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Sonic Launches 'Limeades for Learning'

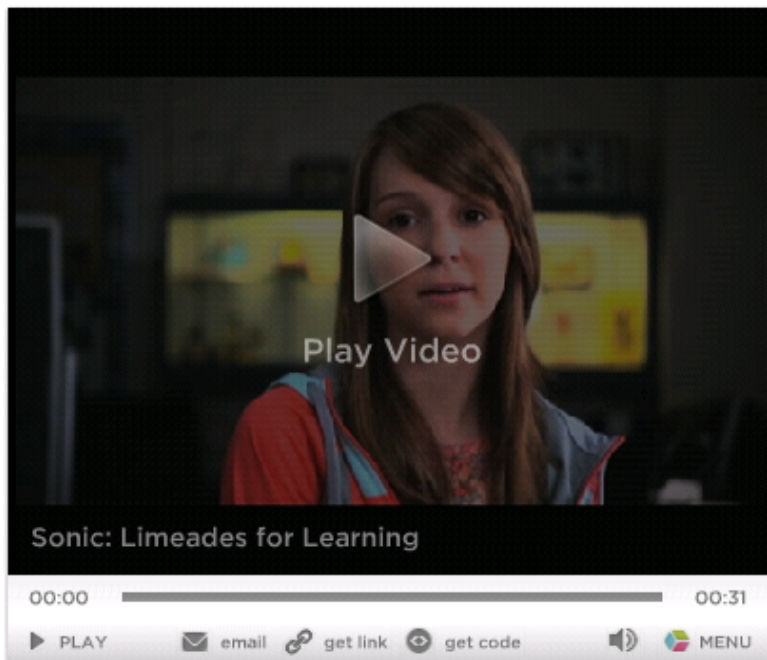
Company's First National Cause Campaign to Benefit Teachers Around the Country

Posted by [Emily Bryson York](#) on [08.31.09](#) @ 10:53 AM



Consumers who buy a drink at Sonic in September can [vote online](#) for specific teachers to win \$250 to \$400 grants as part of the chain's first national cause-marketing campaign, "Limeades for Learning." Sonic, in partnership with Donors Choose, will award \$100,000 in grants every Friday for five weeks -- for a total of \$500,000 -- and list the winners on its website.

The brand is supporting its drive with national TV spots from Barkley, Kansas City, Mo., its lead agency. The spots lack the brand's usual, cheeky humor and focus instead on kids offering thanks. "Thank you for ordering a strawberry slush and helping me get biology," "... and helping me understand Shakespeare" and so on.



So far, Sonic has received 3,700 teacher grant proposals. It had been hoping for about 2,000.

"This is something that the brand has been looking to do for several years and one of the challenges of finding a partnership," Sonic VP-Marketing Dominic Losacco said.

One major objective in creating the effort was, given the company's 3,500 stores, finding a cause

that had a national scope but could be executed at the local level. Another key element, Mr. Losacco said, was building a program that wouldn't create operational issues for the franchisees.

Sonic conducted internal and external research to find out what programs were most important to the chain's consumers. "Kids' well-being and education kept rising to the top of the list," Mr. Losacco said. "And that fit really well with a lot of the activities already going on in our stores." The chain has always encouraged franchisees to participate in community outreach and occasionally dabbled in programs linked to schools, such as rewards for attendance.

Mr. Losacco said Sonic will conduct engagement and loyalty studies before, during and after the campaign to measure the campaign's short- and long-term effects on brand loyalty and engagement. The partnership with Donors Choose will be ongoing.

While the initial campaign was timed to coincide with back-to-school season, it's also an advantageous time for Sonic to be getting extra attention. The chain's business is fueled by road-tripping families, so its peak season is the summer months; business generally tapers off in September. The chain, which has worked hard to build a value reputation in the past year, has suffered in the recession. Third-quarter same-store sales fell 5.4% year over year.

Sonic Chairman-CEO Cliff Hudson said the chain isn't looking at the program as a traffic driver. "It's more to drive customer engagement over time, more of a longer-term play and one of building loyalty than the short-term building of transactions," he said.

Running a cause-marketing campaign is an unusual tactic for a quick-service restaurant. But Sonic, which has a much smaller marketing budget than competitors McDonald's Corp., Burger King Corp. and Wendy's International, is not known for following the rules. For instance, Sonic advertises nationally even though it doesn't yet have a national presence. Sonic Corp. spent \$133 million in measured media during 2008, according to TNS Media Intelligence.

The chain may be fortunate in its agency relationship as it kicks off a national cause effort. Mike Swenson, chief marketing officer of Barkley, developed National Denim Day with Lee Jeans 13 years ago, one of the nation's largest single-day drives for breast-cancer research each year. He said his agency is increasingly hearing from marketers looking for assistance with cause-related efforts.

Since the turn of the century, Mr. Swenson said, "Consumers [have expected] corporations to get involved." And while cause-marketing funds were once taken from companies' foundations or communications budgets, "we've seen a dramatic shift of those dollars coming out of marketing budgets, because cause marketing is being viewed as a true marketing program, a true element of the marketing program that works."