

Sales Of Impulse Items Score Runs During Cricket World Cup

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The Cricket World Cup (CWC) was held this past spring, and much like the Super Bowl in the U.S., it is a must-do event for global advertisers.

In addition to its popularity in England, cricket is popular in many parts of Caribbean, Australia and New Zealand, South Africa, India and Pakistan. It draws sponsors from a range of multinational and local companies, from the auto industry to fast moving consumer goods.

And for good reason: it is estimated that 1 billion people in 180 territories tuned in to the tournament on TV, online, via mobile phones or on the radio.

Nielsen recently did a comparative study across the key countries participating in the CWC using econometric modeling techniques to measure advertising's impact on sales in select impulse categories (return-on-investment, or ROI). In the analysis, which was conducted in South Africa, India (which co-hosted this year's tournament), New Zealand, Australia and the U.K., Nielsen found that there was an average sales boost of 3.5 percent, with Indians being the most reactive.

Carbonated soft drinks and potato chips were the biggest gainers overall, although some categories were more popular than others based on locale. India and New Zealand were the two markets with the most reaction to the CWC 2011: in India, there was an average uplift of 25 percent and in New Zealand, 12 percent, in the categories under consideration during the tournament. A large portion of these sales can be attributed to increased media investment and improved efficiency (ROI).

Soft drinks: Thanks to a 66 percent increase in media spend during the CWC quarter compared to the same period a year prior, sales of sodas grew 10 percent in India, with media contributing 5 percent of total sales. In South Africa, sales rose 6 percent during the CWC.

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Potato chips and salty snacks: New Zealand saw the biggest growth in this category with sales up 11 percent; ROI increased by 8 percent. Indians also ate more crisps, with the category posting a 3 percent sales increase and an ROI rise of 3 points. Indians gobbled up other salty snacks, with the category posting a 38 percent sales increase and the ROI was up 4 points versus the previous year.

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Beer: Denizens down under quaffed more beer during the tournament. In New Zealand, sales rose 8 percent, driven by a 43 percent increase in media spend. Media contributed about 3 percent to sales during this period. Australians bought roughly 6 percent more beer, with ad spending rising 13 percent. In South Africa, media spending rose 65 percent while sales grew 2 percent.

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Chocolate: Sales grew most in New Zealand and India, 24 percent and 22 percent, respectively. In the former, much of this growth can be linked to a surge in ad spending, with some chocolate brands relating themselves to cricket. In India, media had less of an impact, contributing to just 1 percent to sales.

“This research provides clear evidence of the power of advertising during the CWC. With such a huge audience, advertisers can not only reach millions of people around the world and boost brand awareness, but also drive real sales growth. Media proved twice as effective during the event compared to normal advertising. The brands that did the best were those that linked themselves to the game and the event,” said Tom Hall, Marketing ROI Solutions Leader, APMEA & India, Nielsen. “These lessons can help companies determine budgets and identify which categories might see the greatest sales uplift during future global sporting events such as the upcoming Rugby World Cup and the 2012 Olympics.”

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