

# Scottish Rugby Moving Clubs Forward Workshop

## How to: Find sponsorship

### Summary

Sponsorship is undoubtedly one of the key sources of income for all clubs, irrespective of their size. Without a successful sponsorship programme the clubs will struggle to reach their income targets.

What is Sponsorship?

Sponsorship is when a person or business supports a person, group of people or sporting club (this could be financially or in kind) in an activity which provides a profit for the recipient, In return the sponsor usually receives some business benefit, although philanthropic sponsorship does exist.

What is the situation today?

In the past many businesses that have been connected to a club have supported it through sponsorship without wanting anything back from it. This situation has changed dramatically during the last few years as the economic climate has changed, with many Sponsors now needing to justify their investment in the club.

What does the club need to understand?

For the club to have a successful sponsorship programme now it needs to understand the following;

- Which outcomes does the business want to achieve from their investment?
- How can the club assist them in achieving these outcomes?
- How does the club put a sponsorship package together and which skills do they need to sell it, especially in the face of competition?
- Once they have a sponsor how do they service the sponsorship and retain it?
- Companies use sponsorship in order to fulfil their business needs;

### Building up a Sponsorship Campaign

#### Background Information

What does the Sponsor want from the deal?

As we have mentioned there are some sponsors who will provide sponsorship funds for philanthropic reasons. For the purpose of this paper we are going to assume that all sponsorships exist to fulfil business needs for the sponsor.

There are five main reasons why a business might buy sponsorship;

- 1) to find it more customers
- 2) to assist it in retaining its existing customers
- 3) to assist in developing brand awareness for the business
- 4) To build up the reputation of the business in the local community and wider world – this is sometimes called CSR.
- 5) To motivate and reward its work force

What does the club have that can fulfil these needs?

- To find more customers – databases, members, supporters
- To retain customers – hospitality and games and events when the business can interact with its clients
- Brand awareness – shirt advertising, web site, pitch side hoarding, programme, roadside advertising
- Build their reputation – involvement in community and mini rugby activity
- Motivate workforce – be seen to support sport, activity in their community. Employee involvement, TAG/Touch Tournaments etc.

Key Points

- The greater the numbers that the club has for the following - databases, members, Facebook Likes, hits on the web site, spectators etc. - the greater the value the sponsorship will have.
- Different sponsor will want different outcomes from the relationship. Some may want to find new customers and to motivate their staff; others may want to build their reputation
- The key to selling sponsorship is to find out what the business is looking for and to offer it to them!
- Once you have a sponsor in place you need to retain them by ensuring that you speak with them on a regular basis and check that they are getting the outcomes they expect.

### **Building up a sponsorship proposition**

#### **Step One – What do you have to offer a potential sponsor?**

Using the information outlined in the background a club should audit the club to find out what it has available to sponsors to fulfil their needs e.g. a data base of 1000 that could connect them to 1000 potential customers, a schools programme that they could use to build their reputation or International Tickets that they could use to build relationships with their existing customers

#### **Step Two – The Value of your inventory**

The club will then need to decide what value this has. This can be achieved through an analysis of other clubs sponsorship documents, through analysis equivalent sponsorships and advertising rates and if possible if a member of your club works at one of your target businesses ask them what they think the value is.

#### **Step Three – Building up a target list**

The club will need to carry out research to build up a target list of companies. This can be achieved a) via business or council web sites b) work of mouth c) reading the business pages of the local newspaper d) reading any local business magazines. Once the target list has been established then the club will need to isolate the person responsible for sponsorship. The easiest way to achieve this is to call up the business and ask for the name of the person. If they won't give out the name then try to find a person who works at that business to ask or look at the recent press cuttings from the business since often the sponsorship person is photographed handing out a cheque!

#### **Step Four – What does the business want?**

The key to your success is to try and have some idea of the “wants and needs” of the business before you approach it. Very often there will be information on their web site, failing this simply call up the business making a “research” call – “I am working with a local club and wanted to find out how you get involved in the local community and what sort of projects do you sponsor”?

#### **Step Five – Contacting the Business**

If one of your members is working at the target business then sending them in with an overview of the project you want to get sponsored and then asking the sponsorship person if they will meet you is your strongest approach. If this isn't the case then if you have a person within the club that it used to making sales calls, the initial contact should be through the telephone. The aim is to get a meeting with the relevant person where you can a) find out more about the businesses wants and needs b) let them know that the club can fulfil these needs. If you didn't have a person who can make a sales telephone call then you will need to send in information via e mail and through the post.

#### **Step Six – the Presentation**

If you do manage to get a meeting then you will need to a) before you present try to find out more details about the “wants and needs” of the business b) have a short professional presentation about the project you want sponsoring c) use the information they give you at the start of the meeting in the presentation to highlight the fact that this project can fulfil their business.

#### **Writing the Sponsorship document/presentation**

I have outlined below one suggestion for the structure of the sponsorship document or PowerPoint

##### **Section One**

Background on the club covering areas such as ethos, structure, history, Geographic location, activities, teams and achievements

##### **Section Two**

The ambitions of the club – what is the clubs “vision” and what will it look like in three years' time.

##### **Section Three**

The numbers section;

- Size of data bases – demographics and post code analysis if possible
- Numbers of users on the web site, social media sites etc.
- Number of participants in each section of the club
- Number of members
- Coverage in local press – press cuttings if possible
- Number of cars driving past the end of the road
- Number of businesses using the club house

## **Section Four**

### The Sponsorship Rights

This is basically a summary of what the business gets for its money and will depend on what it is hoping to achieve through the relationship. It may include;

- Access to the clubs data – in line with data protection laws
- Advertising sites – web site, e mail, posters, at the ground etc.
- Summer school for employees
- Table at the end of season dinner

## **Section Five**

The Investment – how much, when it is payable and how long the term of the sponsorship is.

To be successful...

- Understand that sponsorship has to be “sold” and that the potential sponsor has “business needs” that he has to fulfil.
- Preparation is vital – know what it is you have to sell, build up a target list and prepare sponsorship/marketing collateral. Try to find out through research how you could help a business to fulfil its business needs
- Be professional at all times – your competition will be!
- If you don’t have the necessary marketing skills (do you know how to make a sales call or write a sales letter) find a local course that will teach you
- If you sign a sponsorship deal don’t forget to service it!!