

# THE MARKETING MACHINE

Wouldn't it be nice to be in the shoes of the man who can call the shots when it comes to the KLM Open?



**A**pplying modern marketing principles through a company's association to sport is no easy task, but one that KLM is doing with stellar performance.



**WHAT DOES YOUR ROLE ACTUALLY INVOLVE?**

I made the initial move into marketing in 2006 as Marketing Director of KLM in the Netherlands, which involves the whole marketing suite (product and revenue management, communications, database marketing etc...). One of the tasks was also the start-up and exploration of business communities. We have a few communities, such as Club China, Africa, and now our latest addition, Flying Blue Golf.

Air France sales and products are represented by KLM in the Netherlands, as KLM is the 'A-Brand' here, with more than 55% market share and 89 years history, so it's a very loaded brand.

**SURELY THAT MUST GET CONFUSING AT TIMES WITH THE VARIOUS REPORTING LINES?**

Actually it has been working very well. A key industry example here is the merger between Renault and Nissan; a French and a Japanese company, in the back office totally integrated, but the customer experiences two separate companies and product lines.

**PERHAPS A LITTLE OFF-TOPIC, BUT HOW HAS IT BEEN GOING WITH THE AIRFRANCE/KLM INTEGRATION? IS IT COMPLETE?**

No, far from it. I am not in the driving seat, but as a manager I've experienced since 2004. The right steps have been taken so far, and the next years will be crucial. Overall it has been working very well. I see today that decisions are made with respect to each other's cultures and brands.

**ARE YOU A GOLFER YOURSELF?**

Only since 3 years ago. I played when I was 14 for a brief period but it never really caught on to me back then. Golf for me as a teenager was too slow. I got my handicap of 26 then quit. 20 years later I ran into this game again as Marketing Director of the Netherlands, responsible

for the KLM Open. I feel the combination of golf and business is the key to making golf an interesting tool.

**DO YOU SEE GOLF AS A BUSINESS CHORE?**

For me it is. The effectiveness however of being on a golf course, discussing or playing with your business partners is so fruitful. I play all my games for KLM; the value is so much higher than having lunch or dinner with your business partners.

**WHY DO YOU THINK THAT IS?**

One of the reasons is the ability to share a very intense experience. If you're a moderate golfer (handicap 15-25, and most people who play golf actively are in that range), not every stroke is perfect and can get pretty cumbersome at times and you share also that.

But likewise in every 18 holes there are two or three drives that are going to be perfect and give you that 3 or 4 seconds of total happiness. 2 drives and one putt of 4 meters are good enough (for me at least) to have a good 18-hole experience. You share the pros and cons of the game, in a nice environment. This creates an atmosphere where you can also share other issues, either positive or negative.

**WHAT ARE THE GREATEST BENEFITS THAT KLM HAS HAD FROM ITS ASSOCIATION WITH GOLF?**

In the Netherlands, it has given us three main things;

When we mapped the perceived values of the KLM brand against those of the game golf, we found many similarities, such as high value and quality. We wanted to leverage these characteristics

**“I'M AN ORIGINAL KLM GUY AND I REPRESENT AIRFRANCE/KLM IN THE BENELUX, I BELIEVE IN THE FUTURE OF THIS COMPANY”**

to our brand. Putting these two together enforces the KLM brand.

The second revolves around customer hospitality. By having KLM involved with this prestigious European PGA Tour event, it has become one of the few events where people readily respond to invitations. Why is that? In my view, if I invite a business partner to the golf course, I can also invite his wife and children to come along. There is a social barrier that is easily removed, addressing multiple issues at once. Unlike other sports such as Tennis or Formula 1, golf is a far more social and mobile sport.

The third reason is of course customer loyalty. We have many Flying Blue members who actively opt-in to attend the KLM Open, to come and enjoy one of the most beautiful golf courses (the Kennemer) in a competitive tournament.

**YOUR FIRST INVOLVEMENT WITH THE KLM OPEN WAS IN 2006. PRIOR TO THAT HAD YOU DONE ANY OTHER SPORTS MARKETING?**

It was a fresh start for me. I came from the head office, which is always slightly remote from the marketplace. My predecessor had started the event in 2004, and we had done the title sponsorship of the Dutch Open for 10 consecutive years, stopping in 1991.

There were a few Dutch sponsors afterwards, TNT and Heineken for example. In 2004 the opportunity came to acquire the promotorship of the Dutch Open, meaning that KLM could now deal directly with the European PGA Tour. The result is that you are not only title sponsor, but you also control the entire event. This helps you create a venue completely tailored to your needs.

In 2004 we also decided not to have a hospitality suite just for KLM, but rather share it with our partners (KPMG and ABN AMRO). We have approximately 6,000 VIP's in four days who are invited to the luxurious Swan Lounge in order to properly network and meet.

**DO YOU DO THE ORGANIZATION YOURSELF IN HOUSE?**

We have outsourced the organization of the tournament to This is Golf. We have a very good relationship with them and it works extremely well.

We currently have committed to promotorship of the tournament until 2009 and we carry out an analysis every year looking not only at the results versus the investment, but the development of the sport of Golf as a whole. Golf is currently exploding. In the United States it's levelling out a bit, whereas in the Netherlands, Germany and France it's growing quite rapidly.

**WHAT ARE YOU DOING TO PUT THE KLM OPEN ON THE MAP EVEN MORE TO REALLY PROMOTE THE TOURNAMENT TO ATTRACT TOP PLAYERS?**

This year we have increased prize money to €1.8 million (from a previous €1.6), in order to keep in line with peer tournaments. This could also lead next year to an additional increase in prize money.

But it's not only about prize money. The position of the tournament schedule at the end of August makes for a fantastic program for the spouses and families as well. Some players' travel 40 or 50 weeks a year, it's therefore important to make them feel comfortable.

**THERE WERE RUMOURS ABOUT SURPRISE GUESTS ATTENDING THE KLM OPEN THIS YEAR...**

I cannot say anything about this now actually, this is up to the tournament director (Daan Slooter), but he always tells me that there are different timeframes to contact players, either really early on the planning stage, or right before the start.



**VITAL STATISTICS**  
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**WOULD FLYING BLUE GOLF HAVE BEEN BORN HAD IT NOT BEEN FOR THE KLM OPEN?**

I guess not. What we learned since 2004 is that 60% of our Flying Blue Platinum members, for example, are active golfers. Based on that fact and the ability to include this group in our activities, the idea of the community serving golfers was born. It is now the airline industry's largest virtual golf community and continues to grow.

**HOW DO YOU MEASURE THE TOURNAMENT'S SUCCESS?**

Through a group of 2,000 random attendees, we carry out our measurements a

month before, after and of course during the tournament itself with regards to the levels of performance and satisfaction, as well as measuring the impact of our brand equity.

We try and learn how to improve the experience year on year, and with it touching the loyalty. That's via the customer perspective. We also measure the hospitality element as well as the brand development

**DO YOU ACTUALLY SEE RETURN?**

Yes easily. We see so much overwhelming return that we have never hesitated to renew our investment in the tournament every year.

**“UNLIKE OTHER SPORTS SUCH AS TENNIS OR FORMULA 1, GOLF IS A FAR MORE SOCIAL. THERE IS NO BETTER HOSPITALITY SPORT.”**