



Going for Gold.

There may be an impasse in French politics after President Macron’s failed gamble earlier this month, with no sign of a clear way forward in the near future, however, from this Friday, the world’s attention on France will not be on the politics but their ability to host the Olympic Games. There has already been plenty of publicity over whether the Paris infrastructure will be able to cope with the increase in footfall, whether the Siene is fit to host some of the swimming events, and as ever, if the French will refrain from their national pastime, and not strike during the course of the games.



Sponsorship, marketing and brand awareness will be even more apparent this year as companies try to take advantage of the global coverage that the Olympic Games attract, as well as the national support for individual athletes; expect your social media accounts to be flooded with news and updates as the games continue. In a study by Hookit, the value of advertising by brands during the 2020 Tokyo Olympic games varied wildly, but the large athletic leisure companies derived the most value in terms of level of engagement and quality of promotion per post.

Ranking	Brand	Sponsorship Value (AAV)
1		\$11M
2		\$5.3M
3	 	\$3.5M
4	 	\$1.7M
5	 	\$1.5M
6		\$1.3M
7	 	\$1.2M
8		\$1.1M
9		\$925k
10		\$679k

Source:Hookit



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The Paris Olympics has relaxed the rules governing individual athletes' ability to endorse brands during the games, as previously the number of posts that they put out was strictly limited, but now direct interaction via social media and TikTok is less tightly governed creating additional opportunities for the brands to promote their products and the athletes they sponsor.

With new entrants such as On Holding and the growing importance of the Chinese sports brands, the veterans of the industry such as Adidas and Nike have already been keen to get onto the front foot and try to counter their recent subdued sales.

Nike wasted no time in ramping up its Paris presence with statues of famous sportsmen and women sponsored by Nike, outside the Palais Brongniart, a covering over the entire façade of the Pompidou centre, and an "on Air" showcase event in April, showcasing their new Pegasus and Air product developments as well as 40 elite athletes to unveil team kits and concepts such as sculpturing the Air bag to the individual foot, for future products that will help Nike's innovation and development for the future years. Nike are not alone in innovation, with Adidas promising more products to come, and On Holding showcasing a lace-less shoe made by their new LightSpray technology, which made headlines when Helen Obiri won the Boston Marathon earlier this year.

Nike comes to Paris



Source: TIM/ Nike

Beyond individual athletes, Nike has sponsored 10 national teams, including the US, China, Kenya, French basketball and Germany, and designed their clothing while Adidas has sponsored nine, including GB, Ethiopia, Ireland and French athletics. With flagship stores on the Avenue des Champs-Élysées, both will be hoping for a significant increase in footfall over the coming month.



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Can the Olympics revive the fortunes of the big brands?



Sponsorship and presence at the Olympics are not limited to the sports brands as many other companies are marquee sponsors of events. Official TOP partners include many of the top French and international brands, such as Louis Vuitton, which is running hospitality, Chaumet which is designing the medals, Dior, Visa, Coca-Cola and many more, all of which hope that their sponsorship will increase visibility that converts into revenues.

While the impact of the Olympics may take time to convert to increased sales, traditionally events such as this and the Football world cups have been better years for the sports companies. However, for a true improvement in their fortunes, much will depend on their ability to innovate and come up with products and designs that capture the consumer minds.

The VT Tyndall Global Select holds Nike, as well as the TOP Olympic partner Visa.

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Source unless stated: Bloomberg



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