

SPONSORSHIP IN SPORT

Summary of Document produced by John Coyne MBA

This is quite a comprehensive document, and difficult to summarise. It starts off with a lot of information that is useful to (and people seeking sponsorship should) know, but the average club contact will probably be bored by it!

The really practical part starts in section two, from the heading 'How to Develop a Sponsorship Package'.

Perhaps we need to develop a presentation of our own, using the best bits from this document plus 'Finding the Funds'.

I have tried to pick out the main points here, and then if more information is required, people can refer to the document.

Section One – Sports Sponsorship for the Smaller Company

As the title suggests, this section focuses on sponsorship from the perspective of small companies. It clarifies what is, and what is not, sponsorship, why companies do it, and what do they need to get out of it.

Companies need to ask themselves several questions before sponsoring sport. These include:

- | | |
|-------------------------------|--|
| 1. What have I got? | What type of product are you trying to market: cheap and cheerful? Expensive & high tech? Etc. |
| 2. What do I need? | Sales growth? Quality reputation? |
| 3. What do I want to say? | Product or Service determines the answer to the question. |
| 4. Who do I need to reach? | Boardroom types? People on the terraces? |
| 5. What do they want to hear? | Should the message imply excitement, safety, extravagance, economy? |

Companies should support sponsorship activities with a wider advertising/marketing campaign for their product.

- *Sponsorship alone will not sell the product!*

A company should evaluate what it wants to promote, who it wants to promote it to, and what it wants to say. It should then look at sports, their participants and spectators to see if they are the people with whom the company wishes to communicate.

The more sophisticated sports are aware of commercial realities and package their plans to be attractive to sponsors.

Recognition – Branding

- *T-shirts, programmes, competitor numbers, on mats, scoreboards, etc.*

Media – make it impossible for them to ignore the sponsor's name.

- *Put the company name in the title of the event – eg. the 'MacDonalds Rochdale Judo Closed'*
- *Put banners in photogenic places – eg. Behind competitors*

Advertising – support sponsorship with other marketing tools

Employees – involvement in sponsorship can be a useful addition to employee relations programmes

Involvement with the Sport – run the sponsorship as a partnership

- Transfer marketing skills from company to sport.
- Employee secondment
- Use sports personalities to boost staff morale

Monitor effectiveness of the Sponsorship – does not have to be an expensive exercise.

Striking the Deal – some form of contract essential.

Section Two – Sponsorship for the Smaller Organisation

This section focuses on sponsorship from the perspective of sports organisations.

Sports organisations should be asking themselves “What does company X want or need to achieve and how can we help it achieve that objective”.

Two basic rules for sport and sponsor:

- Sponsor – What will I achieve from sponsorship that I cannot achieve in any other way for the same or less money?
- Sport – What can I offer that cannot be achieved in any other way for the same or less money?

Rule of Thumb – the company should spend £1 on promotion for every £1 of sponsorship.

Why do businesses sponsor sport?

- Brand/corporate Awareness
- Brand/Corporate Image
- Customer Relations
- Employee Relations
- Community Relations

What are companies looking for?

They will seek to identify or create support activities that enhance their corporate strategies, rather than tailor their strategies to match available events.

How to Develop a Sponsorship Package

The Sponsorship Audit 1 – What do we have to offer?

The Sponsorship Audit 2 – What does the company need?

How to cost a sponsorship package

- How much do we need?
- How much do we think we can get?
- Is the event dependent on raising a certain amount of money?
- Is the event going ahead anyway, and sponsorship money will increase its size, number of participants or impact?
- Is the event of sufficient importance that the sponsorship money is only an ‘entry fee’ for the company to attach its name to the event?

Running a Sponsorship

Keep a record of your sponsorship quest. If the bid is successful, include the contract and begin to develop a full record of the event and everything surrounding it.

- Include photographs, programmes, posters, press clippings, transcripts of radio & TV coverage (if you can afford them), or at least details of programme, channel, transmission time & length)
- After the event, sit down with the sponsor and produce a post mortem report
- This document will be a valuable selling tool in future bids for sponsorship

The way you run the sponsorship has two important consequences for the future:

- *It will encourage your existing sponsor to continue*
 - *It will prove attractive to other companies and demonstrate your professionalism and commercialism*
-

SECTION THREE – Sportsmatch

This section just gives an overview of Sportsmatch, and doesn't really tell us anything we didn't already know...

SECTION FOUR – Making the Media Work for You

Some basic (useful) stuff to start with, about why a club should seek publicity, (recognition, participation/membership, sponsorship, facilities) and how to get it (appoint press officer, making contact with the press, effective press releases, etc). It then goes on to talk about how to handle press enquiries, when & how to organise press conferences, and how to handle radio & TV interviews!

SECTION FIVE – Fundraising and Marketing

Looks at different methods of raising money and what the fundraiser must know. It then goes on to look at some marketing issues and possible objectives, identifying the target group for a marketing campaign, and a brief mention of Promotion & Publicity.

It ends with a useful piece of advice that some clubs overlook – *Before starting a promotional campaign, make sure the organisation can cope with the likely demand.*

SECTION SIX – Sponsorship, Sport and the Law

“Sports sponsorship is not a charity.... It is a contractual relationship”

This section focuses on the nature and extent of obligations of both sponsor and the sport, and the implications of non-compliance.

Three essential elements to successful sponsorships:

- *Matching needs and aims*
- *Establishing and maintaining a good working relationship*
- *Documentation*

It then goes on to look at different types of contract, and two case studies where problems arose. There is then a very useful **checklist of points for negotiation and inclusion in a sponsorship contract.**

SECTION SEVEN – Useful Publications

There is some useful looking information here. Notably:

- The Hollis Sponsorship Newsletter
- Hollis Sponsorship and Donations Yearbook
- The Sports Funding Guide