

Sponsorships

Sponsorships are a great way of establishing links with the community and building your name and brand amongst your target audience. Sponsorships are different to making donations (philanthropy). Sponsorships are a commercial arrangement where you give a certain amount of money for commercial rights to an event or organisation. Being involved in charitable events and giving donations are great for building relationships but are generally not bound by an expectation of a commercial return on your investment.

Tips for a good sponsorship

- Be proactive not reactive - look for (or even create) opportunities to sponsor community groups that exactly fit with your target market and marketing strategy. This might be the SLSC, Bowling Clubs, Chamber of Commerce activities, Women's clubs/groups, Rotary
- Do your homework on what the sponsorship should cost (is worth)
- Remember that for every \$1 you spend on sponsorships, a further \$1 should be invested to make the most of that sponsorship eg for hosting seminars, printing sales material, mail outs etc
- Look for "naming rights" opportunities or at least exclusivity within the financial services category
- Think creatively about the entitlements you will receive and negotiate them up front (see following checklist of entitlements)
- Be creative – it is often hard to get cut-through with sponsorships. Do something a little unusual or fun that will get people talking about you
- Have an official agreement put in place (see following page) – this helps to ensure that the organisation/group you are sponsoring will deliver on the entitlements you have agreed on
- Don't sponsor too many groups/organisations with small amounts of money. Sponsor one or two big ones that really fit your target market and work hard on them
- Make sure you have the resources, time and money to really make the most of the sponsorship before agreeing to it
- Look for a long term sponsorship agreement (say up to 3 years) but with an out clause should circumstances change
- Decline sponsorship opportunities within 5 days of receiving a request. You can still use this as a good public relations opportunity by offering alternative services (see "saying no" template letter)
- Make the payment for the sponsorship in instalments (particularly if a large amount)
- Make sure you agree "measurement of success" criteria with the sponsoree and put it in the agreement – relate it directly to new business gained
- Have regular meetings to report on new business gained and any issues/concerns.

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Checklist of sponsorship benefits/entitlements you could negotiate

- Naming rights to events
- Exclusivity with the financial services category
- Free tickets/admittance for you and your people at the event
- Data-base of all attendees or members of the organisation with the right to promote/contact individual members
- Investment seminar/s for members
- Banners at the event/organisation
- Right to present and make awards at events
- Right to have a sales stand/sales material at events
- Insert/advertisement with all mail outs to members
- Editorial content for their newsletters
- Formal acknowledgements (verbal and in writing) at events/presentations and in all literature
- Ability to promote your services on their website with a link to your website
- Ability to email updates/newsletters to their members
- Right to be acknowledged in all press releases or stories regarding the event.

Action plan/comments

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