

SPONSORSHIP

In order to be successful in raising funds for your club, it is useful to appoint a dedicated person or establish a committee.

The role of such person or committee would be to:

- Determine what purpose the funds are being raised for.
- Develop a fundraising plan.
- Identify potential source of funds e.g. sponsorship, grants etc.
- Write the grant application or sponsorship proposal.
- Ensure the acquired funds are being used for the designated purpose.
- Maintain relationships with donors, grant agencies and sponsors.

What is sponsorship?

Sponsorship is a link between a club and a sponsor where this relationship is mutually beneficial for the marketing needs of both parties. From the corporate point of view, sponsorship is just one small section that comprises part of their overall marketing budget.

Sponsorship is when a business provides funds, resources or services to a club, in return for some form of rights and/or associations with the club that may be used to help the business commercially. This could be in the form of a logo on a football, signs at an oval or free advertising in the newsletter.

Sponsorship is not just about money. A good sponsor can add considerable value by, for example, becoming the club's primary advertiser and creating great brand exposure. In the longer term, this benefit may be of more value than the direct sponsorship income initially received.

It can be useful to think of sponsorship in this way: "Don't ask what your sponsor can do for you; ask what you can do for your sponsor."

Remember that donations are different to sponsorships. Businesses or individuals do not expect any commercial advantage in return for their donation.

Types of sponsorship

Marketing sponsorship is sponsorship that will have a direct and positive effect on the sponsor's bottom line. Primarily, this type of sponsorship promotes products and services to very specific target markets, or niche markets.

Corporate sponsorship is the provision of cash or 'contra' by a company for an independent activity not directly related to the company's normal business. Often companies sponsor in this manner to reinforce a positive public perception, to communicate to a defined target market or to build or maintain a desired image.

Philanthropic sponsorship is a donation or a gift with the sponsor wanting little or no return.

Who to approach

- Members, family and friends. Like all forms of fundraising, it is easier to start locally with your members, friends and relatives. If people know your club and understand

what you do, then they are more likely to listen and give the support required. There may even be someone within the club who has a small business and is willing to sponsor the club.

- Local businesses and suppliers. Check with your suppliers of sports clothing, food and equipment. Research local businesses and target those who could benefit from a partnership with your club.
- Larger organisations. Consider approaching larger organisations. They may have more resources but keep in mind they may not have the interest or commitment that you want. Your club may be too small to attract enough value in their sponsorship dollar. Unless you have a contact, it may be more difficult to get to speak to them as they are generally inundated with requests for sponsorship.

Preparation

Before embarking on a sponsorship drive an organisation should identify:

- What type of support they are seeking e.g. cash or in kind.
- The types of businesses that could provide appropriate support.
- What benefits could be offered to sponsors.

Whether members of the organisation have links with any potential sponsors.

Sponsorship proposals

At some stage in your club's life, you will probably need to prepare a sponsorship proposal. The sponsorship proposal is an offer to do business. It is extremely important that it is a well-presented and concise business document and that contains enough information for a company to gain a thorough understanding of what they are being offered.

Because you aren't the only club out there looking for sponsors, you should make sure your sponsorship proposal stands out from the rest. Tailor the proposal to individual needs of the company being approached. Do your homework. Find out as much as you can about the business you are approaching, e.g. its desired image, products and services, its corporate objectives.

Writing proposals, contacting companies and making your approach can be time consuming work. It is important, early on, to decide how much tailoring of the proposal will take place to meet the specific requirements of potential sponsors. Be aware of how much time is required per proposal.

Below are examples of typical contents for sponsorship proposals:

- **Cover letter** - address the proposal to the most appropriate person in the sponsor's organisation.
- **Overview** - provide an outline of the project and/or the organisation seeking support. What are you asking to be sponsored (event, organisation description)? What and where does it happen? The use of relevant statistical information in sponsorship proposals can help the assessor get a picture of your organisation or event and identify cost benefits. Market demographics are important to define your membership, public and audience. Identify niche markets your organisation can deliver to. It then becomes easy to match a product or company to a particular audience.

- **Objectives** - outline the objectives of the project and/or the organisation seeking support.
- **The investment** - outline the funding amount or in-kind support being sought (what is it going to cost the sponsor) and the period of time for the agreement.
- **Sponsorship benefits** - this is a critical component. Look to include benefits such as naming rights, promotion strategies, signage, media, brand awareness opportunities, articles in newsletters or websites etc. For 99% of companies, media exposure is an important factor of sponsorship. Wherever possible provide some or all of the following elements - radio, TV, print and community access - in a sponsorship package.
- **Target market** - outline who the project is aimed at or provide a membership profile. Identify how it matches the target market of the proposed sponsor or how it could increase their market share. By taking the time to tailor the proposal to a specific sponsor, a successful outcome is more likely.
- **Exclusivity** - detail other sponsors and/or supporters of the project or organisation. Make sure that sponsors are not in competition with each other.
- **Servicing the sponsors' needs** - outline how you will cater for the sponsor's needs. Identify a designated employee or volunteer to be to point of contact for the sponsor.
- **Evaluation strategy** - outline how you plan to evaluate and measure the success of the agreement.
- **Conclusion** - summarise the proposal, identify a follow-up procedure and supply contact details.

Other issues to consider

The following tips will also help improve your proposal:

- Provide a clear and attractive cover page outlining the proposed sponsor and your club.
- Provide adequate space in the content so that it can be read easily i.e. don't squash all your information onto one page (unless it states to do so).
- Provide a contents page for larger proposals.
- Examine additional information and determine whether it is best placed within the body of the document or as an attachment.
- Number the pages.
- For projects that have been undertaken previously, provide examples of programs, newsletters etc, which show how previous sponsors have been acknowledged.

Finally, don't do it all at the last minute. Give your club and your potential sponsor plenty of time. The assessment, negotiation and planning involved to successfully manage a sponsorship can take a while, so allowing adequate time prior to when you actually need it is a good idea.