



CASE STUDY: VANCOUVER 2010 OLYMPIC WINTER GAMES CONSUMER PROMOTION & MERCHANT ACTIVATION

Background

According to research conducted by Charlton Strategic Research¹ the Olympic Winter Games are the most popular sporting event in Canada with higher interest among Canadians 12+ (who are aware of each event) than the summer Olympic Games (2nd) and the NHL Stanley Cup playoffs (3rd). Interest in the Games is spread fairly evenly across the country with the strongest interest in the Western Provinces. Regardless of age, Canadian fans rank “attending the Games” as their top Olympic related activity if given the opportunity¹.

Visa, which first activated its Olympic sponsorship at the 1988 Calgary Olympic Winter Games, has created a unique merchant relations program to support its activities at the 2010 Vancouver Olympic Games.

Visa at the 2010 Olympic Winter Games

As a worldwide Olympic sponsor, Visa is the exclusive payment services sponsor and the only card accepted at all Olympic and Paralympic Games' venues for any official Olympic-related transactions. At every Olympic Games Visa creates and manages the entire payment system network infrastructure across all Olympic venues. For the Vancouver Games, Visa will deploy over 800 hundred point-of-sale (POS) devices in some 250 Olympic merchant locations in venues and install ATMs within the Games footprint including two roving mobile ATMs. Visa card products – credit, debit, prepaid and Visa electron cards – will be accepted at all POS card acceptance devices and ATMs in Olympic venues. Visitors also can withdraw cash at more than 3,000 ATMs in the greater Vancouver area and at more than 60 ATMs in Whistler.

Strategies

Vancouver Olympic Winter Games Objectives

Visa identified a number of business objectives around the Olympic Winter Games including:

- Create business-building opportunities for clients
- Enhance Visa brand image and brand differentiation through sponsorship awareness
- Drive usage and maximize revenue from domestic and international Visa cardholders at high traffic merchant locations

Merchant Activation Programs

For every Olympic Games, onsite merchant activation is a key strategy to drive host city business activity, leverage the brand, and promote Visa's sponsorship. Based on previous Games, consumer promotions are considered the most effective “call to action” in the eyes of the consumer. Acceptance messaging is created to remind the consumer that they can “use their Visa card here.” Campaign-focused messaging builds brand equity and consumer promotions motivate the cardholder to make Visa “top of wallet” and the chosen payment method. There are over 5,000 retailers, restaurants and service providers in and around the Vancouver and Whistler areas that accept Visa cards. Visa has received positive feedback from the merchant community on its campaign and targeted some 3,500 individual retailers for the program.

A New Concept - Merchant Activation Zones

Unlike the Olympic host cities of Athens, Torino and Beijing, the City of Vancouver and its merchant community are spread across a broader geographic area. Rather than actively engage every merchant and attempt to “wallpaper” the entire region, a unique “**zone**” approach was adopted to identify specific areas where the merchant presence is focused and where there is significant pull on both the regional and international communities. The location of these zones was influenced by a number of criteria including the proximity to Olympic venues, guest program hotels and tourist attractions, as well as areas that attract both locals and international travellers. As Vancouver has a significant range of shopping malls, both in location and size, Visa marketers identified and targeted four-to-five shopping centres and five-to-10 high traffic merchant retail areas, or zones, as the most obvious locations for engaging the merchant community.

Tactics

To activate participation, Visa Canada Marketing worked with Vancouver’s Business Improvement Areas (BIAs), shopping centre owners, tourism partners, and Chambers of Commerce (Whistler, Richmond and Whistler) to create three steps, or phases, to engage merchants at the Olympic Winter Games.

Phase One

In Phase One, which began in April 2009, Visa Canada created “street teams” to deploy point-of-sale material to merchants in key areas in and around Vancouver and Whistler. Prior to visiting the merchants, approximately 1,500 merchants were targeted through invitation to attend merchant sell-in forums and letters distributed through the BIAs that explained Visa’s key role in the Vancouver Games and provided examples of past Games-time activities. Of the 1,500 merchants targeted, approximately 1,000 merchants activated acceptance at the point-of-sale material and became eligible to enter a draw for two Torch Relay spots. Phase One provided an ideal opportunity to evaluate the process and ensure that it was fine-tuned when presenting the merchants with additional Olympic and Paralympic initiatives such as consumer promotions.

Phase Two

In Phase Two, which began in October 2009, Visa Canada targeted in-store point-of-sale activation at over 3,500 merchants. Targeted merchants included those situated in high pedestrian traffic, outdoor shopping areas, as well as busy indoor malls or merchants who reside near the Visa hospitality centre or Olympic venues. All participating merchants were eligible to enter the Merchant Incentive Program, designed to randomly award Olympic tickets and other Olympic themed merchandise to merchants who displayed the point-of-sale materials. In Phase Two, point-of-sale creative was redesigned to ensure the usage message was more prominent. The street team visited 5,000 merchants with a sell-in brochure that included visuals of the point-of-sale material to encourage merchants to register for the merchandising program. They also registered all responses in a database, for subsequent action and reference. Activation of over 3,500 represented an approximate 70 percent success rate.

Phase Three

For Phase Three, which commenced in mid January 2010, Visa refreshed acceptance materials at approximately 1,500 of the 3,500 merchants on an as-needed basis. Of these, 500 were targeted to participate in a special consumer promotion aimed at international cardholders that ran during Games time. The promotion featured a gift-with-purchase (Visa Olympic pins featuring Mascots) as the incentive when cardholders spent a minimum amount of \$50 on their Visa cards. A soft launch of the promotion took place in November for two weeks among 50 merchants to test the communication, number of pins provided to merchants, and other logistical elements.

An important component of Phase Three was the focused targeting of retailers that could directly support Visa’s business objectives in Canada. Merchants approached to participate included those in Olympic venues expected to attract international travellers; those with average ticket sizes that support minimum spend thresholds for prize fulfillment and where there were opportunities to displace cash payments. . . The Pacific Centre was the only shopping mall included in the consumer promotion.

Of these 1,500 merchants, approximately 350 merchants were also targeted to participate in Visa's Olympic Window Display initiative. Four additional high impact point-of-sale pieces were developed to complement Visa's baseline point-of-sale merchandising program. These pieces were inspired by the Emily Carr Design Competition that Visa initiated with the BC based Design school during Phase 1 where students were invited to develop point-of-sale material that embraced British Columbia's local culture.

Logistics

The key elements of the merchant program were the introduction, physical distribution and placement of collateral (window/decal/POS) during each phase. This required ongoing and regular program communications to merchants (using BIA's, mall owners, tourism partners, Chambers of Commerce, etc.). The resulting database will be used for mailings, contest prize draws, legal registration, merchant engagement process monitoring, and finally, evaluation of the programs. A toll-free, dedicated 1-800 merchant help-line was established to help manage and monitor the programs. Visa street teams ensured physical production, storage, collation and distribution of point-of-sale collateral and "kits."

ROI Measurement

Visa Canada tracked Merchant Sales Volume data at a regional level (in BC) versus the same period of the previous year, while selecting a representative sample of merchants when possible to act as benchmark indicators of uplift.

Sample POS Materials



For further information concerning Visa and the Olympic Games, please contact Nancy Panter in San Francisco at (650) 432-1454 or Teri Broughton at (416) 860-8869 in Toronto.

¹Connecting with Canadians, October 2006. Charlton Strategic Research