



“Yes on I-3”

The Campaign to Secure Public Funds to Bring NASCAR’s Signature Series to Sound Beach¹

Carol Devin was updating her Facebook page with pictures of her new office, an old restaurant recently renovated into a chic – if not a little aromatic – place of business, when her phone buzzed with a text. It was Boris Cole, a man she met a few weeks earlier at a Wounded Warriors reception. Carol didn’t hesitate to respond; business opportunities had been scarce since she left her marketing job with a professional baseball team in order to start her own public-affairs media agency. Boris had mentioned that he might need her help with an issue-advocacy campaign in Sound Beach. Carol understood the liminal state of her new company and knew that Boris’s project could be the break she needed.

Boris answered on the first ring. He spoke slowly and concisely, “Thank you for the quick response, Carol. Do you remember that project I mentioned to you a few weeks ago when we met in DC? You said that you are a media expert with some experience in advocacy campaigns, which is why I need your help. I am the chairman of Cole Family Sports & Entertainment. We build, own and operate sports facilities across the country. Most of our properties are home to minor league professional sports teams or major-college basketball teams. However, before I retire from this business there’s one venue I’d like to build. I want to build a racetrack to host a NASCAR sanctioned race.

“I already have approved architectural plans and building permits, plus NASCAR has agreed to run a spring Sprint Cup race and a fall Camping World Truck series race beginning in 2017 at my facility just outside of Sound Beach. The problem we’re facing is funding; we have half of the \$1 billion secured through my family’s portfolio and other private contributions. The missing piece is a public bond initiative which would secure the balance in the form of public monies over the next twenty years. We need to make sure that this bond-initiative passes this November. Can you help?”

For the second time that day, Carol didn’t hesitate, “Yes, Mr. Cole, I’d be happy to help.”

“My granddaddy was Mr. Cole, you can call me Boris.”

Carol Devin was officially in business.

Growing Up Cole

Boris Cole was raised by his mother and grandfather in a small town close to Sound Beach during the 50s and 60s. His grandfather, Poppy Cole, was a liquor man – seller, not drinker – from western North Carolina. The family business and livelihood, like every other alcohol distiller of the time, were threatened during Prohibition. Poppy’s devotion to his family lead him to years of running whiskey across the Virginia and Tennessee borders in order to stay in business. During this time and the post-Prohibition moonshine running years, Poppy taught his sons the craft of driving boot-legged spirits through the mountains.

Christopher and Daniel Cole took to the roads with a reckless abandon and saw distribution as a means to their first love: racing cars. The Cole brothers befriended a number of

¹ The situation described in this case study is fictional. Research data for Sound Beach is modeled using Scarborough Research data from a top 15 media market, and has been altered for the purposes of the case. Population estimates, media audiences, and costs and other data do not represent any actual market conditions, and should be used only by competitors in the second round of the 2014 Washington Media Scholars Foundation scholarship competition. Copyright 2014 by WMSF. Do not reproduce without permission. More information at <http://mediascholars.org/case-competition/>

other distillers on the rural Appalachian roads and started some friendly competitions. Recognizing his sons' interest in racing, Poppy began to organize this band of cannonballing drivers into weekly races; first from one town to the next, then in a safer and more capitalizing environment of an oval shaped dirt track about one-third of a mile in length.

Shortly after the bombing of Pearl Harbor, the family racing enterprise shut down as quickly as it started when the Cole brothers were drafted into the armed forces. Christopher went to Fort Sound as part of the U.S. Army Air Forces. Daniel became a boatswain mate in the U.S. Navy. Christopher, who was recently married and expecting his first child, moved his young bride to Sound Beach. Poppy decided to join him to support his daughter-in-law and future grandchild during Christopher's deployment.

Sadly, Christopher never came home and never met his son, Boris. So, Poppy decided to stay near Fort Sound to help raise his grandson. Poppy used his distilling background and savings to open a brewery (Blue Cascades Brewery) while helping to raise young Boris. Once Daniel returned home from the Pacific Theater, he collaborated with Poppy on memorial ideas to honor Christopher's legacy and service. They decided that, without a war, Christopher would have continued to race cars and would have been part of the group of men back east who formed the National Association for Stock Car Auto Racing (NASCAR). Inspired, Poppy and Daniel founded Cole Family Racing (CFR) and began racing cars on local tracks along the coast.

Boris grew up around and on racetracks. He was CFR's "vp of everything", and it was apparent from a young age that he shared his dad's love for racing. By the time Boris was a teenager it was clear to Poppy and Uncle Daniel that Boris would one day assume control of CFR. Boris eventually dropped his childhood vp title and put his nose to the books; he graduated high school early and ultimately earned a dual B.S. degree in business administration and automotive engineering from the state university. While NASCAR was growing its fan base in the southeastern part of the country, Boris became president of Cole Family Racing.

Racing to the Front – from (Tri)Ovals to Diamonds

CFR was a success from a racing standpoint and as a business. Poppy and Uncle Daniel ultimately used their standing in the regional sports community to buy a minor league baseball stadium in San Diego. This purchase was soon followed by many more like it across the country. CFR turned into Cole Family Sports & Entertainment (CFS&E). Soon, CFS&E had a presence in 30% of minor league markets and owned and operated five major-college basketball arenas (off-campus).

Racing with the Big Boys

Poppy and Uncle Daniel still kept in touch with their old friends on the east coast, who were now part of NASCAR's leadership, as the sport continued to grow and expand its brand. CFS&E entertained the idea of opening up a racetrack to host a NASCAR event, but it never developed beyond conversation levels, until recently.

NASCAR reached out to Boris in 2010 to propose moving a race to Sound Beach, under the condition that CFS&E open a track by 2017. Boris, who was now the president of CFS&E, worked quickly to identify potential track locations, designers and other developers. Within four months, CFS&E held architectural renderings, options to purchase land in two locations in the greater Sound Beach region, and had commitments from major hotel and restaurant chains to develop a 400-acre sports-entertainment complex. The proposed facility would do more than host two races a 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. The group of developers and investors, headed by Boris, became known as FAST, short for Friends of a Sound Beach Track. The estimated price tag of \$1 billion was the last major hurdle to start this project.

Initiative Measure No. 3 - \$25,000,000/year for 20 years

FAST gained momentum in the business community throughout 2010 and 2011, but fund raising and development commitments still left the project under-funded. To work on public financing legislation, Boris created a political operation within the FAST Coalition. The proposed legislation gained traction in the state capital, but ultimately needed to be given to the public to decide.

The final draft of Initiative Measure No. 3 met all criteria for the 2014 ballot. I-3 would appear on the November ballot reading: “Shall a public stadium authority be authorized to build a motorsports racetrack and sports exhibition facility financed by tax revenues and private contributions?”

FAST would be the primary advertiser in favor of the “Yes on I-3” campaign. Aside from two U.S. House seats that will be contested, there are no major statewide or federal races in the state in 2014. Voter turnout is expected to be low. The “Yes on I-3” campaign does not currently have any organized opposition, though there is a small group of land owners near the proposed track site who have been vocal at various town halls and who hand out anti-track flyers at local parades and other public gatherings.

FAST conducted a statewide poll in February that indicated the state was a toss-up with 35% in favor, 33% opposed, 14% undecided and 18% unaware of I-3. FAST would focus 100% of their efforts on building support for I-3 in and around the greater Sound Beach area.

Carol’s Pit Crew: The Data Consultant

Carol had experience in media planning for public affairs and issue clients, having learned the craft while building support for a stadium construction project at her previous job. However, this would be her first attempt at preparing a media plan for an issue that would actually appear on a ballot. Carol was comfortable with the media basics; gross rating points, impressions, click-through-rates, reach, frequency, and other media concepts were all part of her lexicon². She also had been exposed to media research, but thought she should call on an old friend for some help with developing data-driven research for political-issue advertising.

K.J. Sutlef was a self-proclaimed “data geek” and one of Carol’s roommates during a summer marketing internship in New York City. K.J. was building a good reputation inside the Beltway, providing big-data research to many of the new PACs that had become active in the issue and advocacy advertising arena. Carol contacted K.J. about the “Yes on I-3” campaign and requested some descriptive statistics identifying potential NASCAR fans in Sound Beach. Assuming the deliverables would be satisfactory, K.J. said he would also include a contract for future research services provided for this client. Carol agreed; and while waiting for K.J.’s data Carol reached out to Boris to inquire about budgets, flight dates and creative.

“Carol, it’s nice to hear from you. I apologize if I confused you on the scope of your work, perhaps I should have been clearer from the beginning. Your job is to provide a media plan that will effectively and efficiently deliver FAST’s ‘Yes on I-3’ message to the correct audience. My production company will develop scripts and storyboards; your job is to craft the

² This case assumes a basic, introductory-level knowledge of media concepts. Students seeking more background about media terms and planning should read the 2011 case competition, “Ryan Mellis (A)”.

media plan and advise me on how to reach the ‘Yes on I-3’ constituency so that we can pass this initiative. I will make sure that you are included on calls with the creative team, but you are my media planner and buyer. As for budgets and dates, let me talk to my accountant and get back to you. I will email you in a few days, take care.”

K.J.’s market data arrived via email the next day. Carol took a look (Table A).

Table A: Interest Levels and Purchasing Behaviors related to NASCAR with Sound Beach adults

Sound Beach adult population	3,817,247	100.0%
<i>Interest level in NASCAR</i>		
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%
<i># NASCAR events attended past 12 mos</i>		
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%
<i>Willing to pay for NASCAR tickets</i>		
Yes	646,833	16.9%
No	2,462,622	64.5%
<i>Bought NASCAR apparel past 12 mos</i>	<i>37,786</i>	<i>1.0%</i>

Based on the data provided, Carol was 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 major³ NASCAR events within a day’s drive of Sound Beach.

Later that day Carol skyped with K.J. to discuss the data. Carol remembered that Scarborough Research, which conducts marketing and media research interviews with over 200,000 American adults each year, included a few political questions relating to party identification and voting behaviors. Among the hundreds of Scarborough variables, K.J. knew the question Carol wanted to use: "How often do you vote in local elections?" Based on interviews with 8,728 Sound Beach adults, 51.3% reported always voting in local elections compared to 59.1% always voting in statewide elections and 75.3% voting in presidential

³ “Major” NASCAR events are defined as Sprint Cup, Nationwide Series and Camping World Truck Series for the purpose of the 2014 WMSF case competition.

elections. Local election voters represented 1.96 million of the 3.8 million adults living in the Sound Beach media market. Carol wanted to know how many of them were NASCAR Fans, and most likely to support the “Yes on I-3” campaign?

RPMs – Really Politically Motivated NASCAR Fans

Carol and K.J. set to work defining “NASCAR Fans” as any Sound Beach adult who (A) is currently ‘very’ or ‘somewhat’ interested in NASCAR, or (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, K.J. sent Carol one more set of cross tabulations on NASCAR Fans. The conversation ended when K.J. promised the remainder of the research, including media and consumer behaviors, within a couple of weeks. Until then, Carol could get started defining the target audience(s) for FAST’s “Yes on I-3” media campaign.

The crosstabs (Table B) with voting behaviors would be one of the most important tools for Carol when defining her target(s).

Table B: Voter turnout behavior of Sound Beach adults				
		All Adults	NASCAR Fans	Non NASCAR Fans
All Sound Beach Adults	Proj	3,817,247	436,644	3,380,603
	Vert %	100.0%	100.0%	100.0%
	Horz %	100.0%	11.4%	88.6%
	Index	100	100	100
Always Vote in Local Elections	Proj	1,959,922	258,668	1,701,254
	Vert %	51.3%	59.2%	50.3%
	Total %	51.3%	6.8%	44.6%
	Index	100	115	98
Sometimes Vote in Local Elections	Proj	1,033,167	119,104	914,063
	Vert %	27.1%	27.3%	27.0%
	Total %	27.1%	3.1%	23.9%
	Index	100	101	100
Never Vote in Local Elections	Proj	824,159	58,872	765,287
	Vert %	21.6%	13.5%	22.6%
	Total %	21.6%	1.5%	20.0%
	Index	100	62	105
Potential FAST Supporters		6.8%	NASCAR Fans heavy-voters	
		44.6%	Not NASCAR Fans heavy-voters	
		3.1%	NASCAR Fans light-voters	
		45.5%	Non-Target	

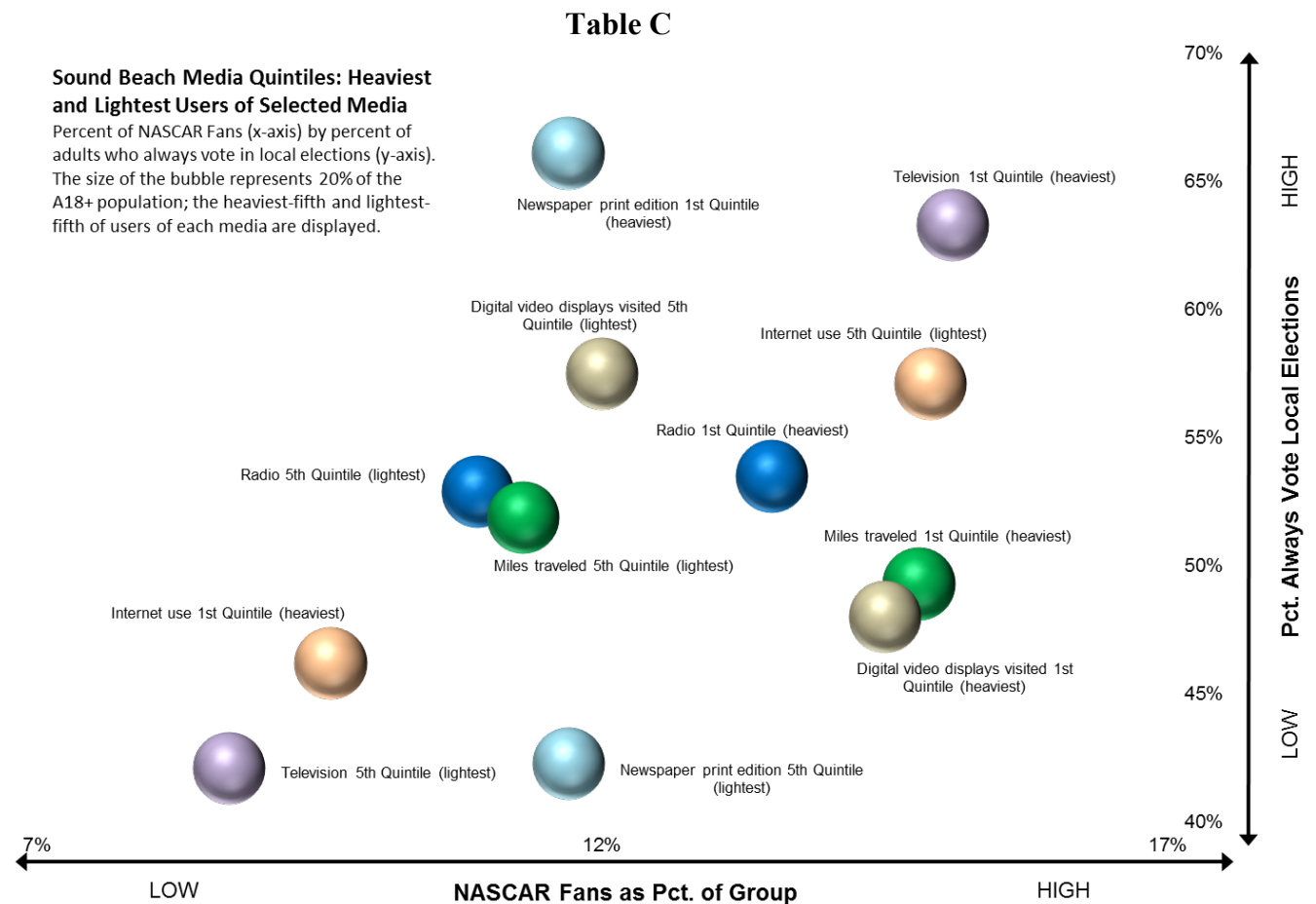
Table B: There are 3.8 million adults in the Sound Beach media market, including 437,000 “NASCAR Fans.” Of these fans, 259,000 say they always vote in local elections.

About 59% of the core fan group reported always voting in local elections. This was measurably higher than the 51% local election turnout among all adults (indicated in Table B by the 115 index value: $59\% \div 51\% = 1.15$). Approximately 14% of core fans said that they never vote in local elections (an index value of 62). NASCAR Fans overall were more likely to vote than the average adult, and voted at higher rates than Non-NASCAR Fans.

Carol noticed one more thing while examining the data and it presented a potential problem. Non-NASCAR fans that were also high-turnout voters outnumbered her voting fans by a margin of nearly 6.5 to 1, or 1.7 million to 259,000. If any kind of opposition group formed a “No on I-3” campaign, then it would most likely target these high-turnout non-fans.

Media Vehicle(s) of Tomorrow

Carol began to study the media habits of potential target groups using bubble-charts, a visual aid to help examine relationships within data. Carol used the x-axis to examine the percentage of each group to be NASCAR Fans, and the y-axis to gauge their voting behaviors in local elections. Carol’s first chart plotted media quintile data (Table C).

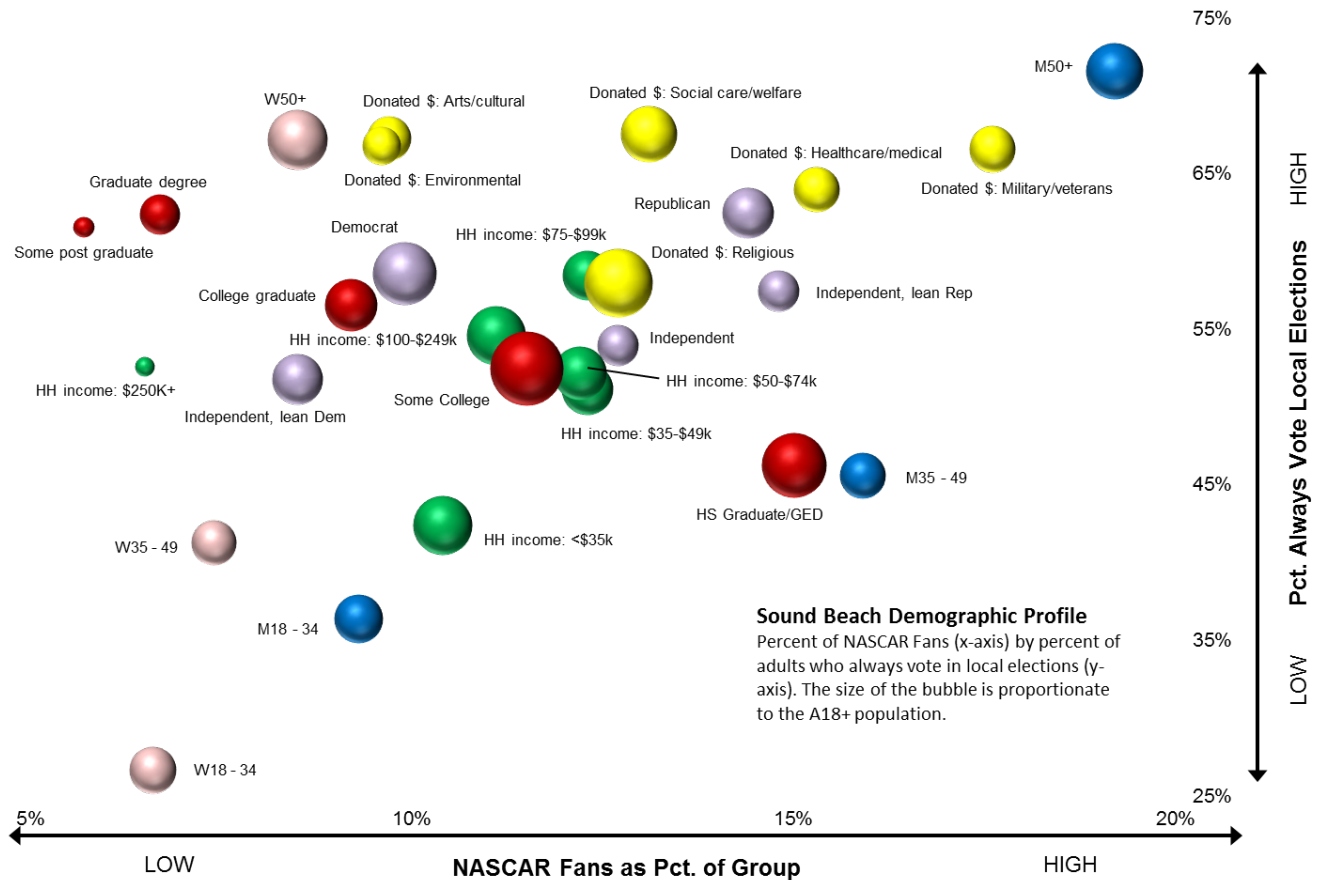


In the upper right-hand quadrant, the heaviest users of television and the lightest users of the Internet are more likely to be both NASCAR Fans and high turnout voters. Heavy readers of printed newspaper(s) are more likely to be high turnout voters but less likely to be part of the core fan group. Conversely, miles traveled (which is a proxy for outdoor/out-of-home

advertising) reaches the core fan group but is less effective at reaching high turnout voters. Carol would lean on this sort of analysis to help her allocate the FAST campaign spending across a variety of media vehicles.

Carol next prepared a bubble chart showing select demographic and political groups (Table D). She was able to identify that men over 50 years old and individuals who donate money to military/veterans groups are more likely to be both NASCAR Fans and high turnout voters (upper right quadrant). Young women are less likely to be NASCAR Fans and less likely to be high turnout voters (lower left quadrant). Household income levels below \$250,000 do not seem to be a proxy for NASCAR fandom, but are an indicator of propensity to vote. (See additional bubble charts in Appendix A).

Table D



Finally, Carol prepared an Excel spreadsheet that would function as her “shopping list” while she prepared her media plan and budget (Table E). Her spreadsheet was not exhaustive of all media; she was open to adding other communications tools not on her list.

To simplify things, Carol priced each media vehicle in terms of its cost per 1000 impressions (CPM). For example, local late news on Sound Beach stations averaged \$16 per 1000 viewers. If Carol bought 1 million impressions on the local late news, she could expect to pay about \$16,000.

Table E: Friends of a Sound Beach Track (FAST)					
Media Planning Costs and Audiences					
		NASCAR Fans		High Turnout Voters	
	Avg Planning Costs per 1000 Impressions (CPM)	As Horz% of Media Audience	NASCAR Index	As Horz% of Media Audience	Local Voting Index
TELEVISION (:30)					
Combined Broadcast Television Networks (by daypart)					
Early Morning	\$ 11	12.6%	110	58.5%	114
Daytime	\$ 9	13.6%	119	57.3%	112
Early Fringe	\$ 12	14.4%	126	62.0%	121
Early News	\$ 13	12.8%	112	61.4%	120
Prime Access	\$ 22	12.7%	111	58.6%	114
Primetime	\$ 42	12.6%	110	56.8%	111
Late News	\$ 16	14.1%	123	60.6%	118
Late Fringe	\$ 14	15.0%	131	59.4%	116
Local Broadcast TV Sports - weekend	\$ 32	15.7%	138	63.9%	124
Spanish Language Broadcast Television					
Mix of daytime, news, and primetime	\$ 30	12.9%	113	7.9%	15
Combined Cable Network Groups					
News: Daytime	\$ 22	12.6%	110	68.6%	134
News: Primetime	\$ 42	12.3%	107	65.4%	127
Arts/Culture/History: Daytime	\$ 14	15.1%	132	46.5%	91
Arts/Culture/History: Primetime	\$ 26	15.8%	138	57.4%	112
General Entertainment: Daytime	\$ 13	15.6%	136	50.8%	99
General Entertainment: Primetime	\$ 24	12.7%	111	53.9%	105
Sports: Daytime	\$ 17	17.5%	153	63.6%	124
Sports: Primetime	\$ 34	16.2%	142	61.1%	119
Lifestyle/Info-tainment: Daytime	\$ 13	10.6%	93	50.6%	99
Lifestyle/Info-tainment: Primetime	\$ 25	12.2%	107	53.9%	105
Other/Niche: Daytime	\$ 14	12.7%	111	51.7%	101
Other/Niche: Primetime	\$ 28	9.2%	80	52.2%	102
Satellite Dish Viewing: Daytime	\$ 5	11.3%	98	43.0%	84
Satellite Dish Viewing: Primetime	\$ 9	9.0%	79	45.7%	89
RADIO (:60)					
Combined Radio Formats**					
Newstalk	\$ 23	11.6%	101	60.5%	118
Urban	\$ 26	11.7%	102	43.8%	85
Contemporary, Country and Rock	\$ 23	14.1%	124	49.5%	96
Spanish	\$ 24	7.1%	62	18.4%	36
Sports	\$ 29	15.0%	132	58.1%	113
Satellite Radio	\$ 16	15.9%	139	55.9%	109
**Mix of drivetime and daytime					
PUBLIC BROADCASTING UNDERWRITING					
PBS non-political underwriting announcement	\$ 52	11.3%	99	64.2%	125
NPR non-political underwriting announcement	\$ 41	9.4%	82	59.6%	116
PRINT					
Full Page B&W Ad					
Sound Beach Times	\$ 44	10.5%	92	59.0%	115
Sound Beach Times 12 page, full-color magazine insert	\$ 225	10.5%	92	59.0%	115
Other Local Newspapers	\$ 41	13.0%	114	57.5%	112
Sound Beach Magazine	\$ 45	6.4%	56	61.6%	120
DIGITAL ADVERTISING					
Display					
Local Sound Beach Media Websites	\$ 13	11.2%	98	53.2%	104
National News Websites (geotargeting Sound Beach users)	\$ 11	12.2%	106	57.8%	113
National Sports + Local Teams Websites	\$ 18	17.9%	156	54.7%	106
Mobile (impressions purchased per website)	\$ 10	9.4%	83	48.7%	95
Pre-Roll Video (:15 or :30 second ad)					
Local Sound Beach Media Websites	\$ 17	11.2%	98	53.2%	104
National News Websites (geotargeting Sound Beach users)	\$ 15	12.2%	106	57.8%	113
National Sports + Local Teams Websites	\$ 23	17.9%	156	54.7%	106
Mobile (impressions purchased per website)	\$ 14	9.4%	83	48.7%	95
Hulu	\$ 26	11.3%	99	44.9%	87
Pandora	\$ 18	9.7%	85	43.9%	85
Social Media					
Facebook (\$1.70 average cost per click)	n/a	10.4%	91	46.6%	91
Twitter: Promoted Accounts / Tweets (\$4,750/month)	n/a	13.9%	122	46.6%	91
Search					
Google, Yahoo!, Bing (\$3.15 average CPC; geotargeted)	n/a	10.5%	92	50.1%	98
YouTube: Promoted Videos (\$20 cost/1000 completed views)	n/a	10.5%	92	44.4%	87
OUTDOOR					
Digital Signage/Display and traditional highway billboards	\$ 4	14.8%	130	49.3%	96
Transit Ads (Buses, Metro Stops, etc.)	\$ 3	8.4%	73	50.4%	98
THEATER					
Movie Theater ads (:60)	\$ 58	9.2%	81	52.6%	102

Carol’s Qualifying Lap

Carol tried to temper the excitement in her voice when Boris said that FAST had budgeted \$7 million to support the “Yes on I-3” media campaign.

“Spend as much as you need, but Carol, please do not spend frivolously,” Boris instructed. Boris thought it would be best to limit spending to the second half of the NASCAR Sprint Cup season starting in July, “but you have the authority to present any other recommendations to me for consideration.”

Carol asked Boris if she should budget any money for personal contact or other political coalition-building activities. “I will leave that up to your discretion. This public affairs and issue advocacy stuff is all new to me, that’s why I’ve hired you.”

As she settled down in her now decorated office, Carol got to work. She had a stack of data at her fingertips, courtesy of K.J. Sutfel who delivered his research ahead of schedule. Carol gave serious consideration to the key strategic questions that she would need to answer: (A) Who were her target(s) for the “Yes on I-3” campaign?, (B) How could her target(s) be reached?, (C) What mix of media-vehicles would be a cost-effective way of reaching them?, and (D) How would she schedule the spending of the \$7 million budget over the next 4-5 months.

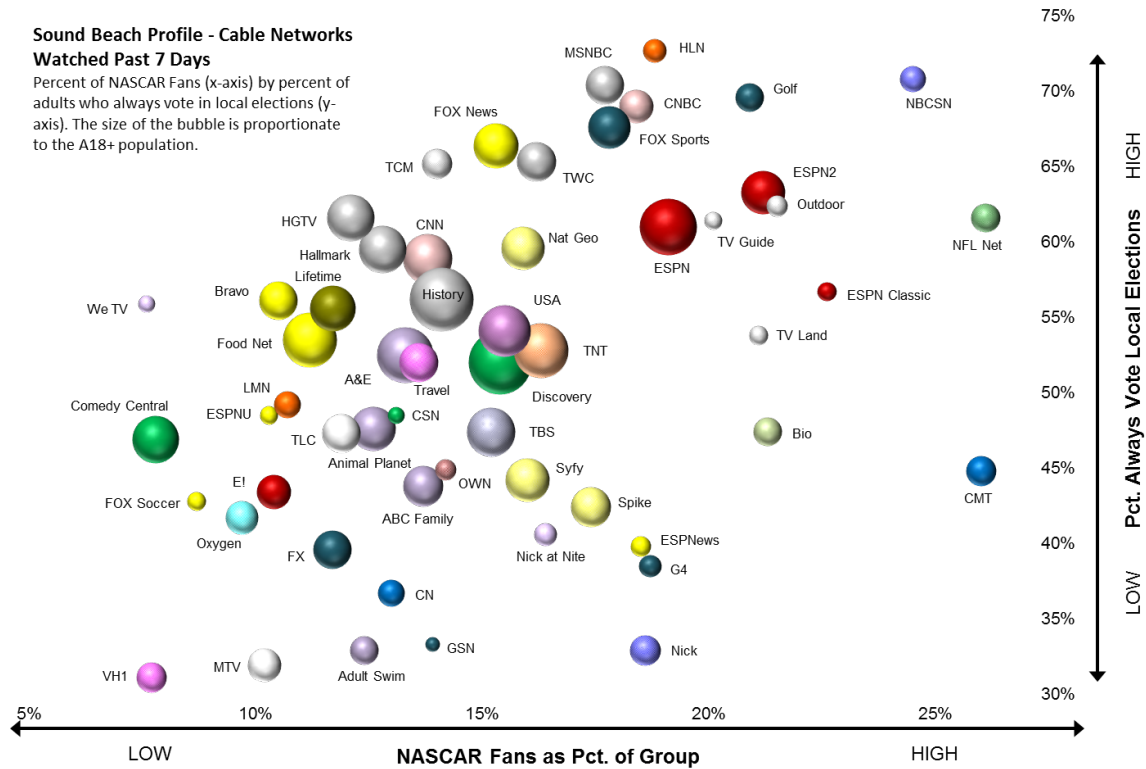
Carol would have to prepare a proposal for Boris. She didn't know exactly what the spreadsheet and summary would end up looking like, but she wanted to include the following:

- a. A month-by-month media plan in an Excel spreadsheet. The columns would be months. The rows would be different media vehicles that Carol wanted to include in her plan. The spreadsheet would show how much she would spend each month on each different type of media, how many impressions she would get each month and estimate her total gross rating points over the course of the campaign.
- b. Summary tables and graphs for presentation to Boris and FAST investors. These would show the thinking and analysis behind her budget recommendations.
- c. A memorandum that included a narrative description of the proposed media plan along with any supporting tables or graphics. Carol wanted to keep the memo to 10-15 pages long, including any tables or graphs that she decided to insert.

Appendix A

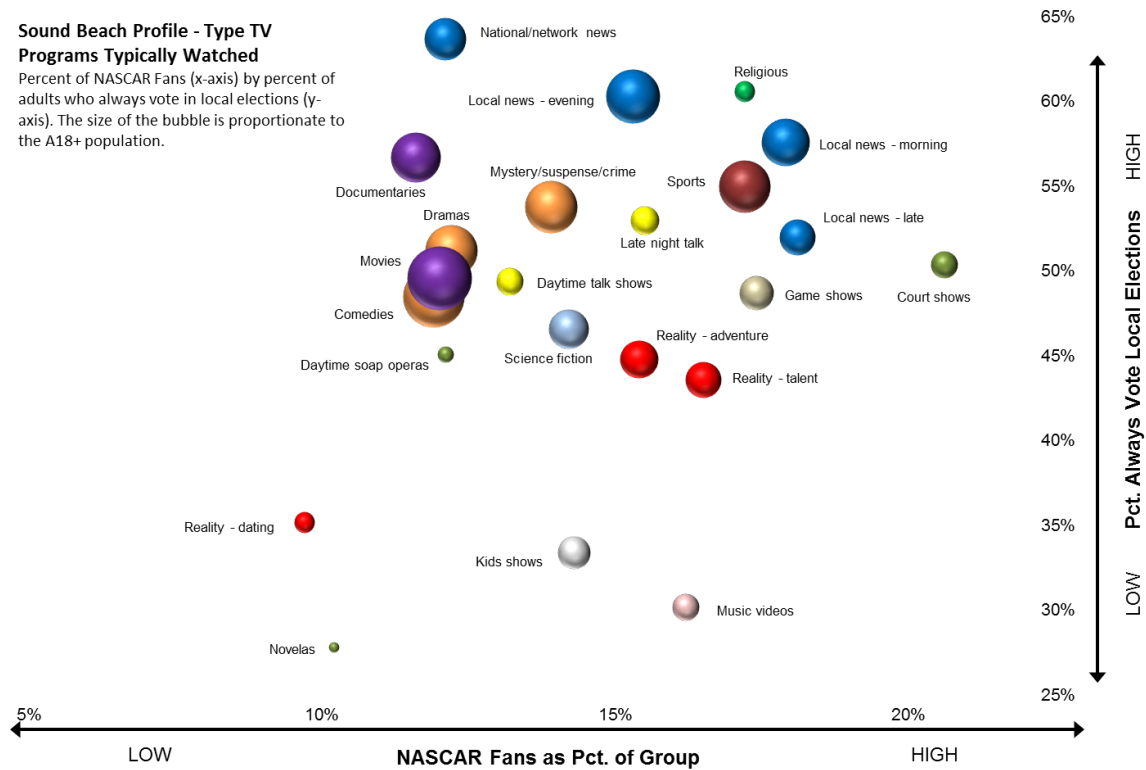
Sound Beach Profile - Cable Networks Watched Past 7 Days

Percent of NASCAR Fans (x-axis) by percent of adults who always vote in local elections (y-axis). The size of the bubble is proportionate to the A18+ population.



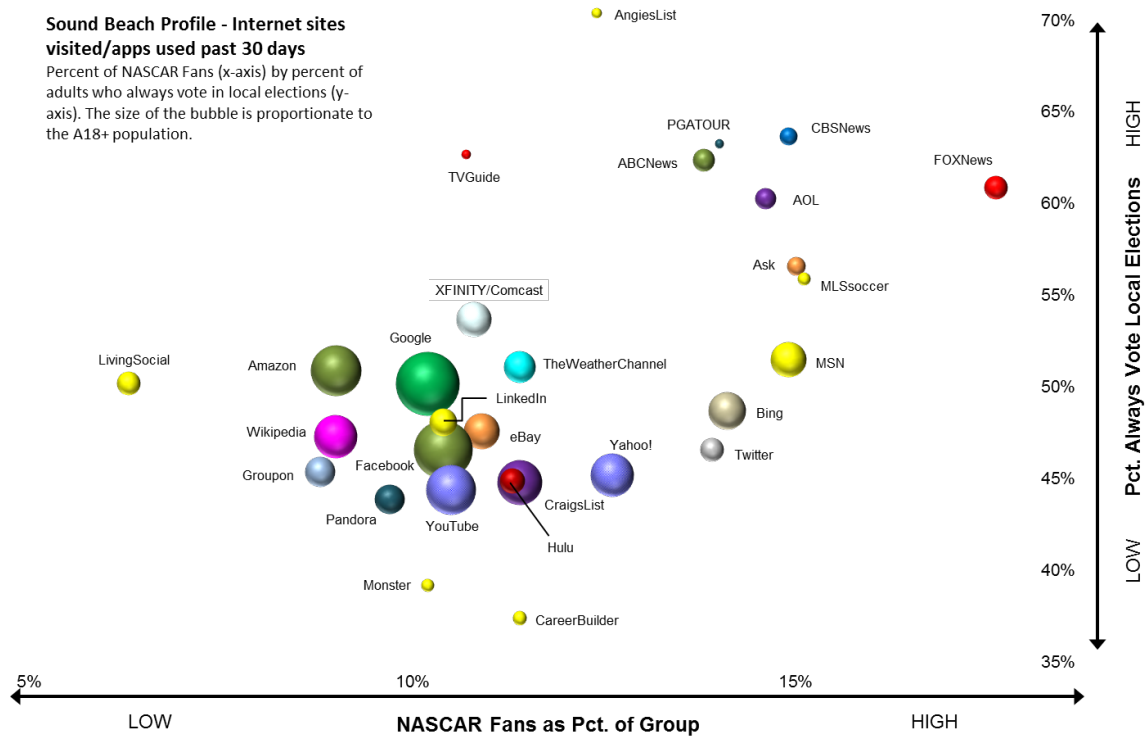
Sound Beach Profile - Type TV Programs Typically Watched

Percent of NASCAR Fans (x-axis) by percent of adults who always vote in local elections (y-axis). The size of the bubble is proportionate to the A18+ population.



**Sound Beach Profile - Internet sites
visited/apps used past 30 days**

Percent of NASCAR Fans (x-axis) by percent of adults who always vote in local elections (y-axis). The size of the bubble is proportionate to the A18+ population.



Sound Beach Profile - Radio formats (M-Su 6a-Mid)

Percent of NASCAR Fans (x-axis) by percent of adults who always vote in local elections (y-axis). The size of the bubble is proportionate to the A18+ population.

