

THE
IRISH SPORTS
COUNCIL



AN CHOMHAIRLE SPÓIRT

NGO SUPPORT KIT

Chapter Ten

SPONSORSHIP



10. Sponsorship

Introduction

This section offers advice and information about something that is vital to the success of an NGB - sponsorship. Sponsorship not only allows you access to much needed funds, but to a whole new set of potential new members as well as the development of long-standing, trustworthy relationships. Being viewed as a two-way street, both your organisation and your sponsor should be able to gain from the association that you both have. This chapter shows links and case studies from various NGBs who have been able to secure and reward their sponsors.

10.1 Fundamentals

Sponsorship

Sponsorship is something that can be vital to the success or even to the existence of an NGB. It not only allows your organisation to gain much needed funds, but it also allows for the development of long-standing, trustworthy relationships.

Sponsorship needs to be viewed as a two-way relationship. Both your organisation and the sponsor should be able to gain from the association that you both have. They are investing their money into your organisation and you will help them to increase the audience that their products are exposed to.

One of the key priorities for any NGB is to persuade the potential sponsor to identify with your sport. They must present themselves, demonstrate connections to their target audiences and consequently share value with prospective sponsors in order to generate sponsorship revenue.

Your NGB as a Brand

Each NGB should consider itself a brand. This is not as intimidating as it may sound. The essence of a brand is to be able to show differentiation from competitors. It is fair to say that many NGBs including sports clubs, tournaments, coaches associations and professional teams consider themselves distinctive and different from each other, even similar NGBs. Each NGB probably also has a sense of pride about how it does things. Therefore NGBs are brands, albeit sometimes small brands.

In order to describe itself, each NGB - each brand - should explicitly address the following topics;

- Mission - What is the purpose of the NGB?
- Vision - What is the longer term goal (aspiration) of the NGB?
- Values - What principles, both ethical (e.g. integrity) and operational (e.g. safe environment) are most important to the NGB
- Target audience - Whose needs are you going to serve?
- Identity- What are the factual elements that clearly identify the NGB (e.g. legal entity, board of directors, name, official affiliation, logo, colours, geographical location, etc.)
- Differentiation - What makes the NGB stand out (from competitors / other sports)?
- Positions - What attributes (e.g. family oriented, winning, development, etc) are used by the NGB to present itself to its target audiences?
- Image - How is the NGB perceived by its target audiences?

Hopefully the positioning of the NGB and the way the NGB is actually perceived (image) by its target audiences are well aligned. If not, work should be done to create alignment before sponsorships are solicited.

It is important that these topics be addressed in writing. Why such “formality”? Because the membership, even leadership in NGBs changes and there needs to be continuity of intent and action. Written and visible descriptions also give members of an NGB rallying points and reminders upon which to build the NGB’s unique character. In addition, written descriptions encourage the same descriptions being used by all members when “selling” the NGB. These written descriptions are ready made for Power Point and other presentation formats.

How to Win a Sponsor

A potential sponsor will become a sponsor if an NGB can demonstrate that it is both reaching and positively impacting its target audience. In this situation it is creating value for itself and for potential sponsors.

The initial sponsorship proposition is simple. Potential sponsors are seeking effective and efficient ways to connect and influence their own target audience. If an NGB has the same target audience, a potential sponsor might actually become a sponsor if the NGB can demonstrate strong relationships with the target audience. This means that the NGB can deliver value to the sponsors’ brand and sales efforts.

10.2 Positioning Your Organisation

The following are elements for developing a responsive development programme:

- Target audience(s) - Who is the NGB serving?
- Needs and/or interests to satisfy - What needs and/or interests of its target audience(s) are the NGB going to address?
- Resources and capabilities - What resources and capabilities does the NGB have available to satisfy its target audience(s)?
- Programmes offered - What are the programmes offered by the NGB to satisfy its target audience?
- Goals for programmes - What is the NGB trying to achieve with each programme offered?
- Marketing and execution - How do the programmes get developed and implemented?
- Evaluation - Which programmes successfully meet their goals (and which programmes are unsuccessful)?
- Planning process - How does the NGB manage the development process?

Each of these elements is important to potential sponsors because they allow the potential sponsors to assess an NGB’s focus, ability to deliver positive result vis-à-vis their target audience(s), and ability both to effectively use the sponsor’s resources and respond to the sponsor’s management requirements.

From a very practical perspective, it is important for NGBs to make a concerted and organised effort at development level. Many NGBs always will rely primarily on their own community for support, so this home base must be kept strong. For those NGBs that want to attract sponsors, it is essential that they realise that the “product” they are selling (their sport and its community) must be in good shape - provide value - or there will not be any buyers (sponsors).

10.3 Potential Sponsors

Define Your Target Audience

Your sponsorship plan should focus on obtaining sponsors who wish to communicate with your target market. This might mean that you may need to approach a specialised part of the company rather than going directly to the corporate sponsorship department, who are probably flooded with requests for sponsorship. If you can offer “niche” marketing to a particular company, they may be more inclined to sponsor you.

Research Potential Sponsors

Before you approach a sponsor, it may be beneficial to do some research (internet, magazines etc) on the company and find out exactly what products or services they offer. On the company’s website they may have details about their sponsorship policy or their sponsorship history (what things they have sponsored in the past). It may give you a good indication of whether they are a viable option to approach.

Time Frame

If it is an actual event that you are looking for sponsorship for, try to approach potential sponsors at least 12 months before the event. This will give them sufficient time to participate fully in the benefits you offer them. If a general sponsor is being sought for your organisation, it is also beneficial to approach them as early as possible to allow maximum time to prepare budgets.

10.4 Key Steps for Sponsorship

Sponsorship development has to do with actually making presentations to sponsors and hopefully establishing mutually beneficial partnerships with selected sponsors. This process may be subject to a number of distinct phases:

1. Identify Your Needs

Identify what your organisation does, what it needs to do, how the sponsorship would transform your organisation and where the money will go, what will the sponsors get.

2. Identification and Research of Potential Sponsors

Establish what sort of organisation you would like to have supporting you and as such which ones you will contact. Research their sponsorship policies and history and see where an alignment can be made.

3. Develop the Presentation

It is a good idea to make contact with the company to identify any particular traits that are individual to them before you prepare your presentation. This way you can modify it to suit the potential sponsor's needs. Once this is established, you can prepare your presentation to the company covering such things as: what your organisation wants to achieve, how it plans to achieve it, how does the sponsor fit into these plans, what support you are asking for, how the sponsor will benefit from association with you.

4. Making the Sales Presentation

Probably the most important part of gaining sponsorship is actually making the presentation to the potential sponsor. This is where you sell your NGB to the sponsor and convince them that they should invest in you. How this pans out will obviously depend on your initial conversation with the potential sponsor (e.g. will you go to their work place, will you meet them in a neutral venue, do you need to bring a laptop and/or a projector screen? Remember to always have a back-up plan. When making the presentation, always be friendly and professional, show passion for your work and have ready-made answers to questions you think they may ask.

5. Follow-up

After the meeting, follow-up with a call or email asking the status of their decision. Once an agreement has been made, it will usually be followed up by a contract or letter setting out the terms. Read this carefully to check all legal implications.

6. Deliver

It is important that you now deliver on your part of the agreement. It is good practice to keep your sponsor fully informed of all developments. If there is a problem, always let them know how you are going to fix it.

In summary, NGBs seeking to obtain sponsorship support must clearly describe what they are about and then show how they effectively reach their target audiences and thus can provide value to sponsors interested in connecting to the same target audiences.

Tips for the Sport Worried about its Sources of Revenue

- Never put all your eggs in one basket. Diversify your revenue streams as much as possible and do not be afraid to try new ideas
- Sponsors are becoming choosier and demanding. Review the services you give to your sponsors and think of ways they can be improved
- Try to retain some stake in the various competitions run by your sport. Licensing and sanctioning fees can be a valuable source of revenue
- Guard the reputation of your brand jealously. Sponsors do not want to be associated with scandals
- Look at activities not directly associated with the sport -- assisting charities, hospital visits and so on. Sponsors increasingly want to be associated with organisations that do 'good work'. This also provides sponsors with a wider audience and so your NGB will appear more attractive to them.

10.5 Downloads & Links

Links

- Irish Hockey Association
http://www.hockey.ie/sponsorship/why_sponsor.cfm
- Irish Hockey Association
http://www.hockey.ie/sponsorship/irish_hockey.cfm
- Irish Hockey Association
http://www.hockey.ie/sponsorship/key_tournament.cfm
- Irish Hockey Association
http://www.hockey.ie/sponsorship/sponsorship_packages.cfm
- Irish Hockey Association
http://www.hockey.ie/sponsorship/your_investment.cfm