



Building Sponsorships Opportunities

By Elizabeth Bowker
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Companies offer sponsorships in exchange for marketing opportunities. This is a business deal rather than a donation. Companies are looking for two things in particular from a sponsorship:

- 1) **Exposure for their brand, and**
- 2) **An opportunity to shape customer attitudes.**

Developing a Sponsorship Proposal:

1. **Determine a fit** - Research the company's community service mandate and their sponsorship history to determine if you are a good fit for their community and marketing goals.
2. **Make a personal connection** - Find the right person in the organization, usually this is someone in marketing, sponsorship or community relations.
3. **Be clear about what you are asking for** – Money, gift-in-kind (a.k.a. value-in-kind or VIK), marketing or a combination.
4. **Be clear about what your organization has to offer in return** - Focus most of your proposal on the benefits you offer to the corporation. Emphasize the marketing and customer relations benefits including brand exposure, brand association and target market.
5. **Provide target market information** – Provide as much information as you can about your target market including their characteristics and the number of people you reach.
6. **Tell your story** - Provide succinct information about your organization including mission, goals, budget and programs.
7. **Identify what the money will be used for** – Usually a specific program or event.
8. **Build your own community profile** – The greater your presence in the community the greater your sponsorship opportunity will be worth.
9. **BE A GREAT RECIPIENT** – Make one person the point of contact. Be very easy to deal with and always be professional.

Developing Sponsorship Opportunities - Manual

Companies offer sponsorships in exchange for marketing opportunities. This is a business deal rather than a donation. Usually companies sponsor something that has some social or environmental benefit as well as providing them with a marketing advantage. If you are a non-profit organization the social benefit alone may be enough, otherwise you will have to offer a genuine marketing opportunity. In any case, sponsors will want:

- 1) Exposure for their brand, and
- 2) An opportunity to shape customer attitudes by associating with a good organization operating in a market where they wish to build or maintain a presence.

Sponsoring companies expect the beneficiary to do most of the work and to provide a very high level of service. As a result, some organizations feel the reward is not worth the cost, however, once a successful relationship develops, the partnership can be very profitable for both parties.

Developing a Sponsorship Proposal

1. **Determine a fit** - Research the company's social mandate and their sponsorship history to determine if you are a good fit for their community goals. Consult their website and search news articles and industry-specific publications. Learn as much as you can before you approach the company.
 - a. Understand the company's goals and priorities, and identify and how you align well with them.
2. **Make a personal connection** - Find the right person in the organization. Usually this is someone in marketing, sponsorship or community relations. Sometimes this person is identified on the website. A personal connection is very important in a successful bid so begin with a phone call, get a face to face meeting if you can, then follow up with a well written and succinct proposal – often only one or two pages.
3. **Be clear about what you are asking for** - For example:
 - a. Donation of money (have a dollar amount in mind but don't state it until you have to, or you have a pretty good idea how much *they* have in mind.) See if you can find out how much other similar sponsorships are worth.
 - b. Gifts in kind such as uniforms or equipment

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- c. Marketing partnership – what kind of marketing opportunities do you want and what can you offer?
- d. You may wish to offer graduated sponsorships where the benefits you offer increase as the sponsorship amount increases, for example:
 - i. Sliver (\$500-1000), Gold (\$1001-5000), Platinum (\$5000+), Top, Signature, or Title (\$10,000+)

4. Be clear about what you have to offer in return - Focus most of your proposal on the benefits to the corporation. Emphasize the marketing and customer relations benefits.

- a. Exposure for the sponsor's brand. For example:
 - i. At our site there are approximately 40,000 vehicle passes every day year round.
 - ii. We expect to sell 300 memberships in 2011.
- b. Association with a successful organization:
 - i. We help xx children and babies every year
 - ii. We have xxx clients per year and xxx more see us at the resort.
- c. Be specific about where their logo and name will appear and the sort of people you will reach (your target market).
 - i. Companies will want to know the size of the advertising and the size and position of their logo on it.
 - ii. A larger sign and logo is worth more money. Negotiate different exposure depending on the amount they offer.
 - iii. Top sponsors will pay to have their logo placed more prominently than other sponsors.
- d. Sponsors will want exclusivity but they have to pay more to get it. This will mean you cannot accept any other sponsors at that level (e.g. Title Sponsor) or any other sponsor that is a direct competitor to the existing sponsor. Be sure you are making a deal with the right sponsor and that you understand what you might be giving up before you commit to exclusivity.

5. Provide target market information – Provide as much information as you can about your target market including their characteristics and the number of people you reach. Your sponsor company will use this to determine the value of your sponsorship; if you can provide it for them you are demonstrating your professionalism and becoming an easier sponsor to work with. Target marketing considers the characteristics of your customers broken down into four main categories:

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- a. **Demographics** – age, gender, ethnicity, education, income, occupation, home ownership, children...
 - b. **Geography** – rural, urban, Peace River, Yukon, northern...
 - c. **Values** – religious or political affiliation, attitudes, lifestyle...
 - d. **Behavioural** – purchasing habits, where they shop, how often they buy certain items...
- 6. Tell Your Story (in brief)** - Provide succinct information including history, mission, goals, basic program budget information, programs, and biographies of key staff. You want to communicate that you are a successful and professional organization who will ensure that their money will be well spent and will offer brand value in exchange. Your sponsor may use this information on their website and in other marketing materials.
- 7. Identify what the money will be used for** – Usually this will be a specific program or event. This is more important for a non-profit organization who is asking for a donation that has greater social value than business value, however you may wish to say it will be used to add programming, to enhance your social media profile, or to provide uniforms for your staff.
- 8. Build Your Profile** - As you build your profile or presence in the community (self-promote), your sponsorships will be worth more money, maybe much more. The greater your brand, the greater the value of the association.
- 9. BE A GREAT RECIPIENT**
- a. Each donor should deal with the same person, the account manager, in your organization all or almost of the time.
 - b. Be very very easy to deal with
 - i. Return phone calls and emails within 24 hours
 - ii. Answer all questions as clearly and concisely as possible
 - iii. Keep requests very simple and clear
 - iv. Keep communications simple and clear – most of what you send may never be read
 - c. Identify how much exposure they got at the end of each season or sponsorship term and send it to them before they have to ask for it. E.g. xxx clients took our course, xxx customers attended our event.
 - d. Be prepared to build a relationship over time by being easy to deal with and ensuring that the sponsor is receiving the intended benefits.

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Choosing a Sponsor

1. You can only have one Top Sponsor so choose one who's community mandate is closely aligned with yours and who has the financial ability to make a worthwhile contribution. You will work to build a relationship that develops over time and has ongoing benefits for both parties.
2. Corporations are divided into categories (e.g. cars, grocery, gas) where they compete with each other for certain segments of that category (e.g. families, young men, immigrants, etc.; McDonalds targets youth while A&W targets Baby Boomers.). They will support charities and businesses that:
 - a. Have the same target market they do;
 - b. Are not largely supported by their direct competitors (e.g. if their competitors support arts and culture they may wish to support sport or families and youth); and,
 - c. Companies in the same category will never fund the same company or agency. It is very important to them that they have exclusivity in their product category.
 - i. Therefore you will only ever have one car sponsor, one bank sponsor or one fast food restaurant.
3. Research companies who operate in the same neighbourhoods or region where you do. Company websites usually identify the type of programs they support, often listed under "community" or "sponsorships." Some provide very specific guidelines while others are more general.
 - a. Many offer staff time to volunteer. Following on this, they may provide donations based on staff recommendations. They do this in an effort to stay actively involved in the community and to encourage employee engagement, there is a great deal of research to support the claim that employees who do volunteer work through their company tend to report greater overall job satisfaction. (Deloitte, 2011.)
4. Below is some basic research that might help you get started. Companies are divided into categories that typically support community programs because they wish to develop a positive presence in the community.
 - a. Companies may well fund programs that are not specifically identified as part of their mandate, but they usually do so with smaller amounts.

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Sponsorship Categories for Consideration

Bank

Supermarket

Drug Store

Fast Food Restaurants

Full Service Restaurants

Telecommunications

Financial Services

Vehicle

Fuel

Courier

Realtor

Other Retailers

- **RONA** is proud to communicate its passion for sports through various partnerships and sponsorships.
 - SportMart