



# SPONSORSHIP GUIDE

# TABLE OF CONTENTS

---

<b>WHAT IS SPONSORSHIP?</b>	<b>1</b>
<b>SPONSORSHIP IS MARKETING</b>	<b>1</b>
<b>THE SPONSORSHIP PROPOSAL</b>	<b>2</b>
<b>SELLING THE PROPOSAL</b>	<b>2</b>
<b>SPONSORSHIP FLOWCHART</b>	<b>3</b>
<b>THE DEAL</b>	<b>3</b>
<b>SPONSORSHIP SERVICING</b>	<b>3</b>





## WHAT IS SPONSORSHIP?

---

Sponsorship is a relationship between two parties in which both seek benefits through an equitable exchange. Sponsorship must be viewed as a business arrangement between your organisation and a potential sponsor. Value should be given to and from both sides.

Whether you consider pre-packaged or custom-designed sponsorship proposals, keep in mind that sponsorship is a very competitive process.



## SPONSORSHIP IS MARKETING

---

Marketing is communication between an organisation and its target markets. An organisation's target markets are groups of potential customers who have similar wants and needs and who the organisation wishes to attract as customers.

Customers seek benefits which will satisfy their wants and needs.

Marketing involves:

- Communicating with more than one potential customer at a time
- Influencing the way that people perceive the organisation
- Encouraging people to become involved with the organisation

Marketing for sports clubs and associations involves telling the community why they should participate in that activity or sport. Similarly, sponsorship is about providing opportunities for sponsors to sell their products or services by providing exposure and promotion. So marketing is promoting your own services, while sponsorship is promoting those of your sponsors.



## THE SPONSORSHIP PROPOSAL

For your sponsorships to be successful you need to have a realistic understanding of what you have to sell, how much it is really worth and what benefit it will be to sponsors.

When compiling your sponsorship proposal, you should target each potential sponsor individually and let them know that you understand their business and how sponsoring your organisation will help to increase their brand recognition and turnover.

Your sponsorship proposal should include:

- Organisation details
  - Who, what, when, where, why, how
  - Keep it brief. The potential sponsor cares more about what's in it for them than they do about you
- Product details
  - What are you selling - that is, what benefits and opportunities your sponsorship will provide, not your core business
- How your product will help the sponsor
  - That is, how the sponsorship will help sell more of their products or services
- The proposal
  - Costs, responsibilities (e.g. signage) and leverage opportunities



## SELLING THE PROPOSAL

In pitching your proposal to potential sponsors, consider how you will present the proposal and how you will follow-up.

- It is always best if you can present the proposal in person and meet the decision makers
- Ensure that the person submitting the proposal is well prepared and well presented
- Anticipate questions that the sponsor may have and prepare responses
- Follow up after the meeting

When negotiating the deal with a potential sponsor, have a clear understanding of areas which can be changed and those which are fixed. Most importantly, if you are confident in your product and its pricing, any change in price should result in a change in product.



## SPONSORSHIP FLOWCHART

<b>Product</b>	→ What are you selling	→ How much is it worth	→ No, really...
<b>Sponsor Needs</b>	→ Brand positioning	→ Brand exposure	→ Access to target markets
<b>Potential Sponsors</b>	→ Products & services	→ Customers	→ Activities
<b>Selling</b>	→ Initial meeting	→ Pitch & negotiation	→ Contract
<b>Servicing</b>	→ Communicate	→ Support	→ Re-sign or resign



## THE DEAL

Regardless of the size of your sponsorship, you should enter into a written agreement with the sponsor which clearly spells out the obligations of each party. This is the best way to ensure that both parties agree on all terms of the sponsorship and to avoid conflict down the track.



## SPONSORSHIP SERVICING

Retaining sponsors is much easier than replacing them. Once you successfully engage sponsors, communicate with them and ensure that they receive value from the sponsorship. This can include:

- Statistics - how much business did you drive to the sponsor?
- Details of how you measured the success of the sponsorship (e.g. members checking in on social media when purchasing from the sponsor)
- Thank you letters or certificates of appreciation
- Send newsletters, social media mentions or press clippings showing recognition of the sponsor
- Regular written reports
- Speak to your sponsors personally at least monthly (meetings or on the phone)
- Invite sponsors to special events
- Support sponsors where appropriate (e.g. exclusive purchasing arrangements)
- Negotiate continuing sponsorship prior to expiry of the existing relationship