**Friends of a Sound Beach Track[[1]](#footnote-1)**

You are the owner of a newly formed media company that recently signed its first client, a sports and entertainment group named Cole Family Sports & Entertainment. CFS&E owns multiple major sports arenas across the country as well as operating a regional racing team in the Pacific Northwest. Racing is the company’s passion, which is why they have reached out to you. CFS&E has a long-standing relationship with the leadership at NASCAR. Through many years of negotiating, both sides have reached a mutual agreement that NASCAR will bring their signature series to Sound Beach if and only if a new racetrack can be built and ready to host a race by 2018.

CFS&E’s president, Boris Cole, has already secured commitments from major hotel and restaurant chains, commissioned architectural renderings, and has options to purchase land in two locations on the outskirts of downtown Sound Beach. The proposed facility would do more than host a NASCAR race each year; it would be a destination site for many other racing leagues as well as have the ability to host other sports on an infield specifically designed for transformation into football, soccer or baseball fields. This group of developers, headed by Boris, became known as FAST, short for Friends of a Sound Beach Track. The only hurdle that prevented this project from beginning was the price tag. It was projected to cost $1 billion to construct the facility.

**FAST and Initiative Measure No. 3**

Boris exhausted his personal and professional network and all of his private resources in an attempt to raise the money needed to start construction, but despite his efforts, he was still short of the $1 billion needed. His last option was public financing. A friend in the state legislature helped craft a ballot initiative that would secure public monies to fund the project, turning the FAST Coalition into an official PAC.

The final draft of Initiative Measure No. 3 read: “Shall a public stadium authority be authorized to build a motorsports racetrack and sports exhibition facility financed by tax revenues and private contributions?” The bond initiative would provide $25 million over 20 years to help finance the facility. I-3 would have one chance to pass as an item on the November ballot. FAST would focus 100% of their efforts on building support for I-3 in the greater Sound Beach area.

Your colleague, Edward Straley, has introduced you to a research method that he believes is an effective way to craft media plans. You asked him to send you a sample of his research to help with the FAST campaign, promising to become a full-subscriber to the data if the results were favorable. Table A shows an analysis of the Scarborough Research data that Edward sent.

|  |  |  |
| --- | --- | --- |
| **Table A: Interest Levels and Purchasing Behaviors related to NASCAR with Sound Beach adults** | | |
|  |  |  |
| **Sound Beach adult population** | **3,817,247** | **100.0%** |
|  |  |  |
| *Interest level in NASCAR* |  |  |
| Very | 169,009 | 4.4% |
| Somewhat | 240,694 | 6.3% |
| A little bit | 340,598 | 8.9% |
| Not at all | 2,461,175 | 64.5% |
|  |  |  |
| **Any Interest in NASCAR** | **750,301** | **19.6%** |
|  |  |  |
| *# NASCAR events attended past 12 months* |  |  |
| 1 - 2 events | 33,942 | 0.9% |
| 3 - 9 events | 14,087 | 0.4% |
| 10+ events | 13,077 | 0.3% |
| None | 3,756,142 | 98.4% |
|  |  |  |
| *Willing to pay for NASCAR tickets* |  |  |
| Yes | 646,833 | 16.9% |
| No | 2,462,622 | 64.5% |
|  |  |  |
| *Bought NASCAR apparel past 12 months* | 37,786 | 1.0% |

Based on the data provided, you were encouraged that among all Sound Beach adults about 20% showed an interest in NASCAR and 17% indicated a willingness to purchase NASCAR tickets, though not many people actually attended races (less than 2%); this was presumably because there were no major[[2]](#footnote-2) NASCAR events within a day’s drive of Sound Beach.

You believe that NASCAR Fans are the most important target for your media campaign and asked Edward for one more favor. Edward created a custom definition based on Table A and called the custom target “NASCAR Fans.” A “NASCAR Fan” is any Sound Beach adult who (A) is currently ‘very’ or ‘somewhat’ interested in NASCAR, (B) is willing to pay for tickets to a NASCAR event and purchased NASCAR clothing/apparel, or (C) attended at least one NASCAR event in the past 12 months. Using this definition, you set to work on your media allocation.

According to FAST’s market research, about 436,000 adults (18 years and older), or 11.4% of all adults in Sound Beach, can be considered NASCAR Fans and presumably will support I-3. Boris also informed you that several of his FAST supporters are local media owners. They are willing to donate advertising time and space on their respective media outlets for a media campaign that is designed to (1) increase awareness of Ballot Initiative No.3 among current NASCAR Fans and to (2) stimulate civic engagement (e.g., voting in favor of I-3). Based on FAST’s market research, the advertising campaign will be targeted at the 11.4% of adults who are current “NASCAR Fans.”

|  |  |  |
| --- | --- | --- |
| **Sound Beach adult population** | **3,817,247** | **100.0%** |
|  |  |  |
| A) Very or Somewhat Interested in NASCAR | 409,703 | 10.7% |
| B) Willing to pay for a single ticket: NASCAR | 646,833 | 16.9% |
| C) Purchased NASCAR clothing/apparel in past 12 months | 37,786 | 1.0% |
| D) Attended at least 1 NASCAR event in past 12 months | 61,105 | 1.6% |
|  |  |  |
| ***NASCAR Fans (A or (B+C) or D)*** | **436,644** | **11.4%** |

**The FAST Advertising Campaign**

Your task is to present a recommendation for allocating the $1,000,000 budget across the 10 different media vehicles where time and space is being made available to the FAST advertising campaign. Although all time and space is being donated by various FAST supporters— who have ownership stakes in each media property— you want to use the market cost of the donated media to help guide your decisions about the media mix in your campaign.

As a cost yardstick, a FAST colleague has prepared a table showing “cost-per-thousand impressions” for each of the 10 media. Sometimes “impressions” are also called “exposures” or “opportunities to see.” Your estimated costs-per-thousand impressions range from a low of $5 cost-per-thousand for outdoor signage to a high of $58 cost-per-thousand for a guaranteed 3-minute interview in the local 6pm news.[[3]](#footnote-3)



**Your FAST Media Plan**

We have prepared an Excel spreadsheet to assist you in allocating the $1,000,000 campaign budget across the nine media vehicles (the spreadsheet is attachment A). As a starting point, we have allocated $100,000 to each of the 10 media vehicles. The spreadsheet is designed to re-calculate all values as you change the dollar amounts in the grey-shaded column (Column A).

Your goal is maximize the number of NASCAR Fan impressions (Column H) by changing the dollar amounts (Column A) and playing “what-if?” – while using your judgment regarding the appropriate mix of the 10 media. The FAST president has told you that it is not necessary to use all of the 10 media.



Before beginning to try different scenarios, you should familiarize yourself with the underlying formulae in the spreadsheet by clicking on different cells to see how the values are calculated. For example, NASCAR Fans make up 15.0% of the audience for late-night television programs as shown in Column D—this is higher than the 11.4% incidence of NASCAR Fans in the total Sound Beach population. This is reflected in Column E, which shows a NASCAR Fans media index of 131—index values above 100 indicate that a media vehicle is more likely to reach NASCAR Fans. In other words, late-night television audiences are 31% more likely than the average Sound Beach adult to be NASCAR Fans.

A late-night television budget of $100,000 with an average cost per thousand impressions of $10 (Column C) gives us a total of 10,000,000 estimated impressions with adults 18 years and older (Column G). Since we know that, on average, 15.0% of these impressions will be with NASCAR Fans, our spreadsheet estimates that we will achieve a total of 1,500,000 impressions with our target NASCAR Fans (Column H) on late-night television.

In Columns J and K, we see that late-night television currently accounts for 15% of our total impressions with NASCAR Fans, and is 10% of our total media budget. Our average cost for reaching NASCAR Fans on late-night television is $67 per 1000 NASCAR Fans impressions (Column L). These figures will change as you manipulate dollar amounts in Column A.

Based on the default budget allocation, at the bottom of the table you will see that this yields a total number of adult impressions of 79,089,179. Comparing our adult impressions to the adult population of 3,817,247, we see that our impressions are equal to 2046% of the adult population – in media math, this means we have achieved 2,046 gross rating points (GRPs) among adults. Among our target NASCAR Fans, however, we have achieved a higher 2,227 GRP level. An effective media plan will have a target population GRP level that is higher than the overall adult GRP level.

**Submitting Your FAST Media Plan to the**

**Washington Media Scholars Foundation**

Submissions should include the following:

1. The Excel spreadsheet with your recommended allocation of the $1,000,000 budget. Make sure that your name and contact information appear on the spreadsheet where indicated.
2. A document file, no longer than two pages single-spaced, in which you answer the following questions in support of your media mix allocations. If you desire, the document may include tables and/or charts. Include your name and contact information at the top of the word document.
3. What media received the largest shares of your budget and why? What media received the smallest shares and why?
4. Beyond maximizing the number of NASCAR Fans impressions, what were some other factors that you took into consideration when determining your recommended media mix?
5. If FAST could solicit the donation of other types of media, what other media vehicles would you like to see included in your plan?

E-mail files to info@mediascholars.org. File names must include your team name.

1. The situation described in this case study is fictional. Research data for Sound Beach is modeled using Scarborough Research data from a top U.S. media market, and has been altered for the purposes of the case. Population estimates, media audiences, costs and other data do not represent any actual market conditions, and should be used only by competitors in the first round of the 2015 Washington Media Scholars Foundation scholarship competition. Copyright 2014 by WMSF. Do not reproduce without permission. More information at <http://mediascholars.org/case-competition/> [↑](#footnote-ref-1)
2. “Major” NASCAR events are defined as Sprint Cup, Nationwide Series and Camping World Truck Series for the purpose of the 2014-15 WMSF case competition qualifying round. [↑](#footnote-ref-2)
3. For more information about media planning terminology, see the WMSF website for a glossary. [↑](#footnote-ref-3)