

Sponsorship

Seeking and servicing a sponsor



A guide for sport and recreation clubs and associations in Western Australia.



Department of Sport and Recreation
Government of Western Australia

A big event is coming up and perhaps the club needs assistance to meet the running costs. "What we need is a sponsor!" Great idea, but how do we get a sponsor and what can we offer them?

This information has been designed to help organisations that may not have had much experience in gaining sponsorships.

What do you want sponsorship for?

Decide what it is that you want the sponsorship to achieve. Also decide what is the best arrangement for your club or group.

Do you want sponsorship to cover:

- Your entire event or activity
- Parts of the event – and therefore the possibility of more than one sponsor
- Purchase of uniforms and equipment
- Preparation and or printing publications
- Hire of equipment/grounds/facilities
- Travel/accommodation costs
- Advertising/promotion costs
- Development programs?

Clearly define who are your members, the program or activities your club offers and who are the people you are trying to attract to your event?

This information is very important to sponsors; it allows them to decide whether or not your members or the people you want to attend your event are in the sponsor's "target market". The target market is the group of people to whom the sponsor feels it can sell its product or is keen to promote its services. When approaching sponsors it helps to develop information about members and people that attend your functions: What sex are

they? What age? Are they family groups? Where do they live?

Who are likely sponsors?

All sorts of companies are prepared to provide sponsorship, you just have to show them how they will get value for money.

Discuss potential sponsors with other people in your club or group. The information you have collected on your members and those who attend your functions will be a big help. Think about which companies or organisations would like to advertise or promote their products and services to these people.

Gather information from media services. If an event is being advertised on TV who are its sponsors. Local newspapers may list events sponsored by companies that want to deal with the people in your suburb.

Don't overlook the possibility that small companies may be interested. Too often we only think to ask the big corporations who get regular approaches for sponsorship.

If one smaller company is unlikely to be able to afford your package, consider the possibility of breaking the package into smaller lots and offering them to a number of smaller companies.

If most of your members live in one area, then you have a reasonable chance of picking up a local sponsor, they might be literally on your doorstep.

There are no limits when it comes to sponsorship, you just have to remember to make your sponsorship proposal relevant to each company. Companies don't like to think that they are just one in a hundred companies being approached on a "mass" basis.

Once you have a list of potential sponsors, do a little research on them. Does the company have policies about sponsorships, eg do they only sponsor state level teams? Perhaps they don't go for cash sponsorships, preferring to supply equipment. If possible find out when the company prepares its annual budget so that your proposal can be considered for the coming year.

What are sponsors looking for?

Sponsors are looking for people who are potentially in the market for their products and services. Sponsors are looking for opportunity; remember that you might offer them an opportunity they never thought of (that's why they haven't called yet!).

Sponsors will be looking to see that sponsoring your organisation will be more effective than spending money on some other form of promotion or advertising. Sponsors want to be associated with success. They are also looking for a professional performance from you.

What Can We Offer?

The following is a list of the types of ideas that could be included in a sponsorship proposal. (It's a big list and you normally wouldn't include them all). Once again, don't restrict yourself to this list if you can think of other ideas.

Consider offering:

- Area and perimeter advertising space
- Signage and banners
- Invitations to events
- Free tickets or free admissions to events

- Opportunity to host associated lunches, dinners etc.
- Placement on official guest lists
- Opening functions/coin toss
- Presentation of awards
- Name and logo on program, invitations other printed posters, flyers, newsletters
- Name and logo on media release letterheads and media packages
- Name and logo on newspaper and or television advertisements
- Name mentioned on Community Service radio announcements and or radio advertisements
- Clothing opportunities e.g. caps, shirts or shorts
- Name and logo on awards and trophies
- Possible introduction to other organisations/people that potentially might buy their product/service
- Naming rights to event/s
- On-site displays and or sales opportunities
- Opportunities for company staff involvement e.g. discount tickets.

Always remember that you should cost anything that you agree to supply sponsors. There's no point in having sponsors that cost you as much or more than you can receive from them.

Prepare your proposal

There is no single way to present a successful proposal and there is a lot to be said for an original approach. A starting point, however, might be along the following lines:

- 1 A covering letter thanking the potential sponsor for taking the time to look at your proposal. Make sure you address this letter to the manager/owner or marketing manager.
- 2 A cover sheet containing information such as:
 - Full name of your club/group, perhaps your logo
 - Patron's name
 - Full name of the company that you are sending it to
 - Full name of the person that you are sending it to
 - Date of the proposal and
 - Name of the event/program.
- 3 A title page with important facts about your organisation's event/program is next and might look something like this:

Title of event/program: _____

Proposal to: _____

Sponsorship Coordinator: _____

Name: _____

Address: _____

Telephone (H) and (W) _____

Date(s) of event/program: _____

Signed: _____

Date: _____

- 4 Provide details of the types of people that you expect to attend your event and the types of people who make up your event is an opportunity to gain exposure for their goods and services. Some sponsors may look towards selling their goods and services at your event. Try to define what sort of sales they might make and include that in your sponsorship, offering them exclusive rights of sale.
- 5 List exactly what it is that you will provide to the sponsor and the value of each item (some you may know because it is a direct charge that you will have to pay, others such as signage, you may have to estimate). It is a good idea to match this against the sponsorship amount you are asking for.

A budget of this type is an excellent idea, because it makes it clear to the sponsor that it is not a donation and reinforces in your mind that you have something to sell. Too many times we give up control of our event to a sponsor because we don't outline what we will give them for their money.

Remember to value items at what they will cost you on the day, but at what you might reasonably expect to pay if someone sold it to you. For example, if the ingredients for a ham and salad roll cost you \$2.00 but you know that the shops usually charge \$4.00, then charge \$4.00.

The following is a sample of how a sponsorship budget might appear:

\$5,000 sponsorship

Naming rights to event	\$2,000
Advertisements in community newspaper featuring the sponsor's name valued at \$1,500	\$750
20 VIP tickets (includes entry, seating, chicken and champagne breakfast)	\$400
Signage on finish line	\$1000
All contestants to wear sponsor's logo on clothing	\$450
Exclusive rights to sell product	\$400
TOTAL VALUE	\$5000

Have a clear definition of what you are offering a sponsor. In the above example the word signage appears, leading to two possibilities:

- 1 Space will be allocated for the sponsors to put up their own sign; or
- 2 Space will be allocated and we will have a sign made and placed in the appropriate spot.

If you meant that the sponsors should supply their own sign, but the sponsor thinks that you are going to supply a sign, relationships can get pretty strained! Worse still your club could end up out of pocket.

Once you have a proposal and a list of potential sponsors talk to them!

Ring the companies and ask to speak to the manager/owner or marketing manager. Briefly tell them who you represent and what your plans are. Be positive; suggest to them (rather than ask) that you will send a sponsorship proposal. If it seems like no

one is willing to speak to you, try to get the name of the most appropriate person and send a proposal anyway. Remember you have nothing to lose.

Don't sit back and wait too long

Follow-up your proposal with a phone call at least five days after your proposal has been delivered. Try to find out when you might expect a reply, is there any other information that you can supply, are there things in your proposal that they would like explained?

If your proposal is accepted arrange a meeting to discuss in detail, to begin to personalise your contact and develop your relationships. It might be a good time to get something in writing from your sponsor.

Servicing your sponsor

If you promised it, then deliver it! Don't try to save or make money by giving a sponsor less than you had agreed.

If you think of something else that you can offer a sponsor and the cost or difficulty is minimal, do it! We all know the value of receiving something we didn't expect.

Try to build your relationship with your sponsor. Don't over do it, but there is a lot to be said for some friendly contact. Call and ask how things are going from their end, is there anything they are having difficulty organising for your event? Ask a sponsor out for lunch if you think it might help to build up your relationship and you can afford it. This can be before or after the event.

Perhaps the opportunity may exist for your sponsor's personnel to meet your members at your social functions.

Follow-up after your event or sponsorship, call your sponsor and find out how the sponsorship worked for them. They may provide you with valuable information for your next proposal, with ways in which your club event can be improved. There might be something that you can provide now which may mean continued sponsorship in the future.

Mementos of a sponsorship are also a nice gesture. Something as simple as a block-mounted photograph can make a big impact. Once again if you have an original idea don't be afraid to use it.

Be loyal to a sponsor. If they treat you right then return the favour. Think about the products and services that your sponsor provides. Try not to gain new sponsors if they offer services or products that compete with your current sponsors.

When purchasing products or services consider whether you can get them from an existing sponsor.

When your event is taking place make sure that your sponsor's rivals aren't having their services or products sold or promoted by your club. This will devalue the sponsorship.

Attention to detail, and looking after your sponsor's needs, will enhance your relationship with them.

After the Event

You should provide your sponsors with a brief report, which would include information such as:

- Attendances – the breakdown of males, females, adults, children. Consider (don't overdo the workload though) the possibility of conducting questionnaires or interviews with attendees – this information can help to give a profile of the sort of people who attend your events
- Where did you go wrong?
- What were your successes?
- How can you improve it?
- Did your sponsorship achieve its goal, or purpose?
- Did your sponsorship get value for money?
- Did your club get value for money?

Other Resources

This resource is part of the Club Development Scheme, which provides assistance to Western Australian sport and recreation clubs and organisations to become better managed, more sustainable and to provide good quality services to members and participants.

Other resources in the series include:

Clubhouse CD-ROM

- 1 Step by step... to starting a new club
- 2 Planning for your club – the future is in your hands
- 3 Taking the lead! A guide for Club Presidents
- 4 The key to efficiency – the Club Secretary
- 5 Show me the money – a guide for the Treasurer
- 6 Take the 'in' out of ineffective – ten steps to running successful meetings
- 7 Effective club meetings – a guide for the chairperson
- 8 Lighten the load and delegate – help for the overworked committee member
- 9 You have the answers – solving club problems
- 10 Marketing and promoting your club
- 11 Sponsorship – seeking and servicing a sponsor
- 12 Establishing your club constitution and becoming incorporated
- 13 Risky business – a club guide to risk management
- 14 Clubs' guide to volunteer management
- 15 Member protection for clubs
- 16 How to be more inclusive of people from diverse backgrounds
- 17 Passport into schools – linking sports with schools
- 18 Youth sport – junior sport policy
- 19 Long-term involvement – junior sport policy
- 20 Getting young people involved – junior sport policy
- 21 Physical growth and maturation – junior sport policy
- 22 Sport pathways – junior sport policy
- 23 Forming links – junior sport policy
- 24 People making it happen – junior sport policy
- 25 Quality coaching – junior sport policy
- 26 Making sport safe – junior sport policy
- 27 The law and sport – junior sport policy
- 28 Top 20 tips for officials
- 29 Top 20 tips for successful coaching

