

Toronto Maple Leafs & Fitbit Alta X:

Partnership Proposal

Part 1: Project Proposal**The Marketing Pitch**

Communication and consumer engagement with major sports fans is an important aspect of any team's marketing campaign. Fans want to know that their favourite team cares and appreciates their support, but when was the last time your favourite sports team reciprocated those same feelings to you? People want to know their engagement with their team is reciprocated and appreciated.

As Fitbit's marketing team, our solution is to promote health and fitness with a product that encourages consumers to have fun, get active and feel empowered in a competitive environment. We are proposing a partnership with the Toronto Maple Leafs to endorse our leading product, the Fitbit Alta, to improve the relationship between our customers and the Toronto Maple Leafs fans. Our campaign will consist of a limited edition Maple Leaf Fitbit Alta, which will be utilized for fans who wish to participate in an ongoing contest to see their favourite team play live.

The Objectives

As Fitbit's marketing team, we propose a strategic partnership between Fitbit and the Toronto Maple Leafs in preparation for the 2017 Centennial Classic. Fitbit's mission, "*to empower and inspire a more active and healthier lifestyle,*" complements the Toronto Maple Leaf's mission in "*uniting and empowering employees by creating extraordinary moments for their fans and each other.*" The objective of this partnership is to design a creative marketing plan with promotional benefits for the 2017 NHL Centennial Classic Game. As they approach their milestone Classic Game, collaboration with Fitbit will put the franchise on a moral pedestal by showcasing its appreciation to fans and commitment to their well-being.

1. Strengthen Connection with Fans:

This partnership will allow the Toronto Maple Leafs to strengthen existing relationships by demonstrating their care for fans. Fitbit wants to give The Maple Leafs an opportunity to reciprocate their fans' appreciation by promoting a product to fans that will enhance their quality of life and overall well-being.

2. Consumer Engagement:

Through the partnership with Fitbit, the Toronto Maple Leafs will be able to foster an ongoing engagement with fans through the promotion of everyday physical activity. Campaign contests will encourage Fitbit users and Maple Leafs fans to use their Fitbits for a chance to win tickets to the Centennial Classic Game.

3. Generate New Revenue Stream for the Toronto Maple Leafs Through Product and Promotion:

By simply branding a limited-edition Fitbit Alta with the Maple Leafs logo, the Maple Leafs brand gains exposure. Additionally, with every sale of a Fitbit Alta x TML, the Toronto Maple Leafs will receive a percentage of the product's marked up price. By creating this product to be limited edition, it adds exclusivity to the product and to the Maple Leafs brand.

The Marketing Concept

Our marketing concept is based on the triple bottom line strategy: people, planet, and profit. Fitbit Alta's primary purpose is to encourage the user to participate in daily physical activities and to promote a healthier lifestyle for its users. Instead of having fans sit on the couch and eating junk food while watching their favourite sports team, Fitbit Alta encourages users to do step by step physical activities to improve their inactive lifestyle for a chance to win and see their team live. This will demonstrate that the Toronto Maple Leafs cares about their fans by reciprocating a concern for their well-being and appreciating their fans' ongoing support. Furthermore, by using Fitbit, customers are

not only encouraged to walk, bike and to use alternative methods of transportation to improve their health, but also to reduce their carbon footprint.

Participants in urban metropolitan areas such as Toronto will be able to walk and bike to their destination while reducing their carbon emissions and accumulating walking points to participate in the competition. People in suburban areas who do not likely walk far distances to reach their destination are encouraged to walk or bike around their neighborhood to gain points to qualify and win, while improving their own health in the process. Lastly, the Toronto Maple Leafs' partnership with Fitbit will improve its relationship with fans and customers while also having social and environmental benefits. It will demonstrate that the team cares about more than just ticket sales, product revenue, and overall monetary gain.

We want the Toronto Maple Leaf fans to understand their team cares and supports them as much as they support their players. As a result, fans will react by engaging back with the team through purchasing more products associated with the Toronto Maple Leaf brand, increasing profits for the team.

Part 2: Project Strategy

The Partnership

Our team proposes a partnership that incorporates strategic positioning, pricing, promotions, and targeting to boost sales for the Toronto Maple Leafs upcoming Centennial Classic Game. Together, each element of our campaign aims to use consumer engagement to strengthen relationships between the Leafs and their fans, as well as increase revenue streams for the franchise. As health and fitness are major concerns in today's society, we plan on using this Fitbit partnership to enhance the franchise's brand image. This can be accomplished by utilizing Fitbit's product to address these issues by promoting physical activity.

Targeting

This marketing campaign will focus on three different segments of the Leafs fan base including: corporate ticket holders (who purchase game tickets for client entertainment), upper- middle-class mothers (who have children active in local Ontario hockey leagues and buy for the entire family), and amateur hockey players/young adults/ex-players (who purchase tickets because of their admiration for the game). These three segments constitute the largest portion of the Leafs fan base that has the disposable income required to purchase the product.

Positioning

Due to the fact that the Fitbit Alta x TML would be a “limited edition” item, it would be primarily positioned as an exclusive product. The second strategy we are focusing on is positioning the Fitbit Alta x TML as a product that promotes and encourages physical activity, fitness, and a healthy lifestyle. Our positioning embodies the essence of social responsibility through the “triple bottom line” strategies. Instead of focusing on corporate motives, this reversal concept is driven by the benefits for people and planet, and in turn, will bring in profits. The Fitbit Alta x TML will be marketed to promote the health and well-being of Leafs fans, engaging in the “People” aspect of the triple bottom line strategy. This campaign will give the Toronto Maple Leafs an opportunity to show their appreciation for all the dedication their fans have shown them by investing in their health and happiness.

Triple Bottom Line Strategy

People: the Fitbit Alta in itself serves the purpose of encouraging consumers to introduce healthy habits and activities into their everyday life. The motive behind this partnership is to utilize both brands to optimize potential motivation and enhance consumer’s overall quality of life through activity. The idea of this product is not just to simply get customers to walk as many steps as they can. Yes, it will encourage steps and activity, but the impact will extend much further than this. By

taking these steps, they are beginning to develop a habit of physical activity that will further lead to healthful thinking and in time, an overall healthier lifestyle. What makes this fan engagement product so unique is that it is not a one-time contest; rather, The Leafs and Fitbit are actively engaging in this endeavor to improve the quality of life for their fans/consumers.

Planet: using the Fitbit as a method of encouraging people to walk rather than take a car reduces people's carbon footprints. By encouraging participants in an urban area like Toronto to walk and bike to their destinations, it will allow them to accumulate Fitbit points while staying active and reducing their reliance on harmful carbon emitting vehicles. The Fitbit's encouragement of healthy living and positive choices will lead to benefits beyond individual health. As users engage in these healthy choices, they are more likely to eat healthier, resulting in habits such as buying produce instead of junk food. This has the potential to mitigate food and agriculture's overall environmental impact.

Profit: the social and environmental benefits that Fitbit promotes will fuel profits for the Toronto Maple Leafs through this partnership. Partnering with this product demonstrates that the Leafs care about more than just profits, giving the entity human-like qualities. In return, customers get a sense of reciprocated compassion and this will increase the franchise's positive brand image, leading to long-term brand loyalty.

Promotion Tactic

This campaign will take advantage of every platform the Toronto Maple Leafs have access to by launching marketing activations at their high traffic venues. We chose to focus on the Air Canada Centre, Elleven, and Real Sports Apparel because these sites have the highest potential for gaining campaign exposure. Along with launching activations at these sites, we will use Instagram, Facebook, Twitter, Snapchat, and the brands' websites for additional exposure. These selected venues are the

most effective for this campaign because they will achieve maximum customer outreach and are the most central for our targeted population of fans.

Fitbit Steps Contest:

The Fitbit Steps contest is one of our largest promotional campaigns. Fans/consumers who purchase the special edition Fitbit will be eligible to win tickets to the Centennial Classic. To win these tickets, fans must register using the serial number designated to their Fitbit, by December 26th on the Real Sports website's "Contest Page" (www.shop.realsports.ca). Five lucky Fitbit Alta x TML owners with the highest average steps per day will win a pair of tickets to the Centennial Classic. This contest will promote both the Fitbit Alta x TML and the Centennial Classic Game, while also encouraging physical activity, as fans must walk in order to win.

Fitbit Alta x TML Classics Contest:

This contest comprises many smaller contests that will take place during the contest period via real life platforms. This will include contests during breaks at the Leafs home games: ticket holders will have a chance to come down to the ice and play a mini game throughout breaks/intermissions in order to have a chance to win the special edition Fitbit Alta x TML. These contests aim to incorporate fan engagement as a promotional tool for both the Fitbit Alta x TML and the Centennial Game. Additionally, guests who dine at an MLSE-owned restaurant will have a code on their receipts that they can enter to win the Fitbit Alta x TML online (and then as well have a chance to enter the Fitbit Steps Contest). We will choose one winner per week between November 14th-December 26th. This contest promotes the Fitbit Alta x TML, the Centennial Classics Game and as well, MLSE-owned restaurants. This contest will close on December 26, 2016.

Activation Sites:

Our contests will be promoted at each of the following sites and their social media pages.

1. Air Canada Centre:

- The ACC venue will host promotional contests during intermissions as part of the Fitbit Alta x TML Classics Contests. These contests will focus on fan engagement by randomly selecting ticket holders and inviting them down to the ice to compete with other fans for a chance to win the exclusive Fitbit Alta x TML.
- Throughout hockey games at the ACC, regular announcements will be made about the Fitbit Steps Contest including what it is, how you can participate, what the prizes are and, of course, simple encouragement to apply. This will not only promote the Fitbit product but the Centennial Classics Game as well.
- The ACC's website (www.theaircanadacentre.com) will be the platform that advertises both contests and serves as an information provider to audiences on how to win the Fitbit Alta x TML or a chance to win tickets to the Centennial Classics.

2. E11even Restaurant & Real Sports Bar:

- Guests who have dined at either E11even and/or Real Sports Bar (MLSE-owned restaurants) within the contest period will be given a chance to enter their bill number to win a Fitbit Alta x TML. This is a smaller contest within a larger Fitbit Alta x TML Classics Contest that aims to promote the Fitbit Alta x TML, the Centennial Games and, in addition, it drives business and traffic towards MLSE-owned products/services such as their restaurants and the Real Sports Apparel store located right next to both restaurants (again, where audiences can purchase a Fitbit Alta x TML).

3. Social Media – Instagram, Snapchat, Twitter and Facebook:

- Each of these social media platforms will promote the different contests that are being held by Fitbit & MLSE for a chance to win the Fitbit Alta x TML or for chances to win tickets to the Centennial Classics Games.

Price

The price of the Fitbit Alta x TML will be sold at \$199.95 per unit. This price includes an 18% markup in price from the original non-branded Fitbit Alta. Under this partnership agreement, it is proposed that the Leafs will be incurring the costs paid to brand the Fitbit product with the Leafs logo to ultimately create the Fitbit Alta x TML.

Reasoning: we have chosen this percentage markup to cover the costs of printing and manufacturing the Toronto Maple Leafs logo onto the product. The Leafs have large and small partnerships with many different companies. Considering one of their partners is a printing company, there is an excellent opportunity to leverage their connections and cut their logo printing costs. Nevertheless, once the extra costs are covered, MLSE will receive the profit margin made on the Fitbit Alta x TML wristband and Fitbit will get the base cost of the product (\$169.95).

Risks/Rewards: this collaboration has limited risks because both companies are entering markets that either one or the other is familiar with and has experience in. Both Fitbit and the Toronto Maple Leafs are offering the same product/services, with the added benefit of brand association between two reputable companies. Importantly, this strategy poses little risks for the Leafs, as there is only a small cost associated for them in the deal. This approach is an opportunity for the sports franchise to gain a new source of revenue.

Distribution: in terms of distribution methods and the costs associated with them, the Toronto Maple Leafs will focus on all of the branded products that are sold in Real Sports Apparel. As for Fitbit, they will have to incur the costs of shipping the branded products that are sold on their site.

Seeing as Fitbit has an established site that sells products regularly, it is only fair that they are in charge of the costs associated with shipping and handling of this product.

Part 3: The Pitch Presentation Summary

Social Media Statistics of Toronto Maple Leafs

Facebook

- Fitbit: 1.7 million page likes
- Toronto Maple Leafs: 1.3 million page likes

Twitter

- Fitbit: 301K followers
- Toronto Maple Leafs: 1.3 million followers

Instagram

- Fitbit: 378K followers
- Toronto Maple Leafs: 496K followers

Facebook:

With 1.7 million likes on the Fitbit Facebook page and 1.3 million likes on the Toronto Maple Leafs Facebook page, this medium will act as a great promotional tool for the Fitbit Alta x TML product and the contests arranged that encourage consumers to purchase the products. Utilizing Facebook has the potential to reach a wide audience and creates a larger accessibility to consumers by providing them with a link to where they can purchase the product online.

Instagram:

Instagram is another great promotional tool that we will utilize to promote the Fitbit Alta x TML and the contest. The strategies we will use are:

- Photos/posts of Toronto Maple Leaf players wearing the Fitbit Alta x TML (which they will receive for free from Fitbit).

- Promotional posts that encourage audiences to enter the contests.

Twitter:

- Promotional tweets that direct audiences towards the websites where they can purchase the Fitbit Alta x TML or enter the contests that allow them a chance to win the product or tickets to the Centennial Classics games.

Partnership Objectives

Our objectives of this partnership for both the Toronto Maple Leafs and Fitbit are as such:

- To design a strategic marketing plan for the Toronto Maple Leafs by creating a partnership with Fitbit that will create awareness for the Centennial Classics games, promote the Toronto Maple Leafs and increase purchases of Fitbit products
- To reciprocate the meaningful attachment that the Toronto Maple Leafs have with their fans by partnering with the Fitbit to encourage physical activity
- To build a deeper relationship with fans and allow them the opportunity to get *physically* closer to the Leafs by being *physical* (i.e. the most steps allow them a chance to win tickets to the Centennial Classics).

Marketing Timeline

- **October 1:** Create social media handles and tags for the partnership (Twitter: @fitbitaltaxtml, Instagram: #fitbitaltaxtml)
- **October 2:** Create logo and logo size for Fitbit Alta x TML
- **October 3:** Send logo out for the prototype of the Fitbit Alta x TML
- **October 10:** Approve Fitbit Alta x TML product
- **October 11:** Start manufacturing of product
- **October 15:** Launch social media platforms
- **November 1:** Release Fitbit Alta x TML product at retail/online stores

- **November 3** Start of 8-week social media takeover
- **November 5:** Distribute and photograph all Leafs players in Fitbit Alta x TML
- **November 8:** Post photos of Leafs players on Instagram
- **November 14:** Launch contests on all social media platforms/websites
- **November 18:** First winner of Fitbit Alta x TML Classics Contest is announced
- **December 2:** Second winner of Fitbit Alta x TML Classics Contest is announced
- **December 26:** Contests close
- **December 28:** Fitbit Steps Contest winner is announced!