



cyclingnews.

# SPONSORSHIP REPORT ON PRO CYCLING 2013

IN ASSOCIATION WITH  
**REPU**com

# GLOBAL INSIGHTS

©Tim De Waele

**TV SPONSORSHIP  
EXPOSURE  
DELIVERED  
ACROSS 2012  
SEASON  
(DOLLARS)**  
.....

2.1bn

**AVERAGE TV,  
PRINT & ONLINE  
EXPOSURE  
DELIVERED BY  
WORLD TOUR  
TEAM ACROSS  
2012 SEASON  
(DOLLARS)**  
.....

88.4m

**DOLLARS  
RETURNED FOR  
EACH DOLLAR  
SPENT ON TITLE  
SPONSORSHIP  
OF A WORLD  
TOUR TEAM**  
.....

5.4

**TV HOURS  
BROADCAST  
ACROSS 175  
COUNTRIES IN  
2012. A YEAR ON  
YEAR INCREASE  
OF 54%**  
.....

68,000

Source: Repcuom Cycling24 & Eurodata

# WELCOME

## WHY COMMISSION THIS REPORT?



Global interest in professional cycling has never been higher, with increased broadcasting hours, TV audiences, roadside attendances and booming public participation. Cycling is back on trend.

Despite this, the sport of professional cycling struggles commercially. The debate on its governance, ethics, racing calendar and commercial structure is louder than ever, but until these issues are reconciled the sport will continue to be sustained by sponsorship revenues.

In an uncertain economic and political climate the importance and composition of sponsorship revenues warrants further attention, which is why we've published the Cyclingnews Sponsorship Report 2013, in association with Repucom.

Our aim is to quantify the size of the market, analysing its key segments and how its teams and events pay back to sponsors.

**Daniel Benson**  
Managing Editor, Cyclingnews.com

## CYCLING COMPETING ON THE WORLD STAGE COMMERCIALY



Repucom works across all major sports with governing bodies, event rights holders, teams, sponsors and agencies to evaluate and improve their sponsorship investments. This report represents a commercial health check for pro cycling and an opportunity to drive debate around sponsorship in the sport.

Being heavily reliant on sponsorship income is a significant strategic risk for the sport. However our findings show that professional road cycling delivers significant value for current sponsors and its fans are more engaged with sponsors when compared to other sporting audiences. We believe cycling, in comparison to other sports, is under valued by sponsors.

Our measurement of sponsorship goes deeper than the analysis featured in this report and we look forward to working with industry stakeholders to share and develop more detailed insights.

**Charlie Dundas**  
Managing Director, Repucom UK & Ireland

## AUTHOR PROFILES

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### Steve Beckett, Founder: Bike Brands



Steve is former Head of Cycling for BSKyB, working across Team Sky and Sky's Partnership with British Cycling (SkyRide). In 2012 Steve created Bike Brands, a company specialising in the commercial development of cycling.  
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THIBAUT PINOT  
(FDJ-BIG MAT) WINS  
STAGE 8 OF THE 2012  
TOUR DE FRANCE

©Bettini

TV MEDIA  
EXPOSURE  
DELIVERED BY  
TEAM FDJ-BIGMAT  
DURING STAGE 8  
OF THE TOUR  
DE FRANCE

\$9.9m

Source: Repcuom Cycling24

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# KEY FINDINGS

- **Very few global brands participating in a global sport.** Sponsors from the traditional heartlands of the sport still dominate. Big opportunities for new entrant international brands to the sport.
- **Professional cycling sponsorship delivers substantial and efficient media exposure returns.** The sport's appeal is broader than ever before and title sponsorship creates unique opportunities to sponsors concerned about brand clutter in sport.
- **Performance on the road and media exposure returns aren't a direct correlation.** Aggressive riding tactics and best practice in kit branding impacts greatly on media value delivered to sponsors.
- **Cycling fans appreciate the integral role that sponsors play in their sport.** They are more engaged with sponsors, more favourable towards their products and are early adopters of new technologies.
- **The Tour de France dominates the commercial landscape of cycling, accounting for nearly four fifths of WorldTour team exposure.** Undoubtedly Le Tour is good for professional cycling but more effort is required to promote, package and present the sport more consistently to consumers across the season.

The true value of sponsorships and their rights must be considered in the context of a brand's strategic objectives. As the industry becomes more sophisticated, brand building and the media exposure that drives this, becomes part of a far greater suite of benefits. For the purposes of this report however, we will concentrate on media equivalency, brand association with the sport and the additional buying propensity this provides. Even considered in isolation, these elements deliver a substantial ROI.

# HOW WAS THE REPORT COMPILED?

**REPUCOM ANALYSIS COMBINES** media evaluation, consumer research and industry intelligence tools. The primary source of data for this report is Repucom's CYCLING24 service:

## **CYCLING24**

CYCLING24 is the world's largest single source database of cycling media analytics delivering data and insight that allow comparative media equivalencies across brands, teams, races and markets. It tracks brand exposure in live TV broadcasts across the UCI WorldTour, covering all the Grand Tours (Tour de France, Giro d'Italia and La Vuelta), seven-day stage races and one-day classics on a global basis.

For the purpose of this report, CYCLING24 covers the 2012 UCI World Tour Season:

- January to October
- All UCI World Tour Events

As part of the CYCLING24 product, Repucom also tracks footage upon request for clients for potential analysis should it be needed. For example, races outside of the UCI WorldTour (e.g. Tour of California) and one-off TV broadcasts.

For consistency purposes, a Eurosport feed is taken for all events. For the events Eurosport does not cover, an alternative feed is used (e.g. ITV 4 for the Tour of Britain).

## **MEDIA VALUATION (QI)**

Repucom uses QI image recognition technology to monitor brand exposure in sport across TV, print and online in over 30 world markets.

Brand exposure (\$) is calculated using the following inputs:

- TV, print and online audience measurement
- Media advertising rates by market and media channel
- Weight of exposure calculated by measuring the size, location, duration and legibility of sponsor branding in each medium

## **SPORTS DNA**

SPORTS DNA is the world's largest multi-client study in sport, based on more than 30,000 interviews in over 30 countries. Tracked metrics by sport and by market include:

- Demographic profiling
- Levels of interest and participation in sport
- Views on sponsorship and perceptions of sponsors in sport
- Media consumption, attitudinal and lifestyle data

## **SPONSORGLOBE**

SponsorGlobe is the world's most extensive sponsorship and sports business intelligence database, containing commercial and sponsorship rights information covering thousands of current and historical deals between rights holders and sponsors

# REPUCOM

# THE SPONSORS OF CYCLING

## A global sport on a commercial tipping point

The economic outlook for professional cycling seems forever uncertain. While other sports benefit from a number of revenue streams (most notably match day ticket sales, and TV rights income), professional cycling depends largely on commercial sponsorship to fund its operating costs. And the fragility of this model is tested in times of economic contraction like today.

Despite this, professional cycling has developed into a global sport. In 2013 the UCI WorldTour will be broadcast to audiences across 175+ countries, with an international peloton of riders originating from 44 different countries. This geographical expansion of the participant base of pro cycling has been most evident at the Tour de France, pro cycling's showpiece event. Over the last 30 years The Tour de France has diversified from 16 rider nationalities competing in 1981 to 31 nationalities in 2012.

Commercial demand for sponsorship rights usually follows consumer demand from national audiences following their national teams and athletes. So to what extent is this true of sponsorship in pro cycling, a sport

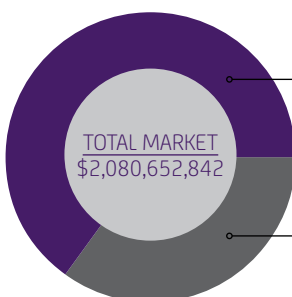
renowned for its inability to adapt and change with the times? To begin to answer this question we profiled the leading 325 of 700 sponsors in cycling who account for 75%+ of sponsor exposure in the sport.

Our analysis shows the total brand exposure (\$) is substantial. From TV coverage alone, the leading 325 sponsors in pro cycling generated \$2bn of sponsor exposure during the 2012 season, 65% (\$1.33 billion) being delivered by team sponsorship, while 35% (\$743 million) of exposure was generated by race/event sponsors.

Beyond these numbers a picture soon emerges: the sport of pro cycling orientates around demand from domestic sponsors and contains few global brands in comparison to other major sports. Sponsors originating from three countries (Italy, France, Spain) generate nearly half of total sponsor exposure. This demand, driven by the three Grand Tours (the Giro d'Italia, Tour de France and Vuelta Espana), inevitably skews the commercial landscape of the sport.

These top level insights are evidence of a disconnection between a sport which struggles to market itself globally and the demands of (non-cycling industry) brands looking for sponsorship as a means to build international reach and engage with consumer audiences.

### THE POWER BRANDS OF CYCLING



#### TEAM SPONSORS (\$1,337,359,511)

1. Sky
2. BMC
3. adidas
4. Movistar
5. Ag2R
6. Specialized
7. FDJ
8. Cervélo
9. Saxo Bank
10. Oakley
11. Europcar
12. Cofidis
13. Rabobank
14. Pinarello
15. Lotto

#### RACE SPONSORS (\$743,293,842)

1. LCL Banque
2. Festina
3. Skoda
4. Carrefour
5. Digital
6. Alcatel
7. Vittel
8. Le Coq Sportif
9. Estathe
10. PMU
11. Yorkshire.com
12. Iseo Serrature
13. Ristora
14. CAME
15. PowerBar

Source: Repucom Cycling24. Total TV exposure. Brands ranked in order of exposure, high to low

### The Power Brands of Cycling

Our analysis of the 30 leading brands in pro cycling reveals the power of the Grand Tours:

- Event sponsors of the Tour de France and Giro d'Italia dominate the Top 15 list of event sponsors
- 3 sponsors of non-WorldTour teams which benefited from Tour de France wild card invites in 2012 feature in the Top 15 team sponsors

## THE SPONSORS OF CYCLING (CONT)

It also highlights the predominance of domestic sponsors:

- 7 of the top 30 brands in cycling are cycling industry brands
- 16 are domestic consumer brands operating in <3 markets
- Only 7 are non-cycling international consumer brands

During 2012 most of the leading 30 brands will have benefited from returns far in excess of their sponsorship rights fee.

Sky capitalised on a superb year for its WorldTour sponsored team with in excess of 50% more brand exposure than the second largest brand in the UCI World Tour. Sky's investment in pro cycling has taken time to bed in and isn't without its detractors. However, it must be applauded for identifying the sport's growth indicators and it has done much already to increase the reach and popularity of the sport. In the UK, Team Sky has played a major contributing role in generating 1m extra cyclists from Sky-related cycling initiatives since 2010 – fantastic proof that pro cycling delivers to sponsor objectives.

Festina (watches) and Skoda stand out as brands benefiting from longevity in the sport and category share of voice. Their investment strategy covers many events and regions through the season, generating sustained international and domestic exposure vs. its target audiences. Car brands sponsoring cycling may sound counter-intuitive but there is an efficient overlap in those who consume both products. Cycling viewing and participation in key markets favours the 35-54 Male demographic; the target audience for much of the automotive industry.

Perhaps the biggest winner of all was adidas which generated in excess of \$65m from TV exposure of its three-stripe brand on the Team Sky kit through the 2012 season. This figure is likely to be in excess of \$100m once print and online exposure from the 2012 Tour de France is accounted for. This is a great return for a sponsor investment estimated to be under \$1.5m, including rights fee and product costs.

### Emerging Markets

Italian, French and Spanish brands still dominate the commercial landscape of pro cycling, driven by domestic sponsorship of the Grand Tours. This picture weakens when we look at participation of the UCI WorldTour, where the three countries account for 33% of riders and 26% of teams owned.

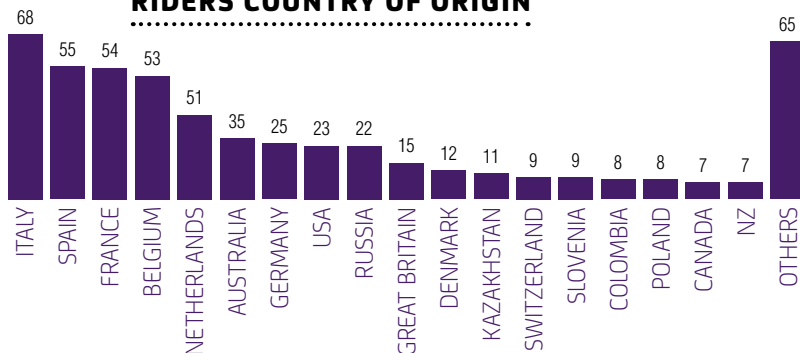
This dilution of teams and riders competing at the highest level of the sport is clear evidence of a sport that is diversifying geographically, with the UCI WorldTour now being a global property comparable to other major sports in terms of events, composition of athletes, teams and viewing.

In recent years Commonwealth, Anglo-Saxon and former Eastern Bloc countries have grown share of voice in the sport, built on the success of their elite athletes, rising viewing and participation (all linked) – Team Sky (UK), Orica-GreenEDGE (Aus), Saxo-Tinkoff (Den) and Katusha (Rus) being notable examples.

Pro cycling title sponsors are often linked to their country of origin, with the many major teams linked to the nations that have traditionally dominated the sport. However a limited availability of team places at the top table of the sport (18 UCI WorldTour team places) and an increased demand from international sponsors means the national identity of the major teams is likely to become less relevant. Formula 1 is a good example for the future, with multi-national teams with multi-national sponsors not tied to countries of origin.

It's most likely teams and major commercial sponsors will continue to enter the sport from emerging markets, but conceivably the biggest opportunity is for global brands from the big product categories (technology, telecoms, finance, FMCG, automotive) wanting to build cost-effective reach and ownership of a sport while avoiding clutter and competition for rights.

### RIDERS COUNTRY OF ORIGIN



2013 UCI WorldTour  
19 Teams, 507 Riders, 44 Nationalities

THE SPONSORS OF CYCLING (CONT)

**Industry Sponsors**

Cycling brands were the first major sponsors of professional cycling when races like the Tour de France, the Tour of Flanders and the Giro d'Italia were created a hundred years ago. As team budgets and sponsor visibility began to rise, other sponsors began to take over, with Italian rider Fiorenzo Magni convincing Nivea to become the non-endemic sponsor of a team in 1954.

However, professional cycling has always been at the core of promoting bicycle frame manufacturers and accessories, with millions of riders around the world keen to emulate the big-name riders of the sport. If a cycling brand is associated with pro cycling the perception of the company's products often improves, building better consideration for sales.

But the costs for endemic sponsors are rising. Cycling growing in popularity and participation in key markets is booming among affluent audiences, creating inflationary pressures on sponsorship rights. Pinarello's current rights fee with Team Sky is rumoured to be in excess of €3.5m per annum – a huge jump in terms of investment from Pinarello but a deal both Team Sky and Pinarello are confident they will benefit from. BMC and Cannondale have traded up further and are now title sponsors of WorldTour teams.

Loyalty between cycling brands and teams has lessened as the market has become more competitive, with manufacturers evaluating sponsorship investments more closely. Image, performance and prestige/association are key metrics but team media exposure in key markets is becoming a bigger factor as new,

less informed audiences flood into the sport. Team exposure also mitigates marketing costs.

We analysed the exposure generated by 19 frame manufacturers across 23 team sponsorships in 2012 (see below).

Our findings point towards a sport where success on the road doesn't always produce a linear relationship with brand exposure. Exposure depends more on kit branding and teams riding aggressively in key races.

The BMC bike brand obtained the most exposure in the pro peloton but this is to be expected. BMC is the title sponsor and the key financial benefactor of the BMC team and its €20m+ budget. So despite being the most visible bike brand in pro cycling, BMC's return on investment is actually less economically efficient when compared with other manufacturers.

Arguably the most successful brand is Specialized which sponsors three WorldTour teams and commands branding across team clothing, helmets, footwear and bikes. This allows Specialized to build reach, spread risk and reach multiple markets which orientate around the geographical location of teams and their rider nationalities.

Cervélo creates a huge amount of exposure from its singular investment in Garmin Sharp, with cleverly branded jerseys and bikes. But the best bang for buck is Colnago and its sponsorship of Team Europcar which has excelled at recent editions of the Tour de France and so achieved huge sponsor visibility.

Giant, perhaps the biggest manufacturer in the cycling industry and a long term supporter of Team Blanco (formerly Rabobank), has suffered from under performance on the road and lack of kit branding. Canyon, despite strong showings at the Giro d'Italia and Vuelta Espana in 2012, will be disappointed by its overall exposure driven by a poor Tour de France.

The last point captures the conundrum of manufacturer sponsorship very well. Association with high-performing teams and athletes maximises awareness among cycling's core audience who buy higher end product. But the Tour de France drives an incredible amount of coverage to mass-market audiences who buy lower end products that account for a significant percentage of manufacturer sales.

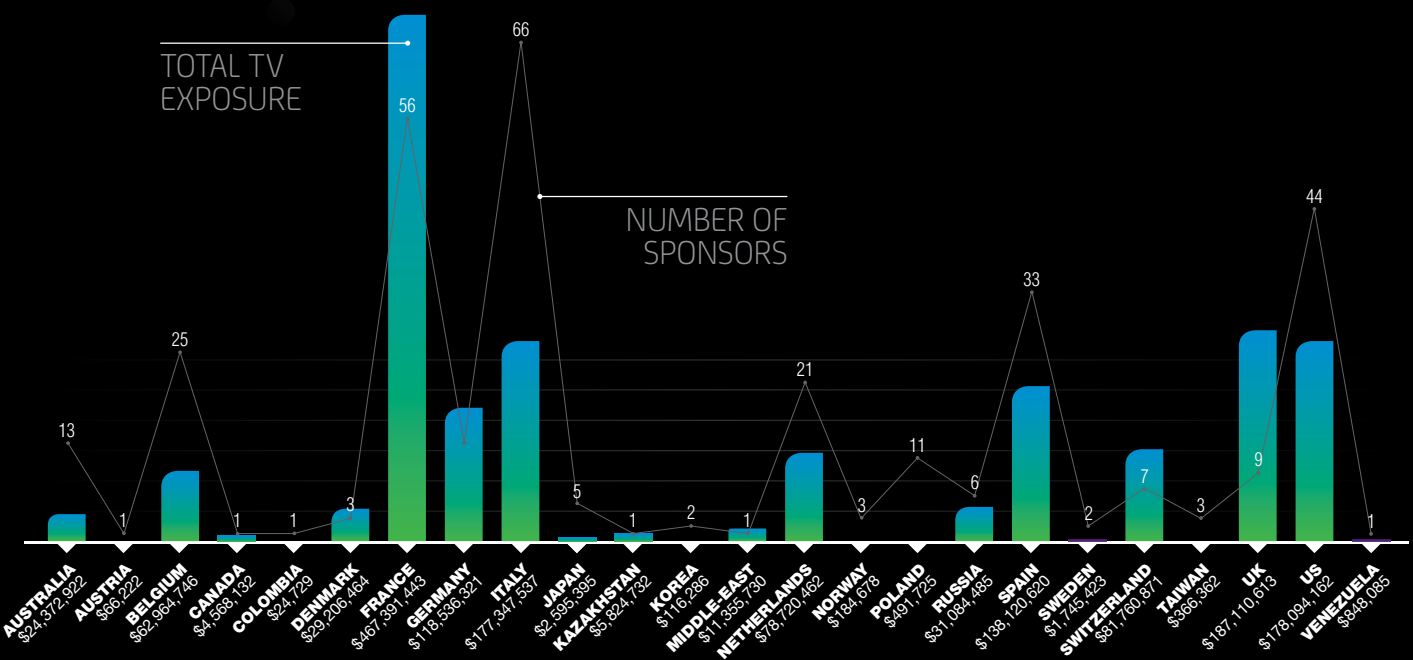
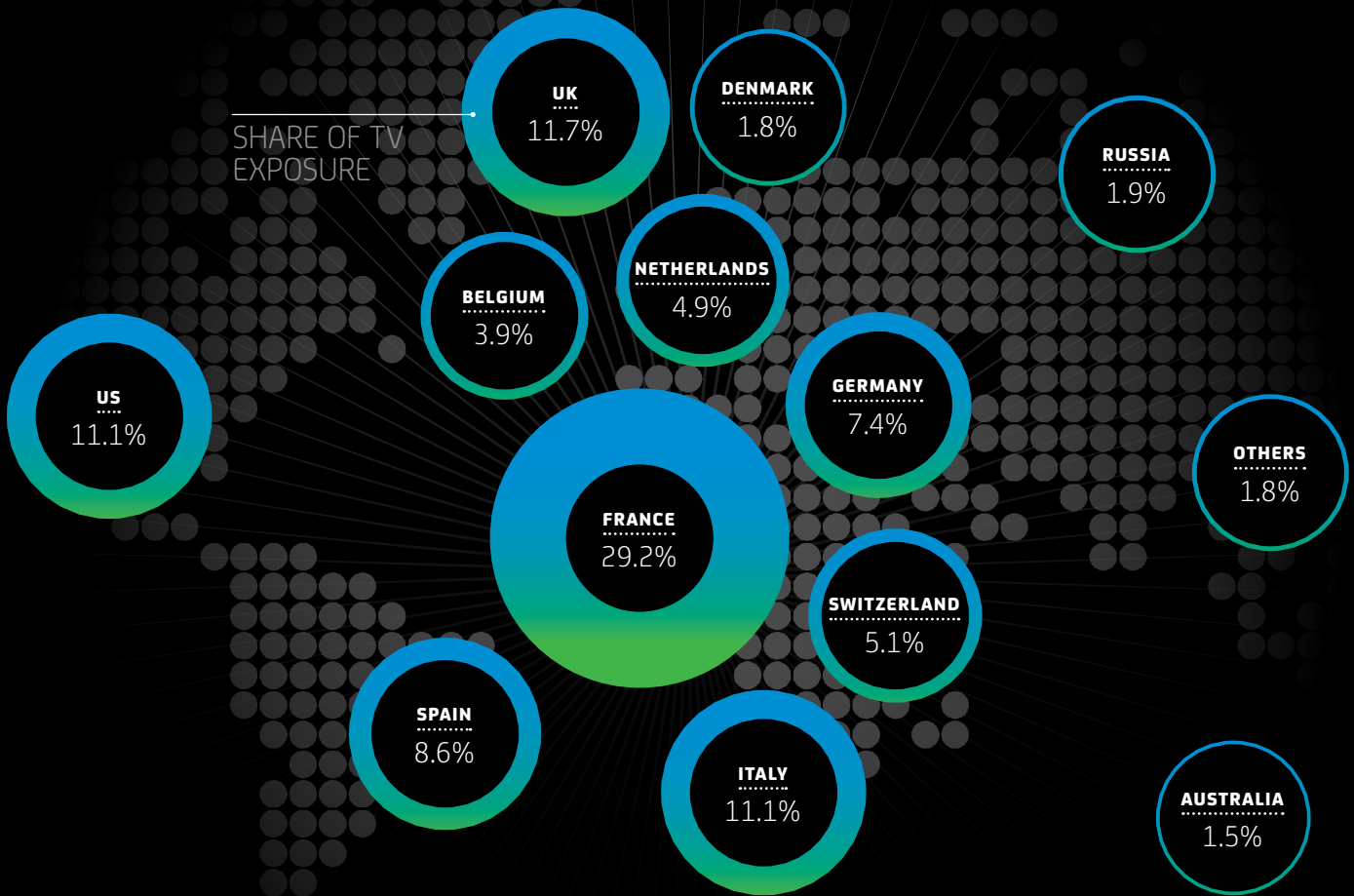
**FRAME MANUFACTURER RANKINGS**

SPONSOR	TEAM
1 BMC	BMC
2 Specialized	Saxo, OPQS, Astana
3 Cervélo	Garmin
4 Pinarello	Sky, Movistar
5 Colnago	Europcar
6 Scott	GreenEDGE
7 Cannondale	Liquigas
8 Lapierre	Team FDJ
9 Kuoto	AG2R
10 Cipollini	Farnese
11 Trek	leopard
12 Look	Cofidis
13 Ridley	Lotto
14 Canyon	Katusha
15 Time	Saur-Sojasun
16 Giant	Rabobank
17 Bianchi	Vacansoleil
18 Orbea	Euskaltel
19 Willier	Lampre

TOTAL MARKET VALUE \$231.6M

Source: Repucom Cycling24. Manufacturer TV brand exposure

# GLOBAL ORIGINS OF THE TOP 325 SPONSORS IN PRO CYCLING



Source: Repcuom Cycling24. Total TV exposure. 2012 Season

# THE SPONSORSHIP VALUE OF A WORLD TOUR TEAM

**PROFESSIONAL CYCLING TEAMS** are currently divided into three categories: ProTeam, Professional Continental and Continental teams. The different categories reflect the quality of their riders, budgets and rights to compete in the biggest races. The ProTeams are guaranteed places at the top table of the sport, the UCI WorldTour, which includes the prestigious one-day classics and the three Grand Tours.

Most ProTeams operate on budgets over €10m, with BMC, Team Sky, RadioShack-Leopard and Astana estimated to have budgets in the region of €20-€25m. Consistent with other team sports, staff salaries are the biggest slice of operating costs, accounting for up to 75% of expenditure.

While a few teams can rely on direct or indirect funding from wealthy benefactors, most depend on the backing of commercial sponsors looking to benefit from naming rights and brand exposure in key markets. A team's success is often measured by its results: more

victories generally equates to more media coverage, but this correlation is not exact in cycling and is more complex, other drivers being aggressive riding during key moments of key races and effective kit branding.

Team Sky finished the 2012 season with 38% more points than its nearest competitor (Katusha) in the UCI WorldTour team rankings, but in terms of media exposure the British team completely dominated. Team Sky generated over \$550m of equivalent advertising value to its sponsors, over four times that of its nearest competitor. The average WorldTour team delivered \$88.4m of media exposure, with the majority (84%) delivered through TV broadcasts and the remainder across print and online. Inevitably Team Sky's high value skews the market and many team values delivering exposure between the \$35m-\$50m mark.

When compared to the initial rights fee paid, this exposure represents a substantial 'media return' on investment for the sponsors. Repucom analysis shows the average ratio across ten ProTeam title partners was 5.4, meaning that for every dollar invested up front, the brand received over five dollars in equivalent advertising value from the team. This is proof that cycling offers a cost effective platform to build international brand exposure.

Increasingly, though, sponsors are looking for more than a pure media buy, with campaign objectives including building brand trust, favourability and consideration also important. In this regard, companies are looking for alignment between their brands and the performance credentials and image of the sport – in essence, a good fit. How consumers and fans perceive the sport, its riders and its sponsors, is a key indicator in this equation and is explored in the section on page 16, Consumer Attitudes to Sponsorship in Cycling.

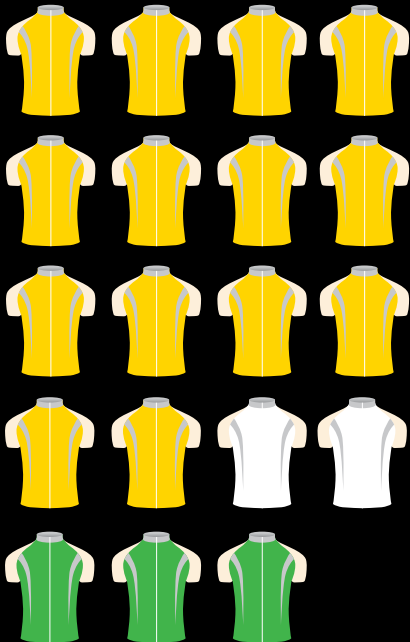


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**TITLE  
SPONSORSHIP OF  
UCI WORLDTOUR  
TEAMS DELIVERS  
SIGNIFICANT  
MEDIA RETURNS  
ON SPONSORSHIP  
INVESTMENT**

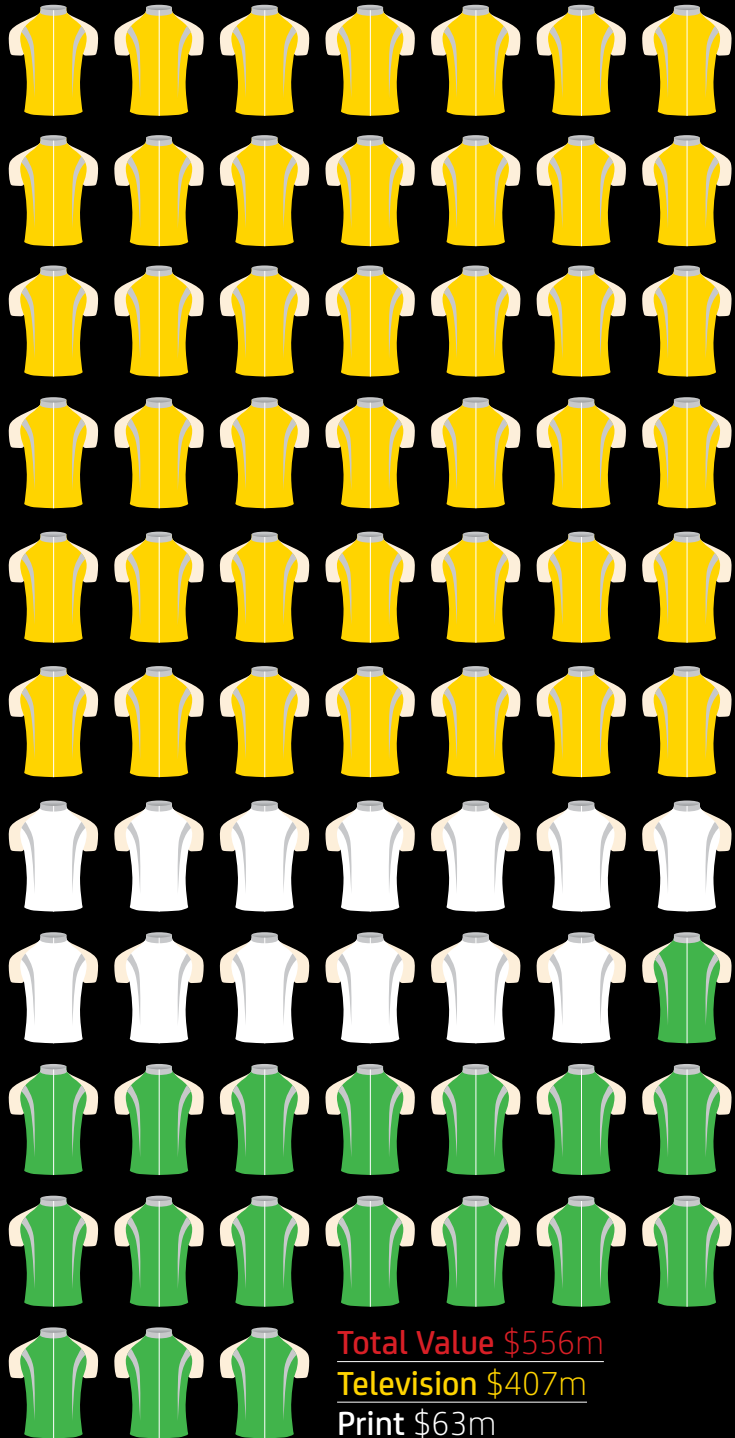
## VALUE OF A WORLDTOUR TEAM

### AVERAGE TEAM VALUE



**Total Value** \$88.4m  
**Television** \$65.8m  
**Print** \$9.2m  
**Online** \$13.4m

### TEAM SKY



**Total Value** \$556m  
**Television** \$407m  
**Print** \$63m  
**Online** \$86m

### MEDIA EXPOSURE (ROI)

ProTeam title sponsors were returned over five dollars in equivalent advertising value for every dollar invested up front



Source: Repcuom Cycling24. TV values are based on global dedicated broadcast coverage. Online values are based on articles picked up on the Meltwater monitoring system. Print values are based on monitoring of consumer & trade publications in <10 countries, which have been grossed up to estimate the global value.

# THE VALUE OF TEAM BRANDING

**BILLBOARDS ON WHEELS** is a term often referred to when talking about sponsorship in professional cycling. That was the case a hundred years ago and it remains the same today. Cycling teams are a blank canvas for sponsors wanting to impart their brand to audiences on the road and through the media. Only motorsport and sailing are comparable in terms of naming rights and the creative licence on offer. But brand clutter in pro cycling, like most other sports, is an issue for the industry and the application good branding are often overlooked.

Rights fees paid by sponsors have the greatest bearing on brand exposure, but with the bulk of exposure driven by TV, the industry assumptions on the value of branding locations is often misguided. For instance, the belief that chest branding provides the best media returns isn't correct, albeit being vital real estate for title sponsors. The area driving most exposure is usually the shoulders. This location ordinarily support one brand and achieve greatest legibility to TV audiences who are used to viewing the peloton from a front angle for many hours of race coverage. Other areas under-utilised and undervalued include the helmet and the rear panel of shorts which deliver very high exposure.

## The guiding principles of kit branding:

- Fewer, bigger, better. As a rule, reducing the amount of sponsors on clothing reduces clutter and so increases commercial value. This is much harder to achieve in practice than theory and cycling often under-sells its true value to chase short-term deals.
- Pre-test, measure and refine. Branding on all aspects of team kit and equipment can be manipulated to optimise the exposure to brands and the commercial returns to teams.
- Do not design kit with the retail market in mind. Visual appeal and differentiation within the peloton is important but so are consistency and design. Team Sky, Movistar and Garmin-Sharp are great examples of a tightly controlled approach to team branding, benefiting sponsors first but also delivering to consumers who buy kit.

A team's identity and team colours are often dictated by the brand of the title sponsor. This may increase the initial sponsorship value and investment for a team but it undermines the creation of long-term team brand perpetuity. Sponsors frequently come and go in professional cycling, forcing teams to rebuild their identity from zero every few years.

To mitigate this risk and the damage it may cause, teams have begun to develop their own brand identities that aren't directly linked to sponsor logo or brands. The Team Sky blue line, the Garmin-Sharp argyle pattern and the Riis Cycling eagle are good examples of team brand identities, while the Australian GreenEDGE team uses its name prominently to establish its team identity.

This approach is likely to become more important should the sport move towards a US sport franchise model. In this scenario teams could become viable commercial enterprises based on shared revenues from TV rights and longer term team licenses.



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THE LEGIBILITY  
OF SPONSOR  
BRANDING ON  
TV IS KEY TO  
DELIVERING  
EXPOSURE  
RETURNS

## SPONSOR EXPOSURE BY LOCATION



Source: Repcuom Cycling24. Sponsor exposure differs greatly by the number of sponsors, size & legibility of branding.

# CONSUMER ATTITUDES TO SPONSORSHIP IN CYCLING

**PROFESSIONAL CYCLING ATTRACTS** a wide variety of fans and spectators around the world. Many are active cyclists, spending time and money on the sport they love, and others have a partial interest in the sport because they ride a bike for health, recreation, environmental, economic or transport reasons. These factors mean cycling is comparable to running and swimming for the way a diverse participant base is linked and inspired by the elite end of the sport.

The popularity of pro cycling has traditionally been influenced by the location of events and success of a nation's professional riders. Booms in the US, Germany, Denmark and most recently the UK, Australia and Canada can all be linked to breakthrough performances in the Olympics or Tour de France. But pro cycling's appeal has been bolstered further by a wider participant base driven by lifestyle considerations. Nowadays cycling is not only an enthralling sport, it is a fashionable activity with crossover appeal.

Consumer research across eight leading markets (UK, France, Germany, Italy, Japan, the Netherlands, Spain and the USA)

shows that fans of professional cycling are significantly more engaged with sponsors of the sport compared with other sports fans. This is likely to be because fans of cycling view sponsors of cycling as benefactors of their sport, given the importance of sponsorship to the sport.

We also see that cycling fans have a higher propensity to be early adopters of new technology and new products – a healthy indicator of disposable income for sponsors.

Compared with general consumers, cycling fans are twice as likely to actively inform themselves about a sponsor's brand. They are 59% more likely to be the first person to have new and innovative products and 38% more likely to choose a sponsor's product rather than a rival brand if the price and quality are the same.

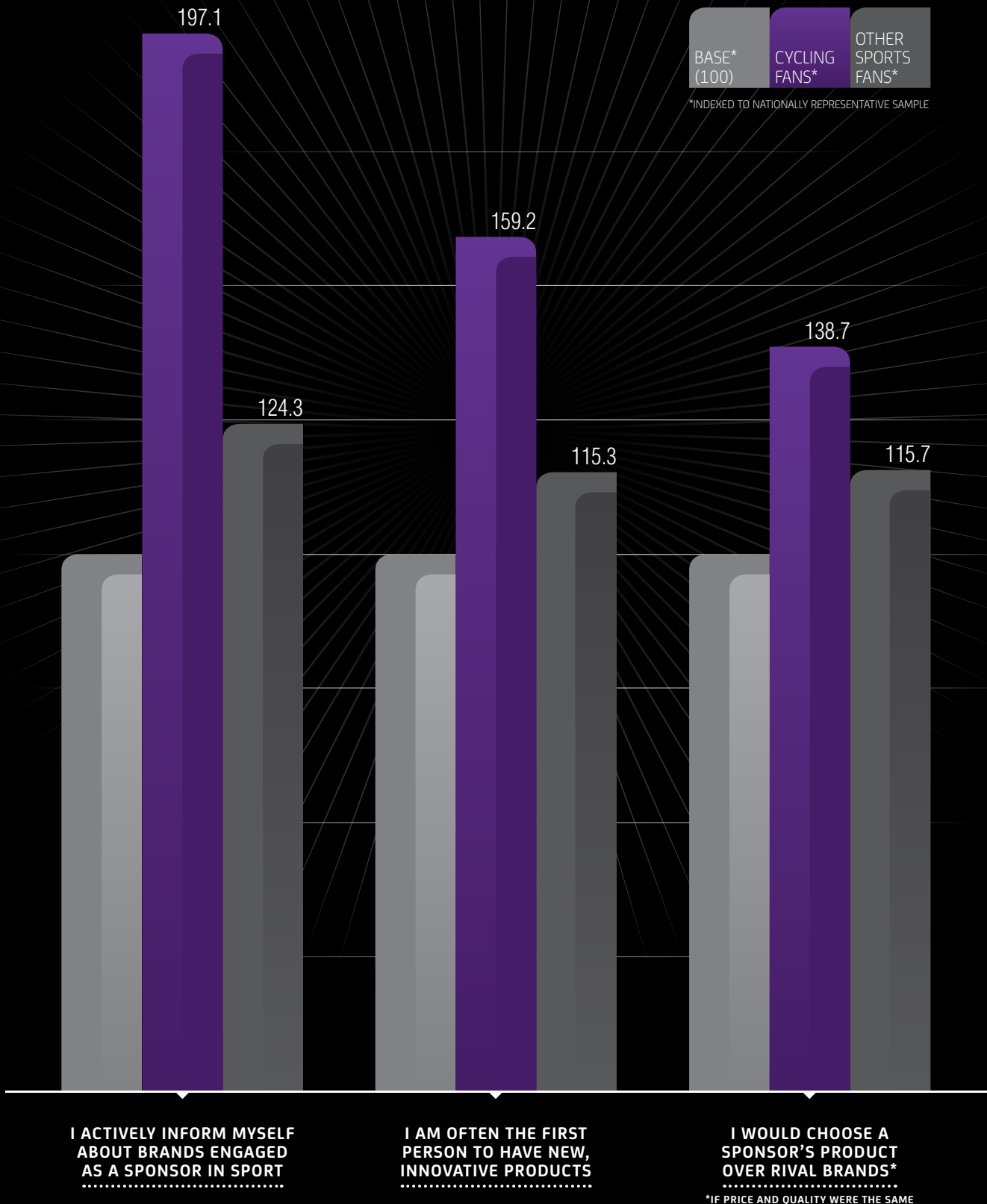
Consumer attitudes play a vital role in the viability and success of sponsorship in professional cycling. The sport offers excellent return on investment in terms of brand visibility and cycling fans are likely to be more loyal to brands than other sports fans.

**FANS OF CYCLING:  
MORE INFORMED  
AND ENGAGED  
WITH SPONSORS  
IN SPORT**



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## ACCEPTANCE OF SPONSORSHIP AND CONSUMER BEHAVIOUR



Source: Repcuom, SDNA

# THE VALUE OF THE TOUR DE FRANCE

**THE TOUR DE FRANCE** is the biggest annual sporting event in the world and by far the most important race in professional cycling. Its awareness is universal and the iconic yellow jersey is as famous any other prize in sport.

For teams competing in the 2012 edition of the Tour de France, TV coverage delivered nearly 80% of their season's exposure. For Team Europcar (a non WorldTour team who received one of four wild card invitations) this was in excess of 95%. Aggressive riding in the Tour de France delivers visibility for sponsors. Thibaut Pinot's Stage 8 win last year, delivered nearly \$10m of exposure for the French FDJ Team.

So should this dominance of the Tour be viewed as a positive for the sport? Undoubtedly it skews the commercial landscape of professional cycling and for top tier sponsors this is a concern. The commercial risk and exposure in pro cycling appears loaded to these three weeks of racing in July.

Undoubtedly the Tour de France is good for pro cycling. It is most people's introduction to the sport and is often a springboard from which new fans begin to engage with other events. Its July scheduling also means it avoids other major sporting events, providing a larger audience opportunity than the two other Grand Tours and the classics.

It would be unwise to point the finger at a dominant Tour de France when looking for something to blame for the lack of global

visibility of other races on the professional cycling calendar. The Tour de France cannot become a victim of its own success. Instead greater effort is required to market the UCI WorldTour as a whole, so it generates greater audience appeal. Key factors are:

- Packaging the sport better to consumer audiences. The televisual presentation of cycling is poor in comparison to the likes of football (Champions League), motorsport (Formula 1) and tennis (ATP Masters Series). Broadcast rights are fragmented – not all UCI WorldTour races are covered by broadcasters and the presentation of events is inconsistent.
- Creating more sponsorship rights across the sport. Beyond team sponsorship it isn't possible to sponsor the UCI WorldTour across a season like it is the Champions League in soccer. The burden is left for sponsors to negotiate line by line with multiple event owners.
- Creating new revenue streams for teams, to lessen the burden on sponsorship. Consolidating TV rights to optimise commercial income for events rights holders and teams is a strategic opportunity for the sport, but dependent on collaboration between teams, rights holders and the UCI.

**% OF 2012  
WORLDTOUR  
TV EXPOSURE  
DELIVERED  
FOR TEAMS  
COMPETING IN  
2012 TOUR DE  
FRANCE**  
.....

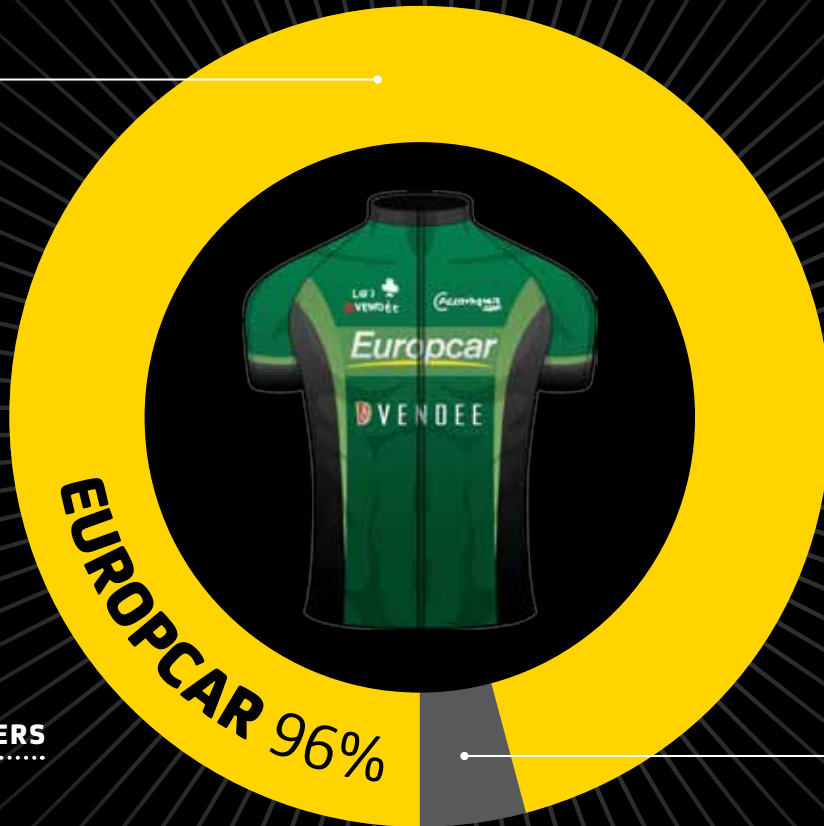
# 79.9%



©Tim De Waele

TOUR DE FRANCE SPONSOR TV EXPOSURE AS % OF TOTAL SEASON

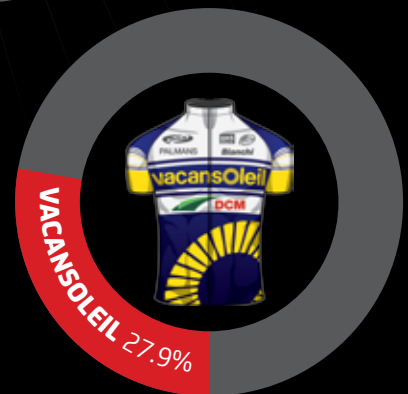
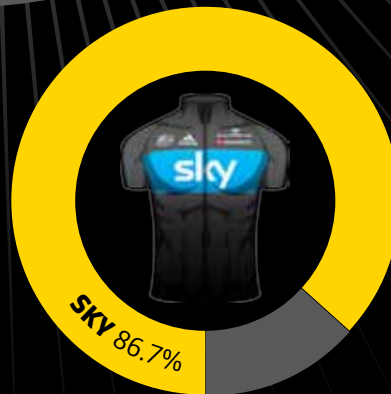
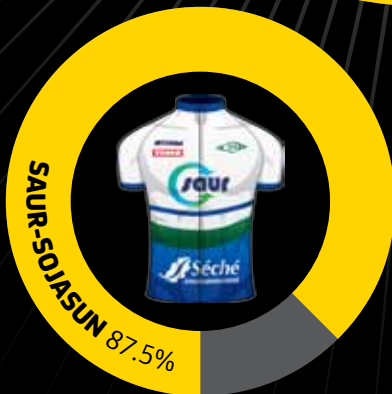
TOUR DE FRANCE



REST OF SEASON

WINNERS & LOSERS

TOP 3 TEAMS  
BOTTOM 3 TEAMS



Source: Repucom. TV Exposure of 2012 Tour de France, compared to the rest of 2012 WorldTour

# THE ROAD AHEAD

**THIS FIRST EDITION** of the Cyclingnews.com sponsorship report on pro cycling has confirmed what was widely suspected but never publicly confirmed by accurate data: the sport of professional cycling gives commercial sponsors excellent return on their investments.

The data calculated by Repucom and analysed by Cyclingnews.com reveals the value of brand visibility, the positive consumer attitudes of cycling fans and the growing global appeal of the sport.

Professional cycling is at a tipping point. After years of scandals and the impact of a global economic crisis, it is time for the sport to seize the moment, plan and prepare for a better future.

We believe there are four key strategic factors which much be addressed for pro cycling to thrive, develop and attract new sponsorship from commercial companies.

## **Credibility**

First and foremost, the sport has to work hard to rebuild its credibility. Fifteen years of major doping scandals have significantly damaged the sport's image and public perception.

Cycling has done more than every other sport to fight doping in recent years and is starting to see the benefits of its actions. Every stakeholder has to accept responsibility for the credibility of the sport and everyone has to work together to avoid further doping scandals.

Doping should not be an issue for a sponsor considering investing in professional cycling. Indeed, the sport's stance against doping should be an opportunity and a source of extra value in every sponsorship agreement.

## **Customer first**

Pro cycling is an exciting, often dramatic sport but it can also be difficult for consumers to understand. Racing formats and tactics are complex and often subtle. It shouldn't

be left to new fans of the sport to join the dots and current fans deserve a better deal. The UCI, broadcasters, event organisers and teams should look to other sports in creating a TV product which is more insightful and consistent in presentation.

Creating more fans of professional cycling and more engagement with current fans should be a shared objective that drives collaboration amongst all stakeholders.

## **A better structure**

The current structure of professional cycling has developed over the last 100 years but it is now clearly outdated. It is precarious and holds back strategic development, often deterring major sponsors from long-term investment.

Instead of competing and often fighting with each other, the athletes, teams, race organisers and governing bodies need to work together to develop and implement reforms. Shared revenue structures, including financial fair play, would benefit everyone.

## **Think globally**

Pro cycling teams are traditionally linked to a country, with riders from that country predominating, and are often backed by sponsors with limited international commercial interests. The Repucom data shows that while sponsorship return on investment is high, the lack of global or at least European sponsors means there is still significant untapped potential.

Teams need to shake off their national identity and embrace the idea of becoming truly international. Only then can they attract multinational sponsors that will allow them to compete and survive at the highest level.

The road ahead for professional cycling may currently appear steep and strewn with difficulties but the potential of the sport remains huge.

# ABOUT US



**SINCE ITS INCEPTION** in 1995, Cyclingnews has grown to become the world's biggest news and results service for professional cycling, with bulletins from around the globe accessible online and on mobile. The site is the passionate cycling fan's first port of call for news, race results, tech, live race coverage, race photography, interviews, features, diaries, video content and forums.

Cyclingnews.com is part of Future Plc which also publishes cycling and triathlon titles – BikeRadar.com, TriRadar.com, Cycling Plus, ProCycling, Mountain Biking UK, What Mountain Bike, Triathlon Plus and Cycling News HD. Future attracts more than 4.2 million online global visitors every month in cycling alone.

**AS A WORLD LEADER** in full-service brand analysis and research, REPUCOM supplies reliable and reputable sports sponsorship evaluation with global reach and local knowledge. Using our extensive and constantly updated bank of domestic and international exposure data, we provide crucial insight into the effectiveness of branded content, revealing the most efficient marketing practices for sponsorship.

REPUCOM's exclusive offering of evidence-based brand analysis can be utilised to gauge brand activity at events or measure performance of rival brands across the spectrum of sponsorship inventory. Since 2004, the company has established itself worldwide as the data provider of choice for the top brands, agencies, rights holders and broadcasters across the sports industry.

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