



Interview with Nicky Grist

Former World Rally Championship co-driver

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Nicky Grist is probably best known as a former World Rally Championship (WRC) co-driver and for his achievements in the arena of world rallying. He is most closely associated with Colin McRae, for whom he was co-driver between 1997 and 2002, when together they won no fewer than 17 WRC events. He has also co-driven for Armin Schwarz and Juha Kankkunen, and is the second most successful co-driver in the history of the WRC. After a 14-year career in the WRC, and with a massive 21 World Rally victories to his credit, he founded the Nicky Grist Co-Driver Academy to help young co-drivers wishing to make an impact in the sport. He has also formed NG Motorsports Ltd, a retail and wholesale supplier of motorsport products.

AW: Given the demise of mass markets and the growing cost of media advertising, do you consider sponsorship as a viable promotional medium for your company's marketing strategy?

NG: Because my business is centred in and around motorsport, sponsorship is much more appropriate than advertising in that it enables me to get directly to competitors, who are my primary target audience. When it comes to advertising, however, it is not necessarily just buying column inches any more: it's about trying to target more specific audiences and not just placing an ad.

AW: It has been suggested that sponsorship is similar to advertising in terms of its measurement. Do you agree?

NG: To a point, yes. A number of large organisations – Ford Motor Company, for example – tend to quantify the success of a campaign based purely on the press coverage that it receives. So for them it would be a success. From my point of view, however, press coverage of a sponsored event or individual is beneficial only if it directly relates to my brand. If the emphasis is placed on a product that doesn't carry the NG Motorsports name, then it's clearly of little or no benefit.

AW: When embarking on a sponsorship campaign, do you follow a set of detailed objectives?

NG: It varies depending on what you are trying to achieve. Ultimately, my prime objective is to generate



brand awareness, and one means for evaluating sponsorship's effectiveness is by raising awareness of the brand.

Looked at from another perspective, my name is my brand and I'm selling on my experience. So hopefully when someone hears Nicky Grist state that a product is good, they will believe that it's good and come to me for it. I'm selling on the basis of my years in rallying; I am attempting to communicate confidence in my brand via the experience I have gained in the WRC arena.

AW: Do you engage in sponsorship activities for financial returns or philanthropic purposes?

NG: I don't think you can separate the two. My co-driver equipment, for example, is basically a loss leader, but in the same way that NG Motorsports sponsors local events and drivers, it's my way of giving back to the grass roots of the sport that launched my career. It also serves as a carrot to persuade people to spend more on other things at a later date. Furthermore, sales are more than likely to be an outcome of a successful sponsorship campaign. That said, success will depend considerably on the strength of the brand. When a well established brand launches a new product, it can concentrate its efforts on the brand extension because of the equity that the core brand already has. NG Motorsports doesn't enjoy that degree of brand awareness, and therefore it's the company name and not its products so much that the focus has to be on.

AW: Do you feel that money invested in sponsorship activities could be spent more effectively on other forms of marketing communications?

NG: When all things are considered, the visible part of sponsorship that the public sees is only one aspect. For every pound spent on sponsorship, an equal amount is often spent on corporate hospitality showcasing your investment to existing and potential clients. So when these activities are effectively

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integrated, I don't believe that there is a more effective way to achieve what this can accomplish. To put someone in the passenger seat of a WRC car and let them experience the adrenaline rush of hurtling down a gravel track at high speed... it is unforgettable. And unlike the majority of sports where it is impossible for the public to experience the extent of competitiveness that is prevalent at a professional level, in rallying you can do this.

AW: Do you believe the concept of sponsorship linking to be a worthwhile practice?

NG: Yes, absolutely. In the same way that it is imperative for you to use appropriate media when advertising your products, it is vital that you directly associate your product's performance with your sponsorship activities. By linking NG Motorsports' products to an event or to rally competitors, I'm targeting more effectively and also differentiating my brand from the competition.

AW: Have you ever sponsored an event, driver, or team and been exposed to ambush marketing?

NG: Not myself, no, but I've certainly seen plenty of evidence of it in WRC events. When SEAT entered the WRC in 1996 for example, they distributed large foam-rubber fingers to spectators on one particular round of the championship that was actually sponsored by Pirelli. Yet on just about every stage it was these SEAT fingers that were the most prominent in terms of brand promotion.




I have to confess that I have been an ambusher, albeit an unintentional one. This has come about through placing my brochures in numerous British Championship event programmes. As a result of this we have gained massive brand exposure without incurring the associated costs. In my defence, however, I wouldn't set out to deliberately ambush an event, but I naturally want to do what I feel is best for my company.

AW: Do you feel that British rallying is becoming too commercialised with heavy sponsorship in a similar way to Formula One and the WRC?

NG: At this moment in time I don't think British rallying is at the same level as the WRC in terms of commercialisation, but I am concerned about the degree of intervention by the controlling bodies and the consequent impact that this is likely to have on potential sponsors. The MSA [Motor Sports Association] is approaching things in reverse order. Instead of deciding what their goals are to be and then structuring the regulations around those goals, they are making changes to the way rallies are regulated without giving consideration to the impact these changes are likely to have. The MSA, for example, has banned the use of 100 octane fuel on British rallies. What this means in real terms is that ex-WRC cars can no longer compete in British events: not only are these cars extremely attractive for spectators, but in a number of cases the drivers of these cars are also sponsors of events. So in one move you are losing both sponsors and spectators, without which events

will not run, and British rallying will be lost forever. That said, there is increasing evidence of heavy-handed sponsorship tactics in the form of competitors being made to use specific products that are made by event sponsors in order to comply with the regulations. Pirelli sponsors the British Rally Championship and you have to use control tyres in order to compete. The idea of cartels within motorsport is very much a reality. I believe that a total restructuring of the rules and regulations of the championship is needed, and if introduced, a break-away championship at this moment could really succeed.

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Biographies

Andrew Watts is a graduate in marketing from the University of Glamorgan Business School. He achieved a first-class honours degree in 2007 and was presented with the award for 'best marketing student'. He was also awarded 'best marketing dissertation', for work supervised by Trevor Hartland, part of which formed the basis for this interview.

Trevor Hartland is a senior lecturer in marketing at the University of Glamorgan. Trevor teaches marketing communications and marketing strategy. His main research interests lie in sports sponsorship and particularly in the sponsorship of motorsport, in which he is also an active competitor.