



*Working in partnership
with researchers and industry*

SPONSORSHIP

How to get it and how to keep it

Sponsorship can be a good, strong source of revenue for community groups for events and ongoing activities.

The mistake many community groups make is that they say sponsorship but what they really mean is donation. A sponsorship is a business transaction where you are essentially offering or exchanging some rights and associations in return for money or in-kind goods and services. It's about getting the money and ensuring everything that you promised does indeed happen and that your sponsor is so happy that they can't wait to sign up again next year!

Concentrate on what's in it for the company or the sponsor and NOT simply on what the benefit will be to your group. They are making a business decision so you have to build a case to support the sponsorship not only being good for the wider community but good for their business.

Good sponsorships can be fantastic because they bring revenue in that can take the pressure off membership, donations and sales – and if done properly – can also help to market your group to a wider audience. They also help to build strong connections between the group and the business community that can result in a long-lasting partnership that extends to many other areas and activities of your group.

Do's

- Sponsorships should be used to enhance your group's operations and activities.
- Sponsorships must be consistent with the generally accepted values, purposes and goals of your group and members.
- Sponsorship agreements should only be negotiated with organisations whose public image, products or services are consistent with ethos and values of your group.
- All sponsorship agreements should be reached through negotiation. The agreement must specify the roles and responsibilities of individual parties. This includes your members and the nature and level of acknowledgment to be given to the sponsor.
- Sponsorships and promotions should be compatible with acceptable social practice.
- Show passion!

Don'ts

- Sponsorship should not displace existing or future funding arrangements on which your group depends.
- All sponsorships must be fairly discussed, voted on and ratified by a majority of your membership.
- Participation in sponsorships should not generate undue pressure on your group and members.

- Participation in sponsorships should not interfere with your group's ability to acquire any particular product or service.
- Participation in sponsorships should not impose you, your members or your group to adopt particular beliefs, attitudes or courses of action outside your existing charter.
- Sponsorships and promotions should not involve endorsement of products or services by you, your members or your group unless so agreed by all parties.
- Acceptance of a sponsorship should not be as condition of an individual member's participation in the sponsored activities.

What form can sponsorship take?

- Cash
- In-kind
- Promotional support
- Product-based

Sponsorship is provided for the following reasons:

- To increase community recognition of the sponsors' presence
- To increase the organisation's profile in an area
- To return loyal support from a community
- As a team building exercise
- To support a marketing campaign

Some tips in trying to secure sponsorship for your community organisation:

- Identify all the possible assets and goods (signage, naming rights for events, programs, awards, uniforms, buildings, rooms, people etc) that you have available for sponsorship. What kind of activities or components can be separated and marketed to sponsors. For example:
 - A group 'partner' – potentially linked with all activities
 - An event or activity name – or naming rights
 - Key functions within the event
 - Key items within the event (for example, speakers, proceedings, morning tea, satchels)
 - Display space
- List all the benefits that you are offering a potential sponsor. What exactly will they get for their money? How will it be delivered?
- Explain the potential for sponsors of taking up those opportunities – how big is their audience? How will you help to promote their business or product?
- Explain why they should partner your organisation and another group – what is it that makes both your group and the sponsorship opportunity unique?
- Emphasise how your group has the professionalism to fulfil your end of the deal.

The starting point

- Work at least six months ahead. Budget time varies from company to company. The simple rule is it's never too early to start on sponsorship
- Find out what kind of financial year your target organisation uses
- Define what the group has to offer (what's in it for the sponsor?)
- Create a hit list
- Talk to other groups who are seeking sponsorship - coordinate the approach
- Research potential sponsors. Fully understand the product/service of the company you are targeting
- Informal groundwork beforehand – so the pitch when it arrives is not unexpected
- Email your pitch (it will need to be circulated in most cases)

- Advise that a hard copy is in the mail – and ensure it is
- Phone for an appointment to discuss it within three working days of the email
- Ring early in the morning to follow-up. Expect to chase them for at least a week before contact is made.

The sponsorship proposal

- Keep it simple and concise
- Focus on your groups objectives.
- A guide to your proposal:
 - An overview
 - The group or event
 - Target audience. Clearly identify the opportunity, the demographics of your group's members.
 - Marketing plan
 - Description - how the event will fit into the sponsor's marketing plan
 - List of benefits (value and time period). Clearly identify the benefits – and make sure they are tangible and attractive
- Explain why you have singled out that company as a candidate for the position you are pitching (thus, show some knowledge of and empathy for the company, their products and their target audience)

Depending on the circumstances and the nature of the company being pitched, it may be useful to include the level of business your members do with that company or better still, expand on the potential new business the opportunity represents to that company.

Sponsorship agreement

Draw up a sponsorship agreement setting out exactly:

- Who the agreement is with
- Who the contact people in each organisation will be
- What is required of both the sponsor and the group and when it is required
- How long the sponsorship goes for (does it just cover an event, run for a year etc?)
- How any logo or branding can be used by either the company or the group
- Whether approval is needed for any media release, advertisement or use of images/logos etc
- How any disputes will be settled
- Be generous when it comes to thanking and acknowledging your sponsors on stage, in newsletters, in programs, in speeches etc
- Invite and include them in other activities not necessarily associated with their sponsorship

Servicing the sponsor

- If you are meeting your partner's requirements /and expectations then they will probably keep sponsoring you, but make sure you know what these expectations and requirements are
- Engage with your partner on a regular basis
- Regular contact and updates
- Involve the sponsor at event/s
- Achieve benefits, report them clearly and provide feedback
- Manage the relationship so that they will sponsor your group or event again

Acknowledgements: Grass Roots Fund Raising, Our Community,
www.ourcommunity.com.au