

A GUIDE TO SUCCESSFUL SPONSORSHIP & EVENT MANAGEMENT

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New Zealand Dairy Board



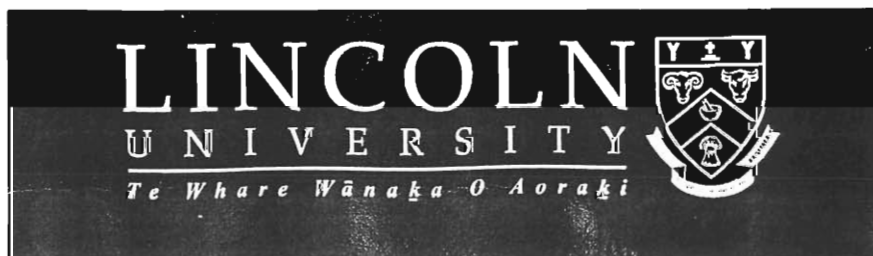
NEW ZEALAND GAME INDUSTRY BOARD

Kiwifruit



New Zealand

New Zealand Kiwifruit Marketing Board



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Kellogg Rural Leadership Course 1999

***“FUNDRAISING IS ABOUT HOW
MUCH MONEY YOU NEED”***

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***“SPONSORSHIP IS ABOUT HOW
MUCH VALUE YOU CAN
PROVIDE”***

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PROJECT OBJECTIVE

The primary objective of this project is to give the readers a greater understanding of what is expected of each party as and when they enter into a sponsorship agreement.

Many rural events rely heavily upon sponsorship for their funding therefore it is important that all parties involved in the event understand the principles of sponsorship and event management.

The trend in recent years has been for companies to hold fewer sponsorships but the ones that they are involved in will be bigger and the company will be more directly involved in the event. Sponsors are becoming more proactive about working and leveraging their sponsorships in order to maximise the return on their investments.

Therefore the competition is intense between various events and organisations for the limited sponsorship budgets which are available each year. The large high profile events such as the Sydney Olympics, Americas Cup, Super 12 and the Rugby World Cup have somewhat sucked the coffers dry in New Zealand in the past 18 months.

In order for the smaller lesser known organisations to survive and maintain their share of the sponsorship pie they must ensure that they run highly professional events and deliver a return on investment back to the sponsor.

This project will give the readers an understanding of what sponsorship is, who to approach for sponsorship and why. Plus it gives a guideline to preparing proposal documents that stand out from the crowd. It will also explain the basics of professional event management and how to deliver the benefits of the sponsorship to your sponsor to ensure a long term win win relationship is developed.

In my experience many rural organisations are commercially naive when it comes to their expectations of sponsors in return for the limited marketing opportunities that they are prepared to offer the sponsor in return for their investment.

These organisations will need to get smarter about delivering a real return to sponsors in the future, otherwise the funds will be directed to another form of marketing activity which meets the company's objectives.

INTRODUCTION

The world that we live in today is a far different one to that which existed even 20 years ago. Business is more competitive with many companies competing in the same marketplace for a share of the consumers dollar.

Cash is King and the consumer who holds the purse strings is the king maker, spoiled for choice with a growing range of products and services available.

In an increasingly busier world people are becoming more conscious of convenience, service and quality as well as price competitiveness when making purchasing decisions. Hence companies are building marketing campaigns based upon these factors to build brand loyalty among customers.

The world is awash with advertising and marketing strategies designed to woo the purchaser towards their particular product or service. At every turn the consumer is bombarded with a tirade of television, radio and print media advertising, street hoardings and billboards, junk mail, product promotions and a host of marketing activities created to give each company an increased awareness over their competitors.

Businesses and corporates have also looked for other ways to gain an edge or an advantage over their competitors with many of them using well fitting sponsorships to achieve this objective. Sponsorships are now being used as a mechanism to drive much of the company's other marketing activity particularly that associated with building and reinforcing relationships and brand loyalty among customers.

Sponsorship has developed into another marketing tool used by corporates and business people to achieve a clearly defined set of marketing objectives.

Sponsorships now form a significant portion of the total corporate marketing budget alongside above the line advertising, product promotions, mailouts, endorsements, Internet advertising and other marketing activities.

Sponsorship is no longer viewed by companies as philanthropy, or a donation. Every dollar spent must contribute a positive return to the bottom line profitability.

PROJECT SUMMARY

Sponsorship is much like a marriage and as such has several key components that go towards building a long, happy and fruitful relationship. These are:

Attraction This is the first phase of building the future relationship, the 2 parties will be attracted to each other by a synergy of target audience or circle of influence and sharing of common values. The sponsees will have done their homework on the potential sponsor to ensuring that the sponsorship will have a good fit.

Courtship Once the sponsee has become attracted to a potential partner they then need to begin the courtship ritual which is very important. First up there is a need to attract the sponsors attention and create a very good impression. This should be in the form of a professional written sponsorship proposal document, which should be followed up in a few days by a phone call asking for the first date (meeting). Providing the sponsee created a good impression with the proposal which stood out from the crowd of others on the sponsors desk a meeting should result. The first meeting is the chance for both parties to get to know each other a little better and to find out each others expectations of the pending relationship.

Engagement At this point the parties declare their intentions of interest to each other and signal that they would like to enter into a formal arrangement. This when the final negotiating of the sponsorship and the drawing up of the pre nuptial sponsorship agreement or contract is done. Depending on the type of sponsorship it is common for the term to be up to 3 years with right of renewal clauses.

Marriage At this point the sponsorship contract is signed, all sponsorships no matter how large or small should have a written sponsorship contract outlining all the obligations of each party to the contract. Depending upon the size of the sponsorship the signing ceremony may be low key or could become a media launch event, which kick starts the new sponsorship marketing campaign. The 2 parties are now together in a partnership each of them having pledged obligations to one another.

Divorce

Just like in human relationships, some sponsorship relationships also fail, and in many cases for the same reasons.

Lack of communication between the partners.

Taking each other for granted.

Not living up to your obligations or the other party's expectations.

Adultery, usually when one party is courting a third party or is lured away by a better offer.

Lesson Do not "two time" your sponsors or get greedy, remember twos company and threes a crowd. Adding an extra sponsor to your event may be a great short term way to raise additional funds, but it will dilute and diminish the exposure your current sponsor(s) are receiving and will inevitably lead to a parting of the ways.

Always be open and honest in your communications with sponsors.

WHAT IS SPONSORSHIP?

Sponsorship is an investment made normally by a company or business in an event or organisation, that investment must meet a specified marketing objective and in most cases must yield a commercially viable return back to the sponsor.

Sponsorship is a commercial transaction, ie the exchange of goods or cash for an agreed amount of marketing activity.

Sponsorship should not be viewed as an act of charity or as an easy form of fundraising.

Philanthropy or fundraising is about how much money you need, sponsorship is about how much value you can provide.

In a recent series of interviews undertaken by a sponsorship consultant acting for a corporate client, each of the 22 sponsees was asked how they arrived at the figure of \$10,000 for their sponsorship proposal all but 2 said "because we need that much to run our event."

Wrong answer! These people were only thinking in terms of fundraising and what their needs were without giving any thought to the needs of the sponsor and the true value of the sponsorship based upon the marketing opportunities that could be created for the sponsor.

The correct answer would have been: "We have priced the sponsorship at this figure because we can provide your company with marketing and promotional opportunities valued at over \$10,000"

Sponsorship is more than flag waving and hanging up signs, sponsees need to demonstrate that their event or organisation can create valuable marketing opportunities for sponsors. Company CEOs and boards of directors are demanding substantial returns on sponsorship and marketing investments. Unless you can deliver a return they will not invest in your organisation.

Sponsorship is also recognised in a positive way by consumers. Consumers see sponsorship as a communications medium like advertising, but with an important difference. Advertising communicates a products selling position, whereas sponsorship communicates a company's ethics and values.

Example

McDonalds is one of the largest corporates in the world and spend millions each year on marketing. The bulk of their above the line paid advertising is centered around selling the virtues of their product, be it through quality of product, convenience or value for money. These messages all communicate the McDonalds products selling position. Whereas the McDonalds sponsorship of Ronald McDonald House for the care of terminally ill children mentions nothing about product, but instead communicates the company's ethics and values and shows that they are caring about children.

ESTABLISH A SPONSORSHIP POLICY

Before your organisation enters into the sponsorship marketplace you should implement a sponsorship policy.

This policy should outline the objectives of your organisation in entering into any sponsorship agreements and the key components of administering and managing the sponsorship ie:

- What do you hope to achieve from the sponsorship
- Why are you seeking funding
- What issues will impact on the sponsorship programme and how it is managed
- Who is responsible for securing and managing the sponsorship
- What benefits will you offer to the sponsor
- What values do you hold and what are your non negotiable items.
- Implement a conflict and crisis resolution plan, have a set procedure to follow if things go wrong.
- How and when will the sponsorship review and evaluation process be done and who is responsible.

MAKING SPONSORSHIPS FIT

Sponsorships must fit for them to work well, the sponsorship should be founded on a partnership between 2 parties who share a common synergy. In most cases this synergy will be that both the sponsor and the sponsee wish to reach similar target audiences or that they share similar core values.

In terms of matching target audiences they should be similar in terms of geographic location and demographics ie age, gender, occupation, ethnic origin and income level.

You need to identify who your own target audience is and then match up potential sponsors who do business with your group or those who may wish to reach your group with a specific marketing objective in mind.

Matching core values is also important so that both partners are always pulling in the same direction and share similar goals and objectives. Example The core value of the Young Farmer Contest is “Rewarding Excellence in Agriculture” which is a similar core value to that of principle sponsors Wrightson “Committed to the Success of New Zealand Agriculture” and AGMARDT “Promoting Progressive Farming”

You should ask yourself the following questions when identifying potential sponsors.

1. Does your opportunity have synergy with a particular company or industry?

Example Montana with a food & wine festival

2. Does the target market of any company exactly match yours?

Example Golf ball Manufacturers and golf tournaments

3. Would your organisations members be relevant to any company's products or services?

Example Four Wheel drive Rally and 4WD Motor companies

4. Can you offer on site concessions?

Example All beer sold at the club will be XXX brand.

5. Does your geographic reach match that of your sponsor? Does the sponsor have a branch or a store in your local town if it is to be a localised event?

Example PPCS and South Island Farmers fielddays

6. What does your sponsorship offer that other marketing activities cannot?

Example Networking, relationship building, niche marketing

7. Will your event attract potential clients for the sponsor

Example A farm management fieldday sponsored by a farm consultancy firm.

8. Will your event directly generate sales of the sponsors product?

Example Beer pourage rights for a brewery at a rugby match

9. Will the sponsorship improve the companies image in the community?

Example Mainfreights sponsorship of a South Auckland school

10. Do you want your organisation sponsored by this company?

Example An environmental group would most likely not want to be associated with a chemical company or a chainsaw manufacturer and vice versa.

DO YOUR HOMEWORK

Find out as much as you can about your potential sponsor, visit their store if they are a retailer or test drive a vehicle if a car company. Obtain a copy of their annual report and their company profile. These documents will contain a host of useful information about the company, who the key personnel are, details of the companies core business and their strategic vision or direction. This should be sufficient for you to establish who their target audience is. Learn as much about your potential sponsor as you possibly can.

PREPARING SPONSORSHIP PROPOSALS

Once you have identified your potential sponsor you then need to attract their attention. All approaches to a potential sponsor should be in the form of a professional sponsorship proposal document. Most of the potential sponsors who you approach will be receiving many other sponsorship proposals from other organisations as well as your own. Many large companies are receiving up to 50 sponsorship proposals each week. Air New Zealand for example, have 3 full time executives totally employed on sponsorship management. These proposals all have to be read and considered by a staff member, so if you want to be one of the few chosen ones then your proposal needs to stand out from the crowd.

Your proposal needs to contain 2 key features:

1. Presentation

Your proposal should be professionally presented and grab the sponsors attention, it should have a wow factor that stands up and says pick me. As many sponsors are receiving large numbers of proposals each week those that are poorly presented or appear to offer the sponsor nothing tangible are destined to fail. In some cases a poorly presented proposal will not even be read.

Presentation tips

- Send at least 2 copies of your proposal one bound copy and one unbound that can be easily photocopied for other staff.
- Always attach a covering letter introducing your organisation and yourself to the sponsor, attach your business card.
- If you really want to get noticed send a small gift, perhaps something that has some relevance to your event, eg a bouquet of flowers for a garden expo, or a bottle of champagne for a wine festival.
- You may like to send them a special Gold Reserved ticket to your event with the sponsors name printed on it.
- Remember you are competing with many other events for the sponsorship so be creative in your presentation style.

1. Substance

Fancy veneer alone will not convince the sponsor of the worth of your proposal, so when they start reading they will need to become sold on your proposal. Your proposal should have impact early on so that the sponsor will keep reading.

Remember that sponsorship is about how much value you can provide, so you need to sell the benefits of the sponsorship early on. Maybe your sponsor is attempting to break into a niche market with a new product. Tell them how a partnership with your organisation can solve that problem by putting the sponsor in direct contact with that target market. You have then provided a solution and instantly added value to the sponsor.

Your proposal should fully detail all the information that a sponsor would need to know about your event and the sponsorship opportunity, but do not go over the top with padding and trivia. Remember these people are busy so get to the point early on and project yourselves as a professional credible organisation.

Example Sponsorship Proposal

The following pages contain a full example of how your sponsorship proposal should be laid out.

FRONT PAGE

SPONSORSHIP OPPORTUNITY FOR (PROPOSED SPONSORS NAME)

You may like to display your potential sponsor's logo here or an image of their product (ensure that it is up to date)

If you are seeking a naming right sponsorship you would enter here the name of the sponsor alongside your event name eg Speights Coast to Coast

At the bottom of the front page enter the name of your organisation and contact details and the date

PAGE 2

Use this page to make an emotional statement to your potential sponsor, you may wish to use a quote that is relevant to your sponsor or your event

You may find a quote about your sponsor that you have read on their website or their annual report

Example: If you were seeking sponsorship for a fishing competition from a manufacturer of fishing reels you may like to use the following quote

“The worst days fishing is still better than the best day working”

If you cannot come up with a relevant quote you may wish to use your organisation's mission statement or statement of purpose.

PAGE 3 SPONSORSHIP OPPORTUNITY

This is your chance to really sell the sponsorship to your potential sponsor, this page is basically a summary of benefits for the sponsor.

At this point in reading your proposal the sponsor will be starting to ask “What's in it for me”?

This is where you solve the sponsor's problem for them.

Tell the sponsor how involvement in your event will reach their target audience and meet their marketing objectives through the various sponsorship benefits which you have assigned to them.

PAGE 4 OVERVIEW

HISTORY

Give a brief background and history of your event and highlight any achievements which you feel are relevant.

OBJECTIVE OF YOUR EVENT

Detail what your event is about – the aims and objectives of your organisation. Your statement of purpose or mission statement if not detailed earlier and a brief summary of your business plan.

ORGANISATIONAL STRUCTURE

Detail briefly the management and administration structure of your organisation

You may wish to use an organisational structure chart to show your key roles and job descriptions.

SPONSORSHIP

Detail other sponsors who are involved in your event and at what level their sponsorship is. Do not disclose exact financial contribution of other sponsors to the potential sponsor, as this is confidential information.

Ensure that the potential sponsor will fit comfortably with the other sponsors of your event. Under no circumstances should you have competing sponsors involved in your event.

PAGE 5 EVENT DETAILS

On this page outline the actual details of your event including time, date and venue, expected attendance at each event if a multi event sponsorship.

Also give details of the various activities that will be occurring during your events.

PAGE 6 MARKET RESEARCH

Give details of the following information:

- Target audience – demographic breakdown of audience by age, gender, ethnic origin, occupation, income level and geographic location.
- Audience surveys – carried out at previous events by way of couponing, competitions, ticket sales etc
- Professional market research – carried out by an independent research company, normally a phone survey. This will usually be a sizable document so only include summarised details here and append the full research document at the rear of your proposal.
- Television ratings
- Newspaper clippings
- Website report on user sessions
- Attendance figures at your events

PAGE 7 MARKETING PLAN

Give full details of your proposed event marketing plan which may include the following:

TELEVISION

Give details of expected television coverage of your event, detailing time slot and duration, specify separately television advertising campaign from expected news or editorial coverage plus detail opportunities for additional sponsor generated support advertising.

RADIO

Detail radio advertising campaign, number of spots and time slots plus detailed crossovers to your event. Radio advertising has become very competitive and you may choose to offer a specific radio station exclusivity or official status to your event in return for this exclusivity you should be able to negotiate a favourable advertising rate for your event and for your sponsors. Be careful to select a station whose target audience meets yours and your potential sponsors.

NEWSPAPER AND MAGAZINES

Detail your newspaper marketing schedule showing number of advertisements and which publications and dates you will be advertising. If possible append at the rear of your proposal document a copy of your newspaper advert showing how your sponsors will benefit from this advertising eg logo placement in advertisement.

Also detail a plan of press releases and editorial material to the print media.

INTERNAL NEWSLETTERS

Give details of any internal publications which your organisation produces there are possible opportunities to offer sponsors advertisements and editorial coverage in your publications.

MEDIA KITS

You may wish to produce media kits containing a range of press release materials, photographs, mastheads and sponsor logos to the various media.

INTERNET

Give details of the content of your website and the exposure that you gain from this marketing tool.

PROMOTIONAL EVENTS

Give details of any lead up promotional activities to your event including any celebrity appearances or audience competitions.

PRINTED MATERIAL

Detail all printed material generated by your event eg: posters, programmes, tickets, vouchers, fliers.

BRANDED CLOTHING

Detail any branded clothing to be worn by participants, organisers or sponsors of your event.

SIGNAGE

Detail the amount of signage to be generated pre event and during the event including roadside billboards, hoardings and point of sale signage.

PAGE 8 SPONSORSHIP BENEFITS

List here the exact benefits that the sponsor will receive for their sponsorship. Quantify each benefit in terms of value to the sponsor.

Depending upon the value of sponsorship you are offering your sponsor the benefits that you deliver will vary. In most cases the sponsorship benefits should be in proportion to the sponsors investment particularly in the case of multi sponsorships when there is more than one sponsor of the event.

The following is a list of the main benefits that you can offer to your sponsor in return for the sponsorship. This is your sponsorship inventory or the tangibles that your organisation has to sell, it is like stock on the shelves. The benefits that you can offer to a sponsor will vary depending upon the nature of your event but those main ones listed should apply to most events.

- **Naming rights** – this is the lead position and entitles the sponsor to all name associations with your event or organisation. In most cases there is a single naming sponsor but sometimes two eg WRIGHTSON AGMARDT YOUNG FARMER CONTEST
- **Sponsor Exclusivity** – this is the most important benefit that you can offer a sponsor as any involvement by a competing company in your event will only dilute the exposure and marketing opportunities that your sponsor will receive. No sponsor will become involved in an event that includes a competing company. It is absolutely vital that you communicate this to the lower ranks of your organisation.
- **Official Product Status** – You can offer sponsors exclusive product rights at your event, the products may be used as part of the event giving a working demonstration of the product in front of their target audience, you can also offer your sponsor exclusive merchandising rights at your event.
- **Image Association** – if you are a high profile strongly branded event association with your organisation will give a positive image to the sponsor among their target audience.
- **Networking Opportunities** – this gives the sponsors direct contact with their target audience where they can interact and build relationships with potential customers.
- **Hospitality** – you can offer your sponsor corporate hosting opportunities and complimentary tickets at your events where they can entertain staff and clients. Be specific about the size and location of their corporate site

and who pays for refreshments etc also be specific about the numbers of complimentary tickets you will be allocating to each sponsor.

- **Award Presentations** – detail any award ceremonies that will take place and the opportunities for sponsors to present awards and speak to the audience.
- **Media Coverage** – detail all media coverage as listed in the marketing plan stating exactly how many spots or placements each sponsor will receive and exactly how many name mentions they will receive.
- **Internet** – offer the sponsor an opportunity to link from your website to their own website you can also offer them an advertising page on your site.
- **Public Relations Material** – detail exactly what printed material in the way of posters, programmes, fliers, tickets, vouchers that you will be producing and the number of sponsor mentions and logo placements on this material, also include circulation figures.
- **On Site Promotional Displays** – you can offer your sponsor a site at your event to display their products, services or promotional material. Once again be specific about the size and location of this site and expected foot traffic.
- **Product Launch** – your sponsor maybe launching a new product or brand onto the market and seeking a new niche market your event could be the ideal opportunity to promote and launch their new brand to a particular market.
- **Product Endorsements** – you may have some high profile people in your organisation who could endorse your sponsors products. eg well known sports personalities promoting a particular brand.
- **Official Clothing** – Detail what official clothing or uniforms will be worn and exactly what logo placements each sponsor will receive on the uniform. How many units will be distributed.
- **Signage and Logo Placements** – the list is endless when it comes to exactly where and what you can place logos and signage on. Once again detail exactly what, where and how much signage placement is to be allocated to each sponsor. You should draw up a plan or a map of your venue detailing the various signage placements. Different parts of the grounds will be preferable to others for example at a rugby ground the premium locations are the players entrance, the scoreboard and the

corner flag areas plus the aftermatch interview and presentation areas particularly if the game is televised. These signage areas can all be priced differently according to location.

- **Organisational involvement** – leading or naming right sponsors in particular will be keen to be involved in the organisational side or management of your event as they will have a strong vested interest in the outcomes. You can invite them to be part of your organising committee this way they have a sense of ownership of the event and can better leverage the marketing opportunities that the sponsorship provides.

INVESTMENT PAGE

On this page detail the investment required by the sponsor for the exclusive opportunity that you have created for them.

The investment may take the form of both cash and contra, or goods in kind. Cash is always more valuable to your organisation and in most cases the naming right or leading sponsor position should be in cash.

Contra sponsorships work OK so long as you have a use for the goods or services, for example airlines and hotels may offer contra for their sponsorships because it has a tangible value to the sponsee, particularly if they are running a sporting event with many people travelling.

APPENDIX

Include in the appendix any background or reference material which is too bulky for the main proposal this will include:

- Market research surveys
- Example copies of your public relations material, programmes newspaper advertisements, posters etc.
- A profile document on your organisation
- A copy of your club newsletter or magazine
- A list of the key personnel in your organisation.

VALUING YOUR SPONSORSHIP

Sponsorships are inherently difficult to value because many of the benefits that the sponsor receives are intangibles and difficult to measure in direct increases to bottom line profitability.

However there are a number of benefits that can be directly valued and compared to other forms of marketing activity.

Draw up a sponsorship value sheet, this sheet will detail every single benefit that you offered to your sponsor in the sponsorship benefits section above.

Then set about valuing each individual benefit according to their current market value. For a sole naming sponsor you would value the benefits as follows:

Television Coverage

30 minutes primetime	ratecard \$4000/min	=\$120,000
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Newspaper Coverage

10,000 column centimeters	\$4.00 per column cm	=\$40,000
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different publications will have different rates throughout the country so the actual value will depend upon which newspapers are used.

The same principles apply to all other forms of paid media coverage including radio, magazines and Internet advertising, in all cases the value should not be less than the cost of placement and production.

Signage

Signage can be valued on the basis of location on the ground and the number of people who will view the signage, the frequency at which it is viewed and how long the signage is displayed. A calculation can then be made using commercial billboards as a base rate to work from. Costs of production should also be factored in if it is your responsibility to produce and erect the signage.

This method of calculation can also be used to determine logo exposure on clothing uniforms official vehicles and other promotional products.

Hospitality

This value will be determined by the ticket price and the number of clients and staff the sponsor is hosting and what you are providing in the way of refreshments etc. You should not value this at below cost including taking into account overheads such as power connections, liquor licenses, marquee hire, music and band etc.

Promotional Display Sites

These can be valued on the cost of a similar site at a feildday, A & P show or a trade fair taking into account the duration of the event and the numbers of spectators attending.

Public Relations Material

This can be valued on the costs of a similar level of exposure received from print media advertising adjusted according to the circulation and readership of your PR material. Remember that in most cases you will have a more targeted audience attending your event, so your advertising and print material should be hitting the spot, rather than being a shotgun approach which is what you achieve with paid media advertising.

Merchandising

A simple value can be arrived at by calculating the amount of expected turnover multiplied by the unit retail margin.

Endorsements

An endorsement can be valued on the cost to engage a similarly respected person to personally promote the sponsors product.

Exclusivity

Sponsor exclusivity is a very difficult benefit to value but it is very important to a sponsor because it is the one benefit that protects their whole sponsorship investment. While they are a sponsor of you event they are effectively locking out and denying their competitors the marketing opportunity that they have with your sponsorship.

Networking Opportunities

Once again a difficult one to value but could be calculated on the costs of communicating directly in a different way with the same audience that you can deliver to your sponsor.

Image and Brand Association

This is one of the intangibles that is hard to value, but so long as you are a professional and credible organisation it has a perceived value.

This form of sponsorship valuation should be used as a guide to valuing your sponsorship and ultimately the price you place on the sponsorship should be commensurate with the level of benefits which you deliver to each sponsor. The price should feel right and should definitely not be priced above the level of what the sponsor could pay for a comparative above the line marketing campaign.

At this point you should sit yourself on the other side of the desk in the sponsors shoes and ask would I pay this for the sponsorship? Does it seem a fair deal? Am I getting value for money? Only then will it feel right.

Note You should remember that as a rule of thumb for every dollar that a sponsor spends in sponsorship, they will probably match that, dollar for dollar in terms of what it costs the sponsor to work and leverage the sponsorship. This will be in the form of an associated marketing programme around your event plus costs of employing staff to manage the sponsorship.

In the past many sponsors simply dished out the money and did nothing more with their sponsorship and wondered why they never achieved the results they expected. Now sponsors are a lot more proactive and like to get out there and service their investment to make sure it is working for them.

DELIVERING ON THE PROMISE

Ultimately the success or failure of your sponsorship programme will depend upon you delivering a bankable return to your sponsor(s). Providing that you deliver the benefits as promised there is every chance of a long and happy relationship.

MANAGING THE SPONSORSHIP

There are 3 golden rules to good sponsorship and event management, those same rules apply to all relationships in life:

Rule 1. Communication

Rule 2. Communication

Rule 3. Communication

You should implement a sponsorship reporting plan into your programme, this can be completed monthly and will give details of:

- Planning meetings held
- Meeting agendas and minutes
- Planning progress reports
- Marketing report detailing any media coverage or outcomes of any marketing activities carried out. Newspaper clippings, TV ratings etc
- Event reports, numbers of spectators, event results
- Financial report

At year end you should furnish your sponsor with a full written report of the years activities and marketing outcomes, and do not forget to write a letter of thanks to your sponsors. Letters to the marketing department along with the CEO and board members are always well received.

At all times keep the communication lines open with your sponsor, be honest with your sponsor. If a problem arises which affects your event deal with it directly and swiftly, make your sponsor aware of the issue and outline a course of action to remedy the situation do not brush things under the carpet and hope they will go away.

Have a crisis Management plan in place and communicate this to your sponsor and everyone in your organisation.

It is important that you also have a good communication link with your rank and file members and that they fully understand the sponsors expectations of the sponsorship and the agreed level of benefits that the sponsor is to receive.

Most events or sponsored organisations are largely made up of volunteers, many of whom are a mixture of personalities and dynamics. Therefore it is essential that your organisation has strong effective leadership to ensure that all your members working in the same direction and are all singing off the same hymn sheet.

QUANTIFYING THE RETURN

It is important to the long term continuity of the sponsorship that you are proactive in measuring the return you are delivering to your sponsor. If you are successful at quantifying the return on the sponsors investment, then there is a strong likelihood of your sponsor renewing their sponsorship.

There are several ways of measuring the effectiveness of the sponsorship:

- Television ratings plus number of TV spots
- Radio spots
- Newspaper and magazine clippings
- Internal survey of your members or target audience, how many of them are doing business with your sponsor now as opposed to before the sponsorship. The single most important thing that the grassroots members can do to help their sponsors is to do business with them. A simple thing that often gets forgotten.
- Professional external public survey of the publics awareness and disposition towards your sponsor. Are they doing new business with your sponsor as a result of the sponsorship?
- Measure audience numbers at your event
- Tell your sponsor I am now buying your product because of your sponsorship.

The average sponsorship lasts 6 years, normally after this time sponsors have achieved their marketing objectives with the sponsorship and will move on looking for a new opportunity. Maybe the market place changes or the company's business focus changes these are all reasons that a sponsor may move on.

Always part on good company, never burn your bridges, as you never know what lies around the next corner.

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