

NASCAR

I. History



NASCAR (The National Association for Stock Car Auto Racing) was founded in 1948 by Bill France. NASCAR is the largest sanctioning body of stock cars in the United States. France's goal was to attract fans and competitors to organize and promote better standardized racing on tracks. Several race tracks existed across the Southeast, each with its own set of rules and regulations. Early on France took his vision and made a professional sport out of an activity that was seen by many as a hobby.

By 2008 the sport had expanded coast-to-coast with events in 22 states and three countries. NASCAR has grown to become the second-most popular professional sport in terms of television ratings inside the U.S., ranking behind only the National Football League. NASCAR holds 17 of the top 20 attended sporting events in the U.S., and has 75 million fans that purchase over \$3 billion in annual licensed product sales. These fans are considered the most brand-loyal in all of sports and as a result, presently, 117 Fortune 500 companies hold material sponsorships in NASCAR, more than any other professional sanctioned sport. In 2007 NASCAR made a profit of just under \$3 billion.

NASCAR's headquarters are located in Daytona Beach, Florida. In addition NASCAR has three offices in North Carolina and single offices in New York City, Los Angeles and Arkansas.

II. NASCAR Today

NASCAR fans follow their favorite teams throughout North America during the course of three national series seasons. NASCAR has the longest season among all-major sports – 10 months, from February to November. Over the course of the season, NASCAR's top three divisions stage nearly 100 major events annually that generate excitement for fans and keep them engaged.

a. NASCAR Sprint Cup Series



The NASCAR Sprint Cup Series is the top series in the NASCAR family and one of the premier sports properties in the world. Representing racing at its best, the series is the #2 rated regular-season sport on television, and features 36 points events at 22 different tracks across the country. Events in the NASCAR Sprint Cup Series are among the most attended sporting events in North America, including high-profile properties like the Daytona 500, Sprint All-Star Race, and the 10-race Chase for the NASCAR Sprint Cup Championship.

b. NASCAR Nationwide Series



The second most viewed form of motorsports in America television, the NASCAR Nationwide Series features 35 points events at 26 tracks across North America; including Mexico City, Mexico and Montreal, Canada. The series provides fans with an additional source of excitement that complements the other national series. The series' strong popularity is driven by the participation of the top stars in Sprint Cup, who allow some of the sport's upcoming stars to compete against the best.

c. NASCAR Craftsman Truck Series



A popular NASCAR national series since its debut in 1995, the high-profile NASCAR Truck Series features full-size, American-made trucks in traditional (stock-car) side by side racing. With 25 points events at 22 different tracks across the country, this series provides another outlet for brands to enter the sport and engage NASCAR fans in an authentic way. The NASCAR Truck Series visits a variety of markets that attract the sport's most avid fans, including Talladega Superspeedway, Charlotte and Bristol Motor Speedway.

III. Why we race

Teams race to create a revenue stream. Revenues are created through the following four (4) sources ranked in order of impact and importance:

a. Sponsorship

Seventy-five percent of a single team's revenue for the season is earned through its sponsor partners. The following three categories make up the sponsorship categories.

1. Primary
2. Associate
3. Driver / Team Endorsement

b. Manufacturer Support

Ten-Percent of a team's funding is directly attributed to the car manufacturer. In the case of Roush Fenway Racing: Ford Motor Company

c. Winning / Earnings

Ten-percent of revenue is directly attributed to the success of the team. Winning. Each team/driver earns a set amount of money based on how they finished each individual race. Additionally teams can earn more money for winning the pole or leading the most laps.

d. Merchandising / Royalties

Five-percent of the revenue stream is gained through licensing the team's and driver's assets.

IV. How it works

Race teams and their sponsors are the most visible part of the NASCAR community. While NASCAR fans show a strong affinity to the sport as a whole, the fan driver relationship solidifies and galvanizes that affinity. To NASCAR fans, drivers and race teams are what make the sport "real" – and NASCAR fans are proud to proclaim their favorite drivers as "theirs," making them a part of their extended families.

One reason for those strong relationships is the accessibility to and personable nature of the drivers – they help forge and maintain powerful emotion-driven bonds between the fans and team sponsors. As the relationship between fan and driver grows, so too does the relationship between the fan and the sponsor. The driver becomes the brand, and this results in loyalty-based purchase decisions by NASCAR's 75 million fans. At 72% of the fan base being measured as making conscious, loyalty based decisions.

NASCAR fans "**live the brand.**" It's more than a sport; it's a lifestyle that's an indelible part of our fans' identities. Fans, race teams, and sponsors are all closely interconnected in this lifestyle and depend upon each other to keep it healthy.

a. How Fans Connect to the NASCAR Brand

1. **Family.** NASCAR is a family friendly environment. The sport serves as a place for families to convene and reinforce their loyalty to each other, drivers / teams, and their sponsors.
2. **Community.** NASCAR fans share a sense of belonging and see themselves as part of a larger community. These inherent bonds of common ground are as much a part of the NASCAR experience as the competition itself.
3. **Speed & Power.** NASCAR fans are drawn to the raw power of our race cars and the speed they produce.
4. **Performance.** NASCAR is a part of the American car culture, and its fans are attracted to the mechanical and technological aspects of these machines.
5. **Relatable Drivers.** NASCAR fans are drawn to our sport's personalities because of their honest, genuine, down-to-earth qualities. NASCAR fans see our drivers as people who are larger than life accessible heroes, but not beyond reach.

6. **Heritage & Tradition.** NASCAR has a rich history, encompassing over six decades of drivers and events. Many fans have a heritage all their own, passing down their NASCAR traditions and values through generations.
7. **Drama.** The NASCAR season is full of twists and turns – anything can happen at any given moment. Races can be decided by a matter of inches. The season itself also produces drama, as championship battles and driver rivalries unfold over the course of the season. This further fuels the phenomenon of why those who take the time to watch or attend just one race become fanatics in such a short time.

b. Utilizing the NASCAR Brand Through Sponsorship

Brands position themselves within the sport to incorporate and benefit all facets of their business. Ranging from customer loyalty programs, employee incentives, acquisition opportunities, B2B programs, and traditional B2C marketing programs companies see a consistent return on investment.

Team sponsors tap into the inherent loyalty of NASCAR fans, who view team sponsors as a vital part of the team's success. Their affinity can be leveraged and reinforced through a number of the following opportunities.

1. **Advertising / Promotions.** Many team sponsors incorporate their sponsorships into their general marketing programs. Promotions, sweepstakes and targeted communications all enable team sponsors to attract fans in new ways.
2. **Alternate Paint Schemes.** Primary teams sponsors leverage their promotions, sweepstakes, line extensions and other marketing initiatives through the use of alternate paint schemes.
3. **Show Cars.** Bringing cars to retail locations, charity events and other points of consumer contact provide sponsors with a way to connect with consumers.
4. **Victory Lane.** When a team wins a race, Victory Lane puts team sponsors in an exclusive spotlight, giving sponsor brands valuable added exposure and prestige.
5. **Licensing.** Licensed products are a powerful way to reach consumers, giving them additional chances to show their loyalty and interact with sponsor brands. Product categories include die-cast collectibles, apparel and many others.
6. **Business-to-Business.** When companies become team sponsors, they gain privileged status as a part of the NASCAR community. This creates a number of business-to-business opportunities to build relationships and goodwill among employees, suppliers, distributors, retailers and others, and can lead to increased business that can strengthen ROI for sponsors.
7. **Local in- Market Programs.** When NASCAR events come to each market, they create added opportunities for team sponsors to interact with consumers and leverage the excitement of the event.
8. **Driver Appearances.** Drivers are powerful for team sponsors, providing accessible personalities to share the brand's message.
9. **Driver Endorsements.** Consumers recognize drivers and equate them to their sponsor brands, making them some of the most effective endorsers in marketing.
10. **At-Track Marketing.** Nowhere does consumer activation have such a powerful presence than at a NASCAR event. With over 100,000 fans at each NASCAR Sprint Cup Series event, sponsor brands have a prime opportunity to interact with consumers and create connections.
 - **Product and Service Promotions**
 - **Track Signage**
 - **Promotional Displays**
 - **Sampling and Activation**
 - **Hospitality Programs**

Fans

I. Who are the Fans?

Our most passionate fans have mainstream tastes – they like the same leisure and entertainment activities that most Americans like – blockbuster movies, popular music, and big sports. What has historically set them apart is their clear and rabid devotion to NASCAR. For these fans, NASCAR is more than just a sport, it is a way of life. They use NASCAR to bond with friends and family, plan family trips around NASCAR events and participate in NASCAR fantasy leagues. They also consume a lot of NASCAR media from week to week, including televised events, web sites, and magazines. In addition to being more familiar with the technical elements of the sport – race tactics, pit strategies, jargon, etc. – they also have a stronger emotional connection to the sport across all personal experiences, both on and off the track. These fans have historically developed a strong sense of loyalty as an integral part of the community. This resides both within the fan community, and as one of the NASCAR family, with teams, sponsors, family ownership and especially to one or two drivers, following them throughout the season and supporting everything they do. Overall, these fans have experienced NASCAR in a way that is very different than the way most people see the sport. Casual NASCAR fans, on the other hand, are typically big sports fans who, in their consumption of sports programming, also happen to watch NASCAR, especially since the brand has achieved mainstream sports status. Most have never attended a race. Although they have a basic to good understanding of NASCAR, they do not share the sense of community and belonging that appeals to the avid NASCAR fan. Like most fans, they are drawn to the thrilling and exciting nature of the sport. However, their interest has not yet moved beyond the speed and potential wrecks that are the most visible and obvious elements of a NASCAR broadcast.

a. Gender Distribution

1. Male – 60%
2. Female – 40%

b. Age Distribution

1. 18-24 – 13%
2. 25-34 – 18%
3. 35-44 – 18%
4. 45-54 – 24%
5. 55+ – 27%

c. Income Distribution

1. \$30-50,000 – 22%
2. \$50-70,000 – 17%
3. \$70-100,000 – 15%
4. \$100,000+ - 15%

d. Family Friendly

1. 38% of NASCAR fans with families, have kids under the age of 18

II. The Lifestyle Audience

NASCAR fans fall into five segments based on 14 attitudinal-based questions. True-believers are the “core” of avid fans who consume over eight hours of NASCAR content a week. The average NASCAR fan consumes six hours of NASCAR media coverage while the casual fan consumes four hours of content. On average, devoted fans will spend \$700 per year supporting the sport through attending events and purchasing licensed goods.

Source: Ipsos Insight, NASCAR Brand Tracker 2001

Media Coverage

I. Television

The NASCAR Sprint Cup Series is the #2-rated regular-season sport on television, while the NASCAR Nationwide Series is the #2 motorsports on television. The NASCAR Craftsman Truck Series is the #1-rated motorsports series on SPEED and #3-rated motorsports series on cable.

In 2008, the NASCAR Sprint Cup Series continued their multi-year partnership with Fox, TNT, ABC and ESPN, while ESPN, ESPN2 and ABC are the exclusive home to all NASCAR Nationwide Series events. SPEED is the television home to the NASCAR Craftsman Truck Series.

a. Highlights

1. NASCAR outperforms 75% of primetime television and all late night comedy shows
2. Long-term household viewership for the NASCAR Sprint Cup Series is up +34% versus 2000
3. An average of 5.0 million households and 7.2 million viewers tuned in per event in 2007
4. Network (Fox and ABC) events averaged a 4.8 rating, while cable (TNT and ESPN) events averaged a 4.5 rating.

II. Radio

Live race broadcast outlets include the Motor Racing Network, Performance Racing Network and Indianapolis Motor Speedway Radio Network, with over 700 affiliates in 48 states. SIRIUS Satellite Radio delivers a dedicated, 24-hour NASCAR channel and race day audio channels featuring live race broadcasts and real-time, in-car driver/team communications to over eight million subscribers.

III. Online

One of the most visited and comprehensive online sites in sports, NASCAR.com and RoushFenway.com attract nearly five million unique users each month.

IV. Print

NASCAR is covered in a wide range of NASCAR licensed periodicals and general-interest publications, giving our fans a deeper insight into the sport. Partners include mainstream periodicals like *Sports Illustrated* and *Sporting News* and targeted publications like *NASCAR Scene* and *NASCAR Illustrated*.

V. Total NASCAR Media Consumption

NASCAR media partners create a vital link between NASCAR fans and team sponsors. NASCAR fans have responded by making it the #2 sport on television and one of the most high-profile media properties in North America.

NASCAR fans are heavy media consumers in general – according to the Simmons National Consumer Survey, NASCAR fans spread their consumption across a wide range of media and are more likely than non-fans to watch television, read magazines and listen to the radio. They are also more likely to use the Internet and read the daily newspaper. NASCAR fans are above average consumers of all media, and are more likely than non-fans to depend on a variety of media sources to stay updated on the latest local, national and world news.

a. Highlights

1. Nearly 1.1 million fans watch NASCAR programming on ESPN and SPEED each week – 3 times as many as in years past
2. Monthly unique users of NASCAR related content:
 - NASCAR.com = Over 6 million
 - ESPN.com NASCAR section = Over 1.0 million
3. 60,000+ watch live race streams on NASCAR.com weekly
4. Tens of thousands of fans listen to SIRIUS NASCAR Radio daily
5. Ranked the #1 sports channel on SIRIUS according to Arbitron Spring 2007 Listener study
6. Wireless/mobile content includes NASCAR.com To Go and Sprint's NASCAR Sprint Cup Mobile

Corporate Involvement

I. Why become a NASCAR team sponsor?

a. It's The Ultimate Form of Brand Integration

1. Unlike most other sports sponsorships, NASCAR team sponsorships don't put your brand on the periphery of the field of play – they incorporate your brand directly into the action. Brands are synonymous with our teams; when fans are cheering for a team, they're cheering for your brand right along with it.

b. It's a Symbol of Success

1. NASCAR team sponsorship tell the world that yours is a dynamic and exciting brand. It's also a source of pride and morale for your company's employees.

c. It's a Power Differentiator

1. In today's crowded marketplace, consumers have a multitude of brands from which to choose. NASCAR team sponsorship creates a point of differentiation that can move your brand forward.

d. It's an Effective Targeting Tool

1. NASCAR fans come from a number of different demographic groups. Finding the right team partnership can help you reach a specific demographic, while still enjoying the benefit of reaching the broad NASCAR audience.

e. It's a Multimedia Platform

1. When you become a team sponsor, your brand automatically integrates into television, radio, online, print, video games, licensed products and other high profile media outlets.