

LUMENCY

Managing your Sponsorship Initiatives Post-Pandemic – Where to from Here?

FEBRUARY 2, 2021

3000+

Sponsorship evaluations in the past 5 years

144

Tier 1 Sports Deals
North America

248

Tier 1 Properties
Globally

21

Countries

Established in

1996

415

Experiential activations
annually

6

Languages
spoken

Lumency House Locations

Toronto
New York
Chicago
Amsterdam
Sao Paulo



ABInBev



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After

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Mindset

Meeting consumers where they are.



ESTIMATED END DATE: Global Timeframe

Estimated month COVID-19 will no longer be a concern

Dec 17th Reality



Estimated global end date has started to flatten and has remained the same since the positive introduction of vaccines.

North America ZONE 1

USA August
Canada August ↓
Mexico August ↓

South America ZONE 2

Argentina July
Chile August ↓
Colombia September ↓
Peru June
Brazil June
Venezuela June

Africa ZONE 3

Nigeria July ↓
South Africa August ↑
Kenya October ↓
Uganda July ↓

Nordic + Russia ZONE 4

Sweden July ↑
Finland June ↑
Russia May

Europe + UK ZONE 5

UK August ↑
Ireland September

Europe + UK ZONE 5

Italy June
Germany September ↓
France September ↓
Spain August ↑
Portugal August
Netherlands July ↓
Poland July ↓
Turkey June ↑

Asia ZONE 6

Japan September ↓
South Korea September ↓
India June ↓
Malaysia July
Philippines May
Hong Kong August ↓
Pakistan April ↑
Singapore August
Vietnam May ↑
Taiwan September ↓
Indonesia May ↓

Oceania ZONE 7

Australia August ↑
New Zealand September



IMI24™ : N=23,000 December 2020 We asked: In how many months do you think it will be until the Coronavirus health issue ends - is no longer of any concern?



INDICATES OPTIMISM, STABILITY, OR PESSIMISM COMPARED TO PREVIOUS WAVES.

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Source: IMI



NEXTWAVE



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WHAT'S NOW > WHAT'S NEXT

GLOBAL END DATE

As of
Mar 31st,
2020

August 2020	August 2020	August 2020	August 2020	June 2020	August 2020	July 2020
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As of
Dec 17th,
2020

August 2021	September 2021	September 2021	August 2021	June 2021	August 2021	July 2021
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39
Countries

Source: IMI

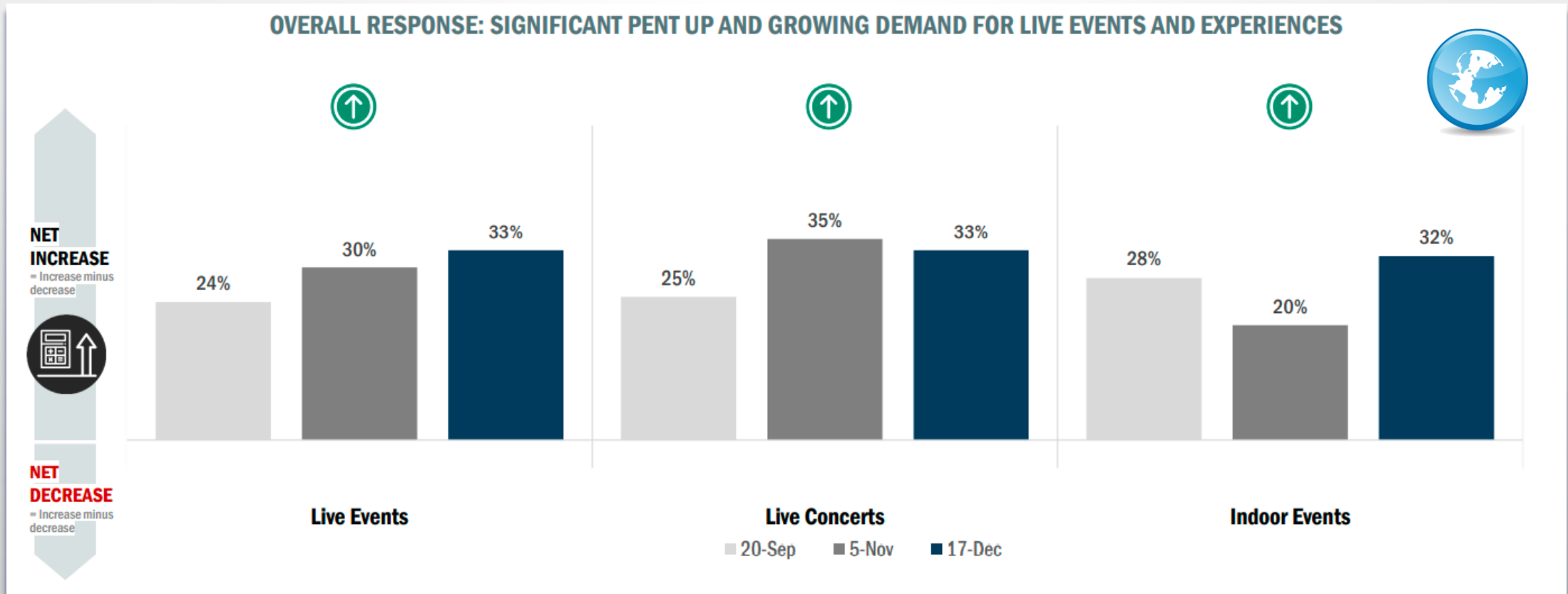
TOP 10 THINGS PEOPLE LOOKING FORWARD TO

- 1 Seeing Family
- 2 Travelling
- 3 Seeing Friends
- 4 Restaurants
- 5 Going Out
- 6 Hugging
- 7 No Masks
- 8 Holidays
- 9 Freedom
- 10 Sports

Source: IMI

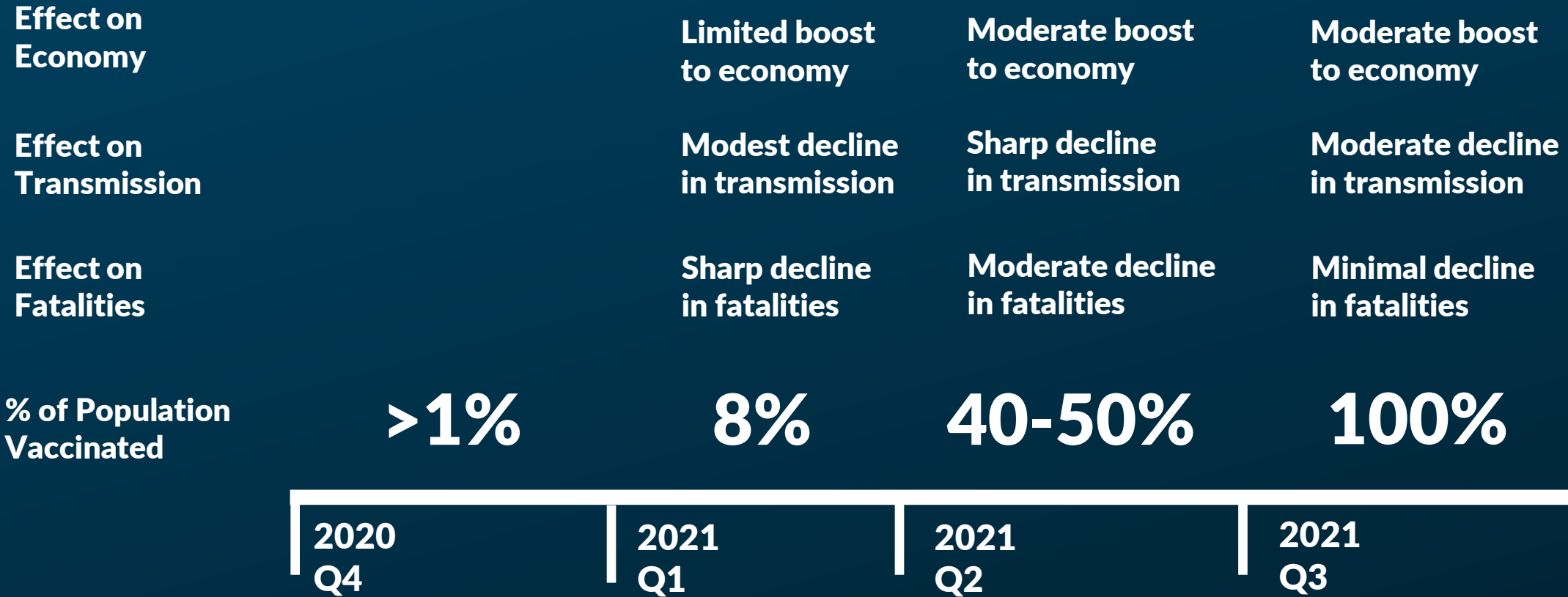


ATTENDING EVENTS – LATENT DEMAND



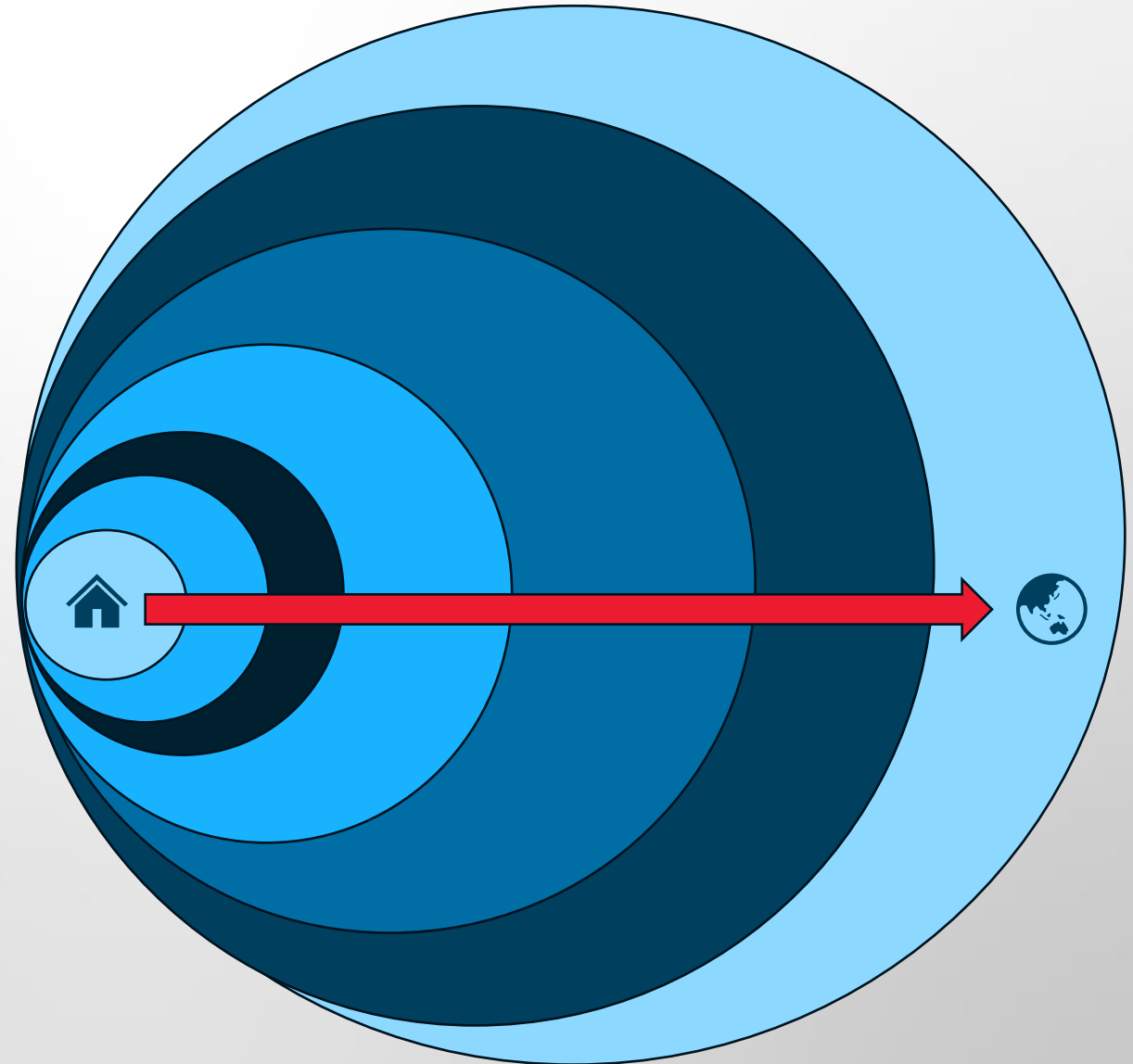
Source: IMI

PATHWAY TO IMMUNITY



REENGAGING WITH THE WORLD

INTERNATIONAL
↑
ZONE/CONTINENT
↑
COUNTRY
↑
REGION
↑
COMMUNITY
↑
NEIGHBOURHOOD
↑
HOUSEHOLD



Sponsorship Trends

COVID-19 as Accelerant.

A photograph of a crowded outdoor market or festival. The scene is filled with people walking through aisles lined with white pop-up tents. The background is filled with lush green trees. The entire image has a dark blue overlay.

1.

The Rise of Local



2.

Festivalization



3.

Pressure on Gate

4.

eSports moves Mainstream



5.

Digital Transformation by Properties

6.

A photograph of an NBA basketball court with a dark blue overlay. The court floor features the text 'BLACK LIVES MATTER' in large, bold, blue letters. The backboard and the area around the key have 'WHOLE NEW GAME' branding, including the NBA logo. Several people are visible on the court, some standing and some sitting. The overall tone is serious and focused on social issues.

Diversity, Equity, Inclusion

7.

Sponsor Risk Management

8.

CLIMATE
PLEDGE
ARENA

CSR moves Closer

9.

Touchless Experiences

A group of male sprinters are captured in mid-stride on a running track. The image is overlaid with a semi-transparent blue filter. Large, bold white text is superimposed on the image. The background shows a blurred stadium with red seating.

10.

**Measure. Measure.
Measure.**

Lost Value

Evolving your approach.

LOST VALUE 2020

Bespoke approaches depending on calendar and value gap.

In so far as possible, uniform approach across leagues.

Straight-line against lost value.

Mix of refunds, roll forwards, holdbacks.

Worked with properties to find new value.

Was **very important** to be in line early, to leverage strong relationships.

LOST VALUE 2021...2022

For existing, in Term deals:

Move quickly.

Consider what value might have been rolled forward from 2020.

Push to renegotiate, protecting existing entitlements, this may require adding to the Term.

Push for 'new' assets.

Now is a great time to think differently about your portfolio.

Deal Structure

Time for change.

PROTECTION

New Force Majeure language to include:

- Pandemics, epidemics and communicable disease outbreaks
- Quarantines, lockdowns
- Terrorist attacks
- Geopolitical events
- Labor unrest
- Labor disruption

Important to contemplate value loss determination in advance; by event, by calendar, by reach

FLEXIBILITY

Value banks, with some convertibility.

Terms built on option years.

Buy-out option.

Portability to other brands, other business units.

VARIABLE COMPENSATION

Protect downside and reward upside.

Set KPIs that drive measurable outcomes for your brand/business.

Offer:

As you're thinking about how you manage your sponsorship investments as we come out of the pandemic, we're pleased to offer WFA member attendees to today's webinar a no-obligation, no-cost 30-minute consultation with Lumency, if it would help with an issue you're grappling with, including with the way forward.

Thank you

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