless carriers once used sponsorship to drive preference and build brand loyalty, they are increasingly using the marketing medium to access content and enable connectivity.

The major factor behind the change is the growing number of consumers using smartphones and other mobile devices as a one-stop source for content. Mobile data traffic rose a whopping 65 percent from Q3 2014 to Q3 2015, largely driven by increased video consumption on mobile phones, per the 2015 Ericsson Mobility Report.

Demand for rich content is not going away anytime soon. Video will represent nearly 70 percent of all mobile data traffic by 2021, according to the report.

### SPONSORSHIP HOT BUTTONS: TELECOMMUNICATIONS

- Drive data usage through property content
- Showcase technology solutions
- Enable connectivity
- Promote attributes of speed and reliability
- Drive retail traffic
- Gain business from properties and cosponsors

## AN INSATIABLE APPETITE FOR CONTENT

Telco companies' appetite for content has reshaped the sponsorship portfolios of three of the four most active sponsors, all of which look to mine data, statistics, videos and other information from a handful of content-first partnerships.



### AT&T

PLATFORMS: COLLEGE ATHLETICS



### VERIZON

PLATFORMS: MOTORSPORTS;  
PROFESSIONAL SPORTS



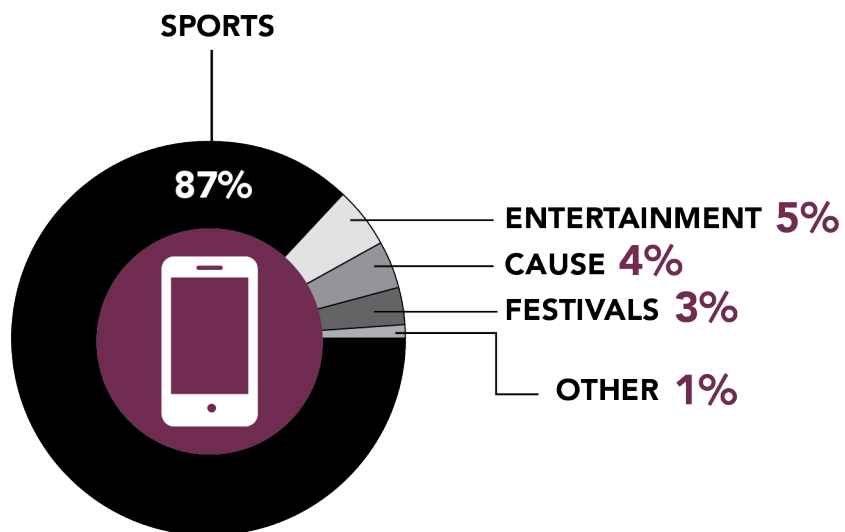
### T-MOBILE

PLATFORMS: ELECTRONIC DANCE  
MUSIC; PROFESSIONAL SPORTS



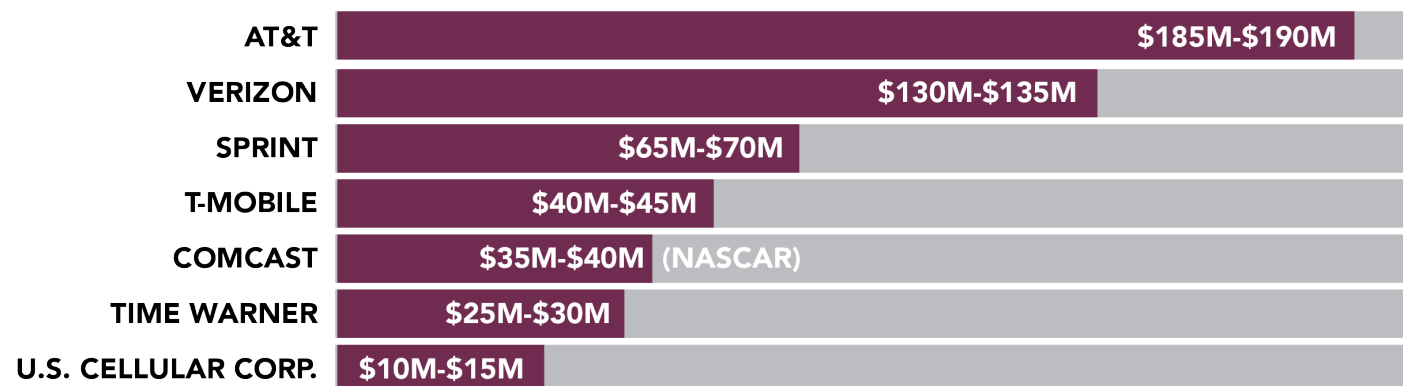
## TELECOMMUNICATIONS

### SPONSORSHIP ACTIVITY BY SPEND



### TELCO SPONSORSHIP SPENDING

Preliminary estimate 2015 Spend





**CASE STUDY:  
INSIDE AT&T'S EVOLVING  
SPONSORSHIP STRATEGY**

Consumers' growing desire for content and connectivity has made a significant impact on AT&T's business and sponsorship strategy.

Looking to extend its business beyond wireless services, the company now positions itself as "the world's leading integrated communications company charged with connecting consumers with their world where they live and work."

"With the growth of connective devices, we are charged with leveraging sponsorship assets to deliver on consumers' desire for connectivity. We are looking differently at what we buy and thinking beyond the stadium in how we activate," said Ryan Luckey, AT&T assistant vice president of corporate sponsorship.

The strategy places more focus on content, network upgrades at sponsored events and activation programs that support AT&T's mobile-first charge.

"Having great connectivity in a stadium is necessary but not sufficient," Luckey said. "What we seek to do around Ohio State University or the University of Alabama goes beyond Columbus and Tuscaloosa. We want to connect fans with content they want when, where and how they want."

The growing importance of content has made a major impact on the way AT&T vets sponsorship opportunities. While the company once looked for sponsorships that include content, it is increasingly looking for content-driven partnerships that include marketing benefits.

"The future is becoming more about content deals with sponsorship assets rather than sponsorship packages with scraps of content."



**CASE STUDY:  
INSIDE AT&T'S EVOLVING  
SPONSORSHIP STRATEGY**

For AT&T, that content comes in two forms: Long-form content such as live games via the DirecTV Sunday Ticket package—an asset the company gained from its 2015 acquisition of the satellite TV provider—and short-form videos designed for on-the-go millennials.

As an example of short-form content, AT&T partnered with Uber on a promotion during the 2015 college football season that offered consumers a ride in a vehicle driven by a former college football great. AT&T outfitted 10 Chevy Tahoe SUVs with tablet computers capable of streaming football games via the AT&T U-verse app.

AT&T—which ran the promotion in Atlanta, Detroit, Houston and Nashville—posted content from the promo on YouTube and other social media channels





**CASE STUDY:  
VERIZON AND THE NBA**

GO90™ SPORTS  
**STREAM NBA  
BASKETBALL LIVE ON  
GO90**

**NBA LEAGUE PASS**

Purchase NBA LEAGUE PASS on go90 to watch live NBA games on your mobile device. You must be a registered go90 user to purchase. Local and national market blackout rules apply based on your location.

NBA LEAGUE PASS – HALF SEASON PACKAGE  
Live NBA game access for the NBA 2010/11 regular season

**\$50.00**  
PLUS APP/CABLE FEES

Nowhere is interest in content more evident than with Verizon and the NBA. Verizon offers the following NBA content via its new go 90 mobile video service.

- NBA Insider (nightly commentary/analysis)
- Game in 90 (top plays/game highlights in 90 seconds)
- NBA All-Access (scores, etc.)

In addition, Verizon this month plans to offer live streaming of NBA games via the NBA League Pass live game package.

Verizon offers go90 across all wireless services, meaning that NBA fans do not have to be a Verizon customer to access the app. The ability to engage a broad audience—not just Verizon customers—was attractive to the league, said Christine Pantoya, NBA senior vice president of mobile strategy.

“NBA fans want to access content where, when and how they want it. The ability to reach all mobile users in the U.S. was very attractive.”

The sponsorship contains two components: marketing and content. The marketing partnership includes designation as the official wireless services provider of the NBA, WNBA, NBA D-League and USA Basketball, while the content component affords status as a non-exclusive partner of NBA content. While the content deal is non-exclusive, Verizon does receive original programming in addition to daily highlights and behind-the-scenes content.

Verizon will use the partnership to engage consumers throughout the year via content ranging from the NBA to the WNBA and USA Basketball.

“Mobile doesn’t take a break in the off season; the year-round nature of the partnership was very compelling,” said Pantoya, who previously served as vice president of corporate strategy and development at Verizon before joining the NBA last year.

# AT&T, INC.

**Portfolio Overview:** AT&T focuses on college athletics (NCAA, College Football Playoff, etc.), with additional ties spanning golf (AT&T Pebble Beach Pro-Am, Jordan Spieth, etc.); sports venue naming rights (AT&T Center, AT&T Park, AT&T Stadium, etc.); soccer (Major League Soccer, U.S. National Soccer teams, Mexican National Soccer Team, etc.); and the Olympics (U.S. Olympic Committee).

**Sponsorship Strategy:** AT&T uses sponsorship to support its mobile-first strategy of connecting sports fans where they live, work and play. As a result, the company has taken a deeper dive into the content waters, with video playing a key role. AT&T also is placing more focus on Millennials and Hispanics, the latter an audience it plans to engage via Major League Soccer and other soccer properties.

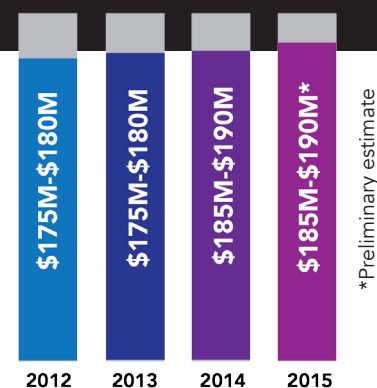
**Mobile-First Activation:** AT&T looks to enhance the fan experience via wireless enhancements at sports and entertainment venues (Wi-Fi hotspots, DAS systems, etc.) and content that extends beyond the confines of a stadium.

**The Impact Of The DirecTV Acquisition:** AT&T continues to integrate DirecTV assets into its sponsorship portfolio following its 2015 acquisition of the satellite TV provider. While it has yet to be seen how the integration will play out, one thing is clear: The DirecTV brand will eventually be replaced. "AT&T will be our corporate brand moving forward, but we will continue for the foreseeable future to use DirecTV as a product name given its strength in the market," according to a company statement.

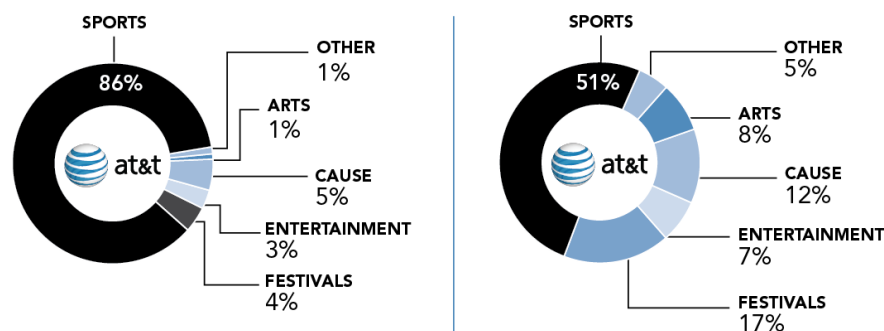
## MAJOR DEALS



## SPONSORSHIP SPEND



## SPONSORSHIP PORTFOLIO BY SPEND/ACTIVITY





# VERIZON COMMUNICATIONS, INC.

**Portfolio Overview:** The largest U.S. wireless services company has adopted a content-first approach to sponsorship via partnerships with the National Football League, the Verizon IndyCar Series and its new tie to the National Basketball Assn.

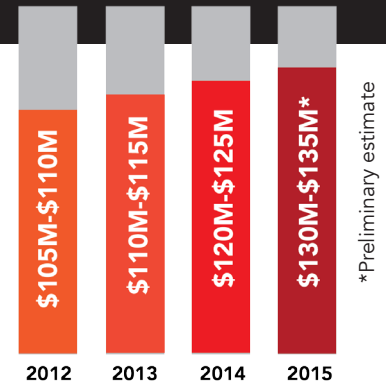
**Sponsorship Strategy:** Like AT&T, Verizon looks to mine content out of strategic partnerships. Case in point: The carrier is leveraging the NBA by offering game highlights, analysis and other content via go90, its new millennial-centric mobile streaming service. Verizon offers the smart phone app across all wireless carriers—a major benefit to the NBA. Verizon is adding live streaming games via the NBA League Pass. Verizon also offers NFL content on go90 via an expanded content deal with the league. The carrier sponsors other year-round NFL assets including the NFL Draft, NFL Kickoff and 18 teams.

**Super Bowl 2016 Activation:** Verizon activated Super Bowl 50 with presenting sponsorship of Super Bowl City, the San Francisco Bay Area Super Bowl 50 Host Committee’s free fan village. The carrier also sponsored the NFL Awards Show—a first-time sponsorship for the company—and the NFL House.

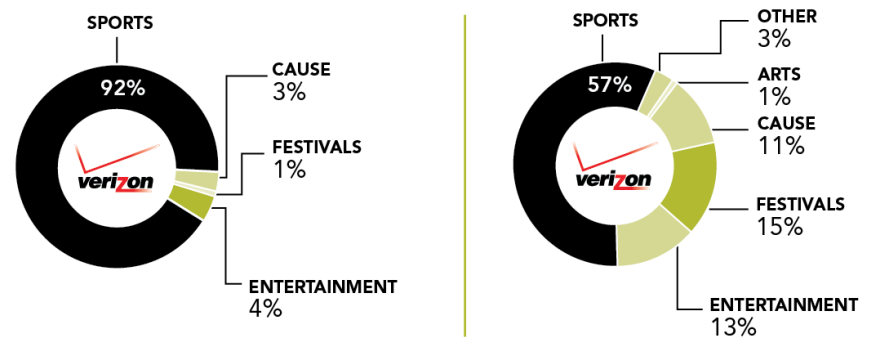
## MAJOR DEALS



## SPONSORSHIP SPEND



## SPONSORSHIP PORTFOLIO BY SPEND/ACTIVITY



# SPRINT CORP.

**Portfolio Overview:** With new leadership in the executive suite, the nation's third-largest carrier is replacing pro sports league sponsorships with a renewed investment in network infrastructure. In 2015, Sprint dropped its four-year sponsorship of the NBA. It will conclude its 12-year NASCAR run at the end of the 2016 NASCAR Sprint Cup Series. The company is now left with its long-running involvement in skiing (USSA, Vail Resorts)—a platform that initially began as a B2B play—plus a handful of deals located near its Kansas City headquarters (Sprint Center, etc.) and other key markets.

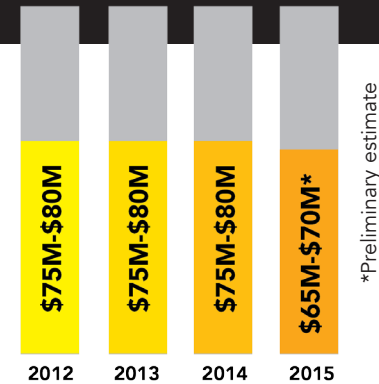
**Expands Portfolio In Chicago:** While it has cut national properties, Sprint has expanded its sponsorship portfolio in the Windy City. Recent ties include Live Nation Entertainment (Aragon Ballroom, House of Blues, Lollapalooza, etc.) and naming rights to the Chicago Transit Authority's holiday train and bus.

**Activation Focuses On Customer Perks:** Sprint activates its Live Nation tie with Sprint Fast Lane entrances at music venues, the opportunity to win viewing passes, and social media promotions dangling Ticketmaster Ticket Cash.

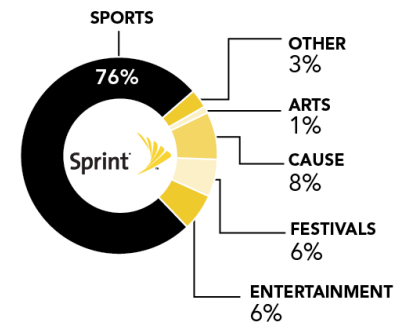
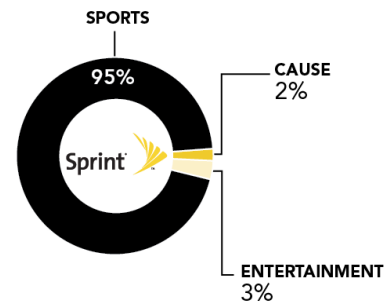
## MAJOR DEALS



## SPONSORSHIP SPEND



## SPONSORSHIP PORTFOLIO BY SPEND/ACTIVITY



# T-MOBILE US, INC.

**Portfolio Overview:** The nation's fourth-largest wireless services provider last month added a third leg to its national sponsorship portfolio: venue naming rights. T-Mobile announced naming rights to T-Mobile Arena, a new 20,000-seat sports and entertainment facility in Las Vegas. The partnership builds on T-Mobile's other two platforms: Major League Baseball and SFX Entertainment (electronic dance music).

## T-Mobile Arena To Focus On Customer Benefits:

T-Mobile will activate T-Mobile Arena by offering customers special perks and benefits including fast-track VIP entrances, ticket pre-sales and seat upgrades.

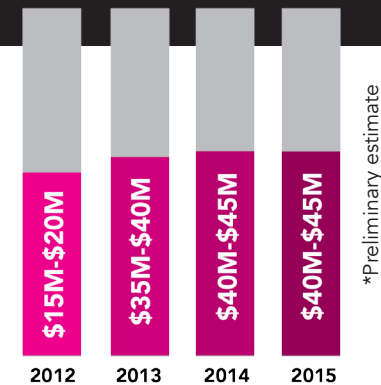
**Uses EDM To Engage Millennials:** While the four major wireless companies all use music to target young adults, T-Mobile has taken the deepest dive into the music waters via its partnership with SFX Entertainment. The company expanded the tie in 2015 with T-Mobile Backstage, a music hub that offers customers free music, access to exclusive ticket giveaways and other perks.

## MAJOR DEALS

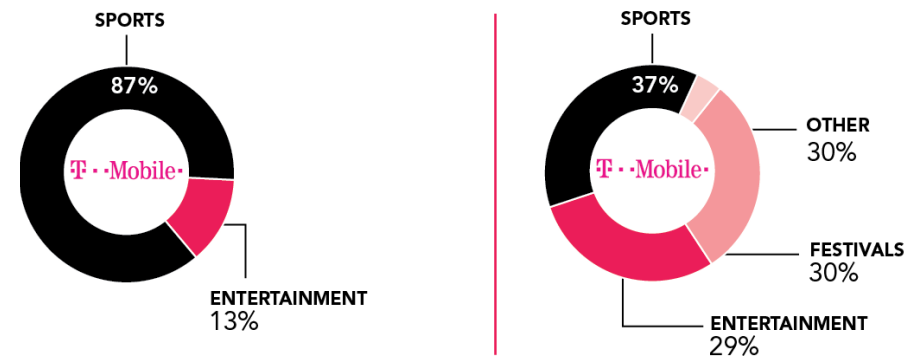


T-Mobile  
Arena

## SPONSORSHIP SPEND



## SPONSORSHIP PORTFOLIO BY SPEND/ACTIVITY



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## ABOUT IEG AND ESP PROPERTIES

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IEG has shaped and defined sponsorship over three decades. It is the globally recognized source for industry insights, trends, training and events via [sponsorship.com](http://sponsorship.com), its annual conference, online publications, trend reports, surveys and webinars.

IEG is part of ESP Properties, a WPP company. As a commercial and creative advisor for rightsholders, ESP Properties helps organizations unlock greater value from their audiences and brand partnerships.

Our consulting team assesses and advises how to grow the value of rightsholders' commercial programs. We do this through a full range of services across data, digital and content development to better understand audiences and create more relevant ways to engage with them. This provides brand partners with new ways to connect with communities of fans and followers, growing the potential value of commercial partnerships.

Our sales team provides rightsholders with partnership strategy and sales representation to the world's most active sponsors, within and beyond the WPP network of brand clients. Through WPP we have extensive contacts and deep insights into what it takes to create successful partnerships.

For more information about the value of sponsorships and partnerships, IEG and ESP Properties, please visit [www.sponsorship.com](http://www.sponsorship.com), [www.espglobal.com](http://www.espglobal.com), or call Jim Andrews at 312/725-5110.



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