

## IFEA/Festival Media Corporation Sponsorship Success Award

### McDonald's Thunder Funder Program



### Sponsorship Program Description

In 2007, McDonald's Restaurants of Kentuckiana title sponsored the Thunder Funder program for the second year in a row. The program helps raise funds for the Thunder Over Louisville show, the Derby Festival's Opening Ceremonies. With annual production costs close to \$1 million, finding funding for the show is a huge challenge. The not-for-profit Derby Festival literally works year-round to ensure that Thunder – the nation's largest annual fireworks show and one of the top air shows in the country – remains a free event for between 500,000 and 750,000 people who attend each year. Much of the Thunder budget is covered by major corporate sponsors, but those sponsors cannot be counted on to renew their substantial commitment every year. The Derby Festival utilizes different fund-raising events to help support Thunder, but is always looking for new ways to help support the show financially. McDonald's has been an integral part of this fundraising since 2006.

This year, from April 2 to May 13, 2007, 93 area McDonald's restaurants from 20 Kentucky counties and six in Southern Indiana donated 10 cents from the sale of every 32-ounce soft drink to help support Thunder. The drinks, served in a commemorative Thunder cup, could be purchased separately or as part of a Thunder Funder meal – Quarter-Pounder, French fries and a drink. Moreover, in perhaps the most unselfish act of good will by any Festival sponsor, McDonald's included the logos of the four presenting sponsors of Thunder 2007 in virtually all of their advertising. For example, the logos for Caesars Indiana, E.ON U.S., Meijer and UPS were featured on over 710,000 McDonald's drink cups, television advertising, outdoor, and in-store trayliners and POP. Therefore, the four presenting sponsors of Thunder received more than a \$300,000 advertising campaign solely at McDonald's expense.

In addition, the 2007 McDonald's Thunder Funder Program featured an all-day, televised campaign on Wednesday, April 4, at the Central American Airways Flying Service hangar at Bowman Field in Louisville. The Derby Festival utilized its staff, board members and volunteers to produce the televised McDonald's Thunder Funder event to engage the general public to make contributions to support Thunder. They manned phones throughout the day to receive pledges from both business and individual supporters.

Local TV stations began broadcasting from the site at 5 a.m. and continued with periodic coverage throughout the day. The hangar was open to the public from 5 p.m. to 9 p.m. and featured several Thunder Air Show planes and helicopters on display, as well as the sale of Official Kentucky Derby Festival merchandise and a Power Point presentation of Thunder Day activities. Military and civilian pilots were on hand to meet the public, along with Thunder Over Louisville producer Wayne Hettinger and other members of the Thunder crew.

The radio and broadcast television stations also helped publicize the event with promotional announcements. Donations were made by phone, online at [www.mcdonaldsthunderfunder.org](http://www.mcdonaldsthunderfunder.org) or in person. Individual sponsorship packages ranged from the \$20 Igniter Level to the \$150 Five-Star Viewing Level, which included VIP tickets for the Thunder show.

## **Target Identification**

The McDonald's advertising/promotional campaign supporting Thunder Funder and the sale of drinks and McDonald's Thunder Funder Meals was fantastic exposure for Thunder and the Derby Festival. Through the campaign, the Kentucky Derby Festival was able to appeal to both the public and the corporate community to help keep Thunder Over Louisville free for spectators.

McDonald's advertising agency conveyed the specific objectives for the promotion were to demonstrate McDonald's commitment to the community while achieving brand identity with Derby Festival and to drive drink sales to a broad demographic in the 28 county DMA.

McDonald's Restaurants of Kentuckiana merchandised their title sponsorship by converting their entire advertising budget in the Louisville DMA (28 counties) into McDonald's Thunder Funder promotion by placing more than \$300,000 in paid media, point of sale materials in-stores, etc. McDonald's posted 30-sheet posters on transit shelters and bulletins throughout the area promoting the Thunder Funder Meal. The outdoor campaign had a daily circulation of 552,000 impressions. In addition, the 15 second television commercials were placed in the highest-rated television shows including *American Idol*, *Survivor* and *Grey's Anatomy*.

On top of the paid media, McDonald's Thunder Funder also received television news coverage in more than 80 stories with a total media value of \$60,357.67 and reached an estimated viewership of 1,733,110\*. The program was also promoted throughout the Festival's schedule listings, publications and online at [www.kdf.org](http://www.kdf.org).

The unique sponsorship arrangement met its ultimate objectives of demonstrating the great community support of McDonald's while providing a sales component in stores and at the same time raising money to help fund Thunder Over Louisville.

On April 21, 2007, under perfect weather conditions, an estimated 800,000 people lined both sides of the Ohio River to watch another spectacular air show and pyrotechnic display. As fans watched on the river banks and tuned in to the live broadcast, they also heard McDonald's familiar jingle "Ba.da.da.da.da...I'm Lovin' It," played in the fireworks soundtrack – and based on the cheers from the crowd - they were lovin' it.

\* News information/media value provided by The Media Library, Louisville, KY

## **Results**

The 2007 McDonald's Thunder Funder Program helped raise **more than \$215,000** to help support Thunder Over Louisville, the Derby Festival's Opening Ceremonies.

Throughout the program, Thunder fans were encouraged to call the McDonald's Thunder Funder hotline to purchase McDonald's Thunder Funder Packages. Packages could also be purchased online at [www.mcdonaldsthunderfunder.org](http://www.mcdonaldsthunderfunder.org). Individual packages ranged from the \$150 Five-Star Viewing Level to Thunder Funder contributions of any amount. Five-Star packages included exclusive Thunder Corporate Village viewing vistas (just east of the Second Street Bridge) and on-site parking. The \$100 Boomer Package benefits included: sponsorship of a specific fireworks shell, a show-themed certificate listing sponsor name, shell type, launch location, launch time and song name. Thunder Funder Business/Corporate packages were available directly through the Kentucky Derby Festival. Each corporate package offered recognition benefits, including sponsorship listing on all Thunder kiosks and Derby Festival-produced materials, four All-Access passes to tour the Thunder Command Center and points of operation on Friday, April 20.

All together, the 93 area McDonald's restaurants sold more than 710,000 commemorative cups to help support the show and donated 10 cents from the sale of each of those 32-ounce drinks during the promotional period. The drink were purchased separately or as part of a Thunder Funder meal (Quarter-Pounder, French fries and large drink). **A total of \$71,856 was contributed through drink(cup) sales.**

Additional funds collected through the Program included the sale of Five-Star and Boomer Level Thunder Viewing Packages for VIP seats to the Thunder show. Those sales totaled **\$17,150**. Plus, 2007 saw an increase in participants in the corporate or "business" Thunder Funder program which raised **\$124,750**, while individual contributions added up to **\$1,579**.

In addition, McDonald's advertising/promotional campaign supporting Thunder Funder and the sale of drinks and McDonald's Thunder Funder Meals was more than \$300,000 in paid media, point of sale materials in-stores, etc.

The sponsorship program proved to be a perfect marriage between McDonald's and Derby Festival as both property and sponsor experienced great success. The effort is already underway to secure renewal for this arrangement once again in 2008.

## **Presentation\***

Each year the Marketing Department of the Kentucky Derby Festival works to renew more than 400 sponsors whose collective investments make the two-week, 70-plus events possible. Sponsors of the Derby Festival receive a binder containing ancillary materials and a PowerPoint presentation summary showcasing the impact of their sponsorship. In the slide format, extensive information and visual elements combine to produce an effective presentation, which cite the benefits and exposure opportunities within each Festival sponsorship.

The format of each report is organized to allow for a cohesive and comprehensive book that can be easily followed by the sponsor. The follow-up reports are a team effort requiring feedback from event managers, advertising/promotions managers, communications managers and marketing managers which provide specific knowledge and expertise to provide a better-focused and all encompassing follow-up report.

The beginning and end of each report are identical for every Derby Festival sponsor:

- The Festival Overview recounts the two-week programming and is considered the starting point for each report.
- The Media Report details the overall impressions generated by the Festival's core publicity campaign.

The rest of the follow-up report reflects the specific sponsorship summary, in this case the McDonald's Thunder Funder Title Sponsorship. The sponsorship summary provides a listing of all the things delivered to the sponsor per their agreement. This section of the follow-up report is customized for each sponsor and is a great tool used to help them see the value of their specific sponsorship. Digital photos are included in the presentation as well as electronic scans of various event materials and specific data regarding the following: the event, the festival electronic media, the festival print components, the festival news media coverage and the festival's sighting of press releases. In addition, the attached folder contains actual tear sheets and copies of the print materials discussed in the follow-up report.

The follow-up reports have proven to be a very effective tool for sponsors and have helped the Kentucky Derby Festival marketing team set themselves a part from the competition.

\*A copy of the Power Point summary presentation for the McDonald's Thunder Funder sponsorship has been submitted as an addendum to this award entry.

## **Sponsor Reaction**

The reaction from this McDonald's promotion was that of total satisfaction. The results of McDonald's Thunder Funder were presented in a Power Point presentation to a group of approximately (40) McDonald's Owner/Operators on June 19, 2007. The media results tally, copies/examples of campaign deliverables (including t-shirts, print components, etc.) were presented to the President of the McDonald's Restaurants of Kentuckiana Co-op and the owner of the advertising agency that represents McDonald's in this area.

Martha English, Co-op President, and Susan Bandy, principal of Bandy, Carroll, Hellige Advertising, both stated that McDonald's had once again met four primary goals of this promotion by this partnership:

- 1) To demonstrate the commitment of McDonald's to the community by providing funding for the largest annual event in the region, Thunder Over Louisville
- 2) To drive sales of McDonald's drinks (which boast a high profit margin to owner/operators)
- 3) To be a major sponsor partner in the Kentucky Derby Festival, showcasing McDonald's image in the community during "Derby Time" – the period of highest visibility for the Metro Louisville/Southern Indiana region each year
- 4) To provide hospitality benefits (in the form of Thunder VIP viewing) to McDonald's managers and crew members

Further, a timeline for renewal plans for the 2008 McDonald's Thunder Funder was discussed and will be voted upon at the September meeting of the Co-op.

Lastly, Frank Ward, one of the current McDonald's Owner/Operators, began serving on the Kentucky Derby Festival Board of Directors in June, 2007. This marks the first time ever that the Kentucky Derby Festival has had the honor of a board representative from McDonald's. This comes as a further demonstration to the success of the McDonald's Thunder Funder program.