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KING OF CONTENT

A LEAN ON EXPERIENTIAL MARKETING
IS TRANSFORMING SPORTS ILLUSTRATED
INTO A NEW MEDIA POWERHOUSE

INSIDE THE EVOLUTION WITH TIME INC.
SPORTS GROUP PRESIDENT MARK FORD

cover story

SPORTS ILLUSTRATED
USES A COMMITMENT
TO EXPERIENTIAL
MARKETING TO BOOST
SALES, EXPAND REACH,
AND IN THE PROCESS,
UPGRADE THE AGE-OLD
PUBLISHING MODEL

GAME ON

BY SANDRA O'LOUGHLIN

PHOTOGRAPHY BY SHAUL SCHWARZ



TEAM CAPTAIN: Mark Ford, president of Time Inc.'s Sports Group, heads up SI's event programs.

The experiential marketing revolution is now creating an experiential marketing evolution—as traditional media companies use healthy doses of face-to-face strategies to reinvent their own business model.

And nowhere is a business-model reinvention needed more than in the magazine industry, where paper is out, digital is in and advertisers want integrated, engaging and different. Publishers today are finally realizing that their brands are marketing platforms in their own right, and many have some of the strongest relationships with consumers found anywhere—relationships built over time and based on trusted content provided by trusted voices. One could argue that those relationships have been largely untapped by corporate marketers who simply made mere print buys over the years when consumers were beginning to pine for more.

And so the game is changing. Magazines have recognized the power of their own brands, the reach of their circulations and the targetability of their databases and are now using fully integrated marketing to elevate readership and brand affinity. More importantly, they're now offering advertisers holistic marketing platforms that span print, online, live and other channels. Experiential marketing is becoming a more prevalent slice of the pie as magazines take their brands—and their advertisers—off the printed page and into the medium of live.

There may be no better proof of the trend than *Sports Illustrated*. The evergreen magazine began embracing experiential marketing two years ago and hasn't looked back. The pub's annual steamy Swimsuit issue each February moves more than a million newsstand copies, and since its debut in 1964 has raked in more than \$1 billion for parent Time Inc. But even pictures of beautiful babes in teeny bikinis can take a magazine publisher only so far. So *SI* ventured headlong into experiential, which has taken the iconic issue to the next level. It begins with Launch Week, an event romp that for the past two years kicks off with a press bash in New York City and then a chartered plane ride for sponsors and a few lucky consumers to Las Vegas, where a 48-hour whirlwind of events ensues and digital content from the program extends the experience into a year-round *SI* franchise.

DRIVE INTO LIVE

Tim Angelillo, executive director-experiential marketing at *SI*, compares the program to something until now only seen by sports and entertainment properties, like the traditional fan fests that lead up to an "All-Star" weekend. In this case, *SI* hooked the Las Vegas Convention and Visitors Authority as presenting sponsor and converted three print advertisers (HTC, Nissan and PepsiCo's SoBe brand) into sponsors that can activate their ties to the special issue all year long. "Providing sponsors with category exclusivity on a year-round basis allows them to utilize the property, the content, the brand and the promotional value from Launch Week [like they would an] All-Star weekend," he says.

Which is marketing speak for "what we've done is taken a really cool issue with cute girls in swimsuits on beaches and turned it into a property with integrated opportunities for advertisers."

And those opportunities live long after the issue has disappeared from the newsstands. These days, print ads account for 55 percent of the revenue generated by the Swimsuit issue. Digital initiatives contribute another 30 percent and the rest comes from experiential.

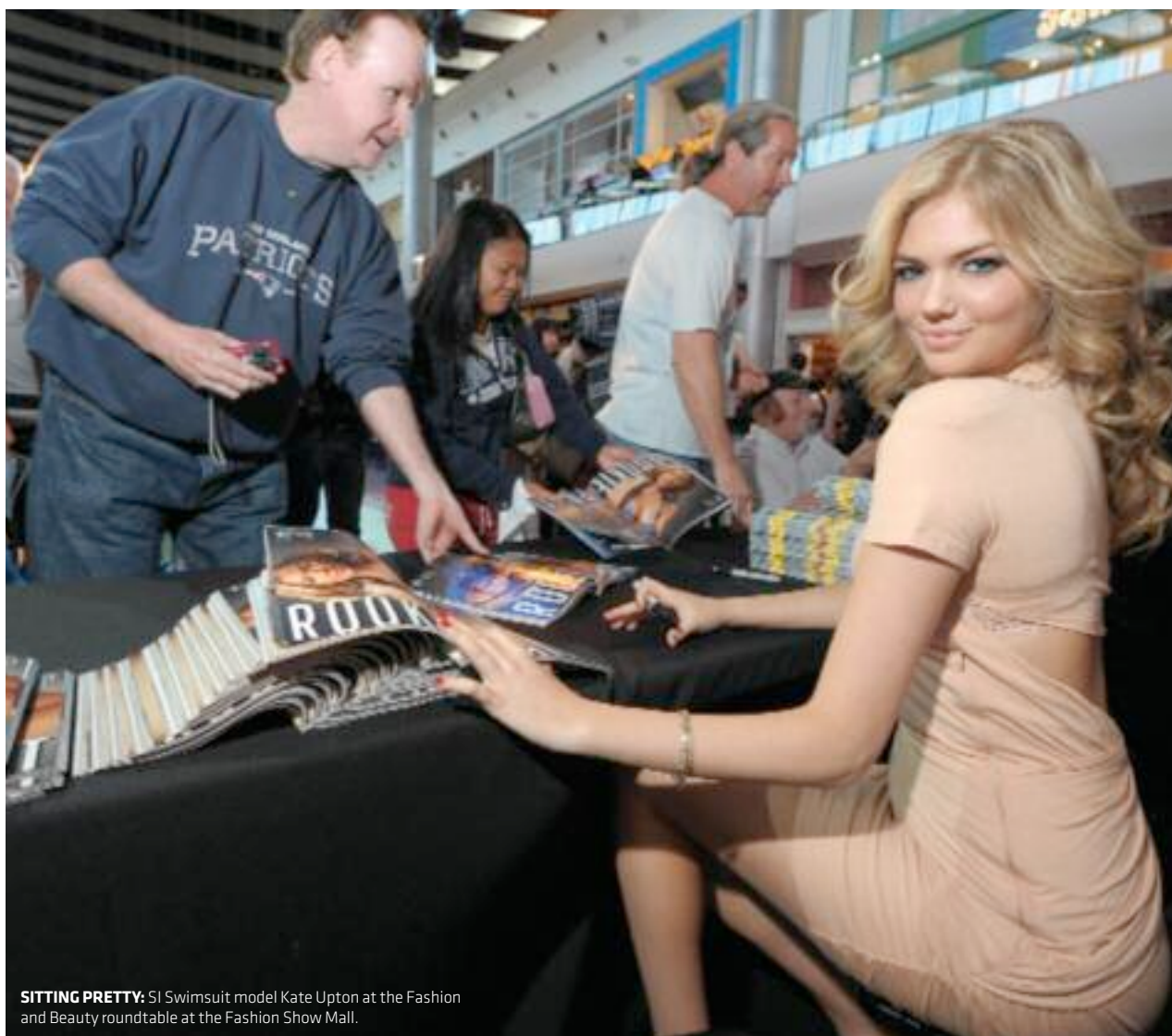
Swimsuit isn't *SI*'s first foray into events, which has been a part of the magazine's DNA since the '80s, says Mark Ford, president of Time Inc.'s Sports Group. One of its most aggressive programs began in 2007 with the *SI* Heisman Tour presented by Nissan, an effort that continues today with print and digital initiatives, a custom publication and a 10-market tour that brings a 10,000-square-foot tent to 10 major college football venues. The on-site activation features the famous trophy as well as appearances by former Heisman winners and sports celebrities, a line-up of the vehicles and virtual test-drives.

Since 2009, when it launched "Sports Illustrated Swimsuit 24/7 New York to Vegas," *SI*'s experiential marketing has grown from eight programs and 17 activations to 17 programs and 106 activations in 2010, for a total of five billion-plus impressions for partners such as Walmart, Coke Zero, SoBe and Kodak, as well as Nissan, around college athletics, retail and its Sportsman of the Year issue.

A case in point: *SI*'s "Share the Madness presented by Kodak" helped the camera company reach target consumers through product demos at college basketball watch parties exclusively for Best Buy employees. Each event included a video address from *SI* senior writer Seth Davis, reaching more than 2,100 employees from 600 stores in Kodak's top 21 markets. In another program, activations at 10,000 retailers nationwide for Modelo Especial around last year's World Cup that utilized *SI*'s licensed content garnered 109 million impressions.

"Advertisers are becoming less focused on the medium and more on the content," Ford says. "We're not in the paper business; we're a content company that has a unique place in sports. We don't broadcast games, but we tell the story behind the story, the deeper engagement. We use our unique position in sports to leverage that."

Take the Swimsuit initiative, for example, now an experiential marketing platform that this year encompassed 10 primary consumer and trade events and will deliver 2.6 billion impressions and 6,700 retail activations, according to company insiders. Revenue from the experiences will grow 84 percent during the first quarter this year and add to the franchise's 113 percent year-over-year revenue gain in 2011 (Agency: Team Epic's Norwalk, CT-based Velocity Sports & Entertainment unit).



SITTING PRETTY: SI Swimsuit model Kate Upton at the Fashion and Beauty roundtable at the Fashion Show Mall.

“We’re seeing a big rebound on the print side,” Ford says, adding that advertising for this year’s swimsuit edition was up 40 percent. “But you need to engage marketers and bring them a multi-platform program that is content-based and delivers to consumers where they are consuming media, whenever, however, and we are laser focused on that.”

Marketing for this year’s issue began on Feb. 14 with Ford and a group of the Swimsuit models ringing the closing bell at the New York Stock Exchange. Later that night, the gals read a “Sports Illustrated Swimsuit Edition Top Ten List” on CBS’s “Late Night with David Letterman.”

But the real fun began at 5 p.m. the next night at the *SI* Swimsuit Launch Party for the press and VIP guests at New York City’s Pranna Restaurant, where the models were formally announced and presented for the first time. The action continued until 160 A-list clients, sponsors and models later that evening boarded a private plane to Las Vegas, the official host city of the launch. At LAX Night-

club at the Luxor the next day, *SI* activated “Swimsuit on Location,” a brand immersion that recreated the issue’s photo shoot locations, such as the Philippines and Fiji, with build-outs, exotic imagery and food and beverage selections. Touch screens and LED technology added an interactive element in which consumers could control additional content. As they passed through each location, they collected stamps on a “passport” that entitled them to a gift on the way out. Guests also had photos taken with a Swimsuit model that they retrieved online within 24 hours and could email to friends. They could also send picture postcards of the models from the party.

A Club *SI* experience the following night at the Hard Rock’s Varsity nightclub featured a main-stage reveal of the Swimsuit models and a performance by Grammy-award winner Ne-Yo. The party scene wrapped at PURE nightclub at Caesar’s Palace, an invitation-only affair that began at midnight on Feb. 18.

But it wasn’t a total party scene. An *SI* Swimsuit Lunch at STK at The Cosmopolitan had fans tasting some of the steakhouse’s signa-



MODEL CITIZENS: (Clockwise from top left) Mark Ford with SI editor Terry McDonell and model Anne V; model Esti Ginzburg at the Monte Carlo; Alyssa Miller and Kate Upton at the Fashion Show Mall; SI Swimsuit Lunch at STK at the Cosmopolitan; swimsuit models at the Monte Carlo.





ture dishes and meeting the models in person. The models also appeared at Diablo's Mexican Cantina at the Monte Carlo for photos and autographs and a performance by Jabbawoizek. *SI* editors and the models hosted a fashion and beauty roundtable followed by autographs and photos with fans; the models also appeared at Rao's at Caesar's Palace for a performance by Human Nature.

This is the second year of a three-year partnership with the city of Las Vegas, a long-time advertiser in the magazine that now gets to help bring *SI*'s Swimsuit franchise to life. The mid-seven-figure-a-year relationship gives the city presenting sponsor rights as the host of Launch Week and leverages *SI*'s assets to drive awareness that the property will be there. A section of its famous boulevard, better known as The Strip, was even renamed "Swimsuit Boulevard," in honor of the launch.

"We are showing the dining perspective, The Strip, the fashion, shopping and musical performances that are the core pillars of what any consumer can experience in Las Vegas, and we are doing it through the property and lens of *Sports Illustrated Swimsuit*," Angelillo says.

It's a relationship that has paid off in spades for the city, which has reaped a 20-to-one return on its investment in terms of publicity value. The programming last year generated more than 227 million impressions and \$26 million in earned media.

For Nissan, another longtime *SI* advertiser, the Swimsuit franchise delivers the automaker's critical male target (*SI* reminds us that 40 percent of the issue's readers are women). It partnered with the Swimsuit issue in 2009 to promote its 370Z. After a hiatus last year, it returned in 2011 as a sponsor, this time to tout its new Juke crossover vehicle.

"[Our marketing is] targeted to single males in their 20s, and according to our research their interests are sports, music and women, so obviously *Sports Illustrated* hits on two of those three," says Erich Marx, director-marketing communications at Nissan. "So it seemed like a natural fit for us, and the timing was right."

But just like its Heisman Trophy Tour, Nissan's Swimsuit activation involvement is a high-touch affair. "Our interest is not just in running an ad; it is about a 360-degree integration," Marx says. "We have reduced dramatically the number of print publications that we are in and what we are looking for is a deeper engagement with those few that we partner with."

This year Nissan bypassed traditional advertising in the Swimsuit issue, and opted instead for what it calls an "integrated ad"—an interactive four-page gatefold "*SI* Model Search presented by Nissan" spread in the issue featuring eight aspiring beauties who are vying for a spot in next year's Swimsuit issue. Readers can vote for their choice and view video shoots of the models by scanning a Microsoft TagReader icon with their smartphones or at si.com/modelsearch. Attendees at *SI*'s parties in Las Vegas also could view photos and vote via touch screens. *SI*'s website, mobile apps and an iPad app also promoted the contest. The winning model was announced on March 10.

A banner ad at the bottom of the spread directs readers to a second Nissan initiative, its humorous "Model vs. Model," a second ad in the issue and online videos in which a guy named Kowalczyk, better known in the car commercials as the "Juke" guy, discusses the traditionally car-like attributes of a bikini-clad beauty named Amber versus the car in terms of curb appeal, acceleration, aerodynamics and agility. "The two initiatives are thematically integrated and contextually relevant to the reader," Marx says.



PARTY TIME: (Clockwise from top left) Sponsor logos are displayed at the SI Swimsuit Launch Party hosted by Pranna in New York City; SI Swimsuit on Location hosted by LAX Nightclub; Swimsuit models line the stairs of Pranna at the launch party; SoBe Lifewater display on the bar at the Club SI Swimsuit in Vanity Nightclub.

Nissan was also a presenting sponsor at Launch Week. The brand brought its Juke vehicle on-site and shot videos of the models in the model search contest with the Juke guy Kowalczyk that will live virally on *si.com*, the Nissan website and on the Juke's Facebook.

THE BLUEPRINT

Integrating sponsors into the events and making the attendees feel like VIPs is the job of Christine Rosa, Time Inc.'s executive director of event marketing, who handles events for *SI* as well as *Time* and *Money*. She manages a team she describes as a "small army," that includes Kristen Leoce, who works on the Swimsuit events all year long, and two others in the *SI* group. She works internally with Angelillo's team to deliver what they need while keeping within her budget.

Rosa ensures sponsors receive equal share of voice at the events. "We look at the entire landscape and designate certain areas of ownership," she says. "There are certain areas that align very easily."

That means lining up the bar and hydration areas for beverage brand SoBe Lifewater and getting permission from host hotel, the Hard Rock, to display a Nissan. The team created a private lounge for mobile technology partner HTC that aligned with its "Quietly Brilliant" tagline. Sony came on board as the official 3D television through its Bravia product, the official hardware gaming console through its PlayStation product and the official online gaming network through its PlayStation network, a cross-divisional opportunity between the electronics brand and *SI* that monetizes the content in

2D as well. "This is a great example of an *SI*-owned property that we are beginning to build out and integrate partners to move their business," Angelillo says.

Launch Week's digital efforts included Twitter feeds, Facebook pages and apps for iPhones, iPads and Androids, and a livestream video sponsored by SoBe on Facebook, as well as other sponsor initiatives.

"For us the goal is really to be *SI* everywhere, and with Swimsuit, it is really to be anywhere that the male consumer wants to consume that content," Angelillo says. "We want to be able to deliver it whether it is a tablet, a mobile handset, or an actual live experience or retail environment, in the appropriate voice for our brand."

According to Ford, a global footprint for its Swimsuit franchise isn't too far off in the future. "We're talking about London as a possibility, and possibly Asia, to continue to build it out," he says. "Swimsuit is a transferable franchise internationally. It all fits together around being a sports content company and one that is grounded in print but with emerging technology we have been able to push it out through tablets, smartphones, experiential marketing and we are hoping for ideas that will push it to television as well."

Sounds like a hot model. **EM**