



Seeking and servicing a sponsor



Obtaining sponsorship for your club needs some thought. Clubs need extra money to expand, provide a better participation experience, conduct events, upgrade facilities, attract talent and develop talent, amongst other things.

Evidence suggests that:

- When the economy is travelling well, businesses in Australia have discretionary money to sponsor sport
- As the economy contracts this discretionary dollar can be and usually is diminished
- Potential sponsors apply more scrutiny. This means a more critical analysis of the benefits of any sponsorship is applied.

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

What do you want sponsorship for?

Decide what it is you want the sponsorship to achieve, then decide what the best sponsorship arrangement for your club might be.

Which of the following does your club need sponsorship to cover?

- An entire event or activity that the club plans to hold
- Parts of the event and therefore the possibility of more than one sponsor
- Purchase of club uniforms and equipment
- Preparation and or printing of club publications
- Hire of equipment/grounds/facilities
- Travel/accommodation costs for club members
- Advertising/promotion costs
- Development programs targeted for specific sections of the club membership such as “Talent Development”, “Masters” or “Juniors”.

Develop a club profile

Clearly define who your members are, the program or activities your club offers, geographical area your club plays its games in, the club’s history, size, and values, and the people you are trying to attract to the activities your club wants sponsored.

This information is very important to sponsors; it allows them to decide whether or not they want an association with your club and its members or if the people your club attracts to activities 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 to.

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? These are important to a potential sponsor.

Who are likely sponsors?

The sponsorship deal is not just about your club; it’s a partnership.

Sponsorship can be obtained through:

- Relationships within the club and its local community, a good mate and/or a club member may be in a position to be able to sponsor the club
- Someone outside of the club interested in what the club does because they identify with it
- A business relationship with benefits to all parties.

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. 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. The use of social media such as a webpage and/or Facebook (there are plenty of others) needs to be considered.

Don't overlook the possibility that small companies may be interested. Too often we think only 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.

Be careful of clash of sponsors – potential sponsors chasing same market share must be avoided if possible.

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, e.g. 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 your proposal can be considered for the coming year.

What are sponsors looking for?

Potential sponsors are usually looking for a club to provide:

- Increasing market share – getting more business from a targeted group
- Enhancing the sponsor's reputation to show that they support the local community and/or support young people's involvement in sport
- Enhancing the business "image" in the broader community by an "association/relationship" with the club. By having a relationship with the clubs activities/operations, the business is associated with a positive vibrant lifestyle and reflects the "values" of sport.
- Furthering the owners or decision makers of the business interests. Some business people may simply love and enjoy the sport the club is involved in. They may have contemporary family connections with the club or have a history of participation in the club.
- The promotion of lifestyle messages that can lead to the changing of behaviours within the community. For example, healthy lifestyle choices.

Sponsors will be looking to see that sponsoring your club 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 your club.

What can your club 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 your club normally wouldn't include them all). But don't restrict your club to this list, there will be other ideas that need to be considered.

Consider offering:

- Access to your club's social media presence
 - One of the most powerful sponsorship tools that a club has at its disposal is their use of social media
 - Social media vehicles such as a web page, Facebook, Snapchat, Twitter, and YouTube channels, amongst others, are evolving into very powerful communication tools. Clubs need to understand how these vehicles can be utilised to their full potential. One of these potentials is in attracting and keeping sponsors. Communication externally and internally within the club via these vehicles provides a sponsor with a large accessible potential market.
 - For clubs to present a package to potential sponsors that includes access to the club's social media vehicles, the club needs to develop a profile of its social media presence through an appropriate analysis of its social media.
 - Online tools such as Google Analytics and Facebook Insights provide assistance in this understanding and development
 - Google Analytics is a freemium web analytics service offered by Google that tracks and reports website traffic
 - Facebook Insights is a pretty powerful tool for those wanting to track user interaction on their Facebook Page. Facebook Insights can be seen by all the administrators of a page and it can help track the number of active users to better understand the page performance.
- 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 programs, 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.

Your club should cost anything that it agrees to supply sponsors. There's no point in having sponsors that cost your club as much or more than the sponsorship received from them.

Preparing your clubs 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
 - full name of the company you are sending it to
 - full name of the person you are sending it to
 - date of the proposal
 - 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 a very brief profile of the club – one page maximum
5. If the sponsorship is for an event - Provide details of the types of people you expect to attend your event, and the types of people who administer your event as an opportunity to gain exposure for their goods and services.
 - Some sponsors may look towards selling their goods and services at your event so try to define what sort of sales they might make and include that in your sponsorship, offering them exclusive rights of sale.
6. List exactly what it is 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.

Remember to value items not at what they will cost on the day, but at what the club might reasonably expect to pay if someone sold it to them. For example, if the ingredients for a ham and salad roll cost \$2.00 but 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 | \$1,500 |
| Advertisements in community newspaperfeaturing the sponsor's name valued at \$1,500 | \$750 |
| Advertisements on the clubs Webpage/Facebook page/ YouTube channel | \$500 |
| 20 VIP tickets (includes entry, seating, and chicken and champagne breakfast) | \$400 |
| Signage on finish line | \$1,000 |
| All contestants to wear sponsor's logo on clothing | \$450 |
| Exclusive rights to sell product | \$400 |
| TOTAL VALUE | \$5,000 |

Develop a clear definition of what the club is 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
2. Space will be allocated and we will have a sign made and placed in the appropriate spot.

If your club meant that the sponsors should supply their own sign, but the sponsor thinks the club is 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!

If it's a cold call – ring the companies and ask to speak to the manager/owner or Marketing Manager. Briefly tell them who you represent and what the club's plans are. Be positive; suggest to them (rather than ask) that the club 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 the club has nothing to lose.

Follow up! Don't sit back and wait too long

Follow up the sponsorship proposal with a phone call at least five days after the proposal has been delivered. Try to find out when the club might expect a reply, if there is there any other information that you can supply, or are there things in the club's proposal that the prospective sponsor would like explained?

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

Servicing your sponsor

Very important. Many sponsorships fail because a club fails to deliver on what is agreed to.

Never promise more than the club can deliver – make sure that what is promised in any sponsorship deal is delivered on time and to the satisfaction of the sponsor or the club will be looking for another sponsor.

If you promised it, then deliver it!

If you think of something else the club can offer a sponsor, and the cost or difficulty is minimal, do it! Sponsors react favourably to receiving something they didn't expect or wasn't in the agreement

Try to build a relationship with your sponsor. Don't overdo 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 the club's event? Ask a sponsor out for lunch if you think it might help to build up the relationship and the club can afford it. This can be before or after the event.

Follow up after the event or sponsorship; call the sponsor and find out how the sponsorship worked for them. They may provide valuable information for the club's next proposal, with ways in which the event can be improved. There might be something that the club 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 your club has an original idea don't be afraid to use it.

Be loyal to a sponsor. If they treat you right then return the favour. Loyalty is valued!

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

When your event is taking place make sure 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

The club should provide its sponsors with a brief report, which would include information such as the following:

- Attendances with a breakdown of males, females, adults and 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 a series 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:

1. 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 club secretary – the key to efficiency
5. Show me the money – a guide for the club treasurer
6. Effective club meetings – a guide for the chairperson
7. Making meetings effective – a short guide
8. Delegation – help for the overworked committee member
9. Problem solving – a guide for clubs
10. Promoting your club
11. Seeking and servicing a sponsor
12. Establishing your club rules
13. Risky business – a club guide to risk management
14. Clubs' guide to volunteer management
15. Member protection for clubs
16. How to be an inclusive club
17. Passport into schools – linking sports with schools
18. Youth sport – junior sport policy
19. Long-term involvement – junior sport policy
20. Physical growth and maturation – junior sport policy
21. Sport pathways – junior sport policy
22. Forming links – junior sport policy
23. People making it happen – junior sport policy
24. Quality coaching – junior sport policy
25. Making sport safe – junior sport policy
26. The law and sport – junior sport policy
27. Top 20 tips for officials
28. Top 20 tips for successful coaching

You will find the full series of the booklets on Sport and Recreation (WA)'s website:

www.dsr.wa.gov.au/clubs