



THE SPONSORSHIP
— COLLECTIVE —



THE PATH TO HIGH TICKET SPONSORSHIP SALES:

— A C A S E S T U D Y O F —

\$10 MILLION IN SPONSORSHIP TRANSACTIONS

Developed by The Sponsorship Collective
sponsorshipcollective.com



CHRIS BAYLIS

PRESIDENT AND CEO OF THE SPONSORSHIP COLLECTIVE

After several years as a sponsor (that's right, the one investing the money!) Chris decided to cross over to the sponsorship sales side where he has personally closed tens of millions of dollars in sponsorship deals.

Chris has been on the front lines of multi-million-dollar sponsorship agreements and has built and coached teams to do the same.

Chris launched The Sponsorship Collective with one goal in mind:

To build best-in-class sponsorship programs for his clients

An accomplished speaker and international consultant, Chris has helped his clients raise millions in sponsorship dollars.



ABOUT THE SPONSORSHIP COLLECTIVE

The Sponsorship Collective helps sponsorship seekers from across Canada and The United States to grow their sponsorship programs.

Our process gives our clients the confidence to negotiate a fair price for their opportunities and the tools needed to report back to their sponsors, proving return on investment.

We accomplish this by building in-house capacity for our clients through program audits, valuation, strategy development and in-house training. The Sponsorship Collective always uses the approach described in this white paper in order to build high value sponsorship opportunities that produce results and return on investment.



> SEVERAL WELL-DEFINED AUDIENCE SEGMENTS

Sponsorship allows you to focus on a niche audience with laser-like precision, in exactly the way that audience wants to be treated, driving them towards exactly the goal a brand wants them to take.

Put another way, the most powerful thing you have to offer prospective sponsors is your audience. The problem that we see repeatedly is that sponsorship seekers do a poor job defining their audience, settling for broad descriptions like “the middle class” or “families” or “people who like/care about our cause/org/event/team.”

None of these audience segments are enough to trigger a sponsorship investment. Every sponsorship seeker should strive to develop no less than 30 data points on their audience and look to develop multiple audience segments within their database, conference or event.

SOME OF THE THINGS THAT SPONSORS CONSISTENTLY ASK FOR ARE:



Demographics



Psychographics



Geographic spread



Brand preference and loyalty across multiple verticals



Planned purchases in the next 18 months



Job titles and industries



Decision making authority



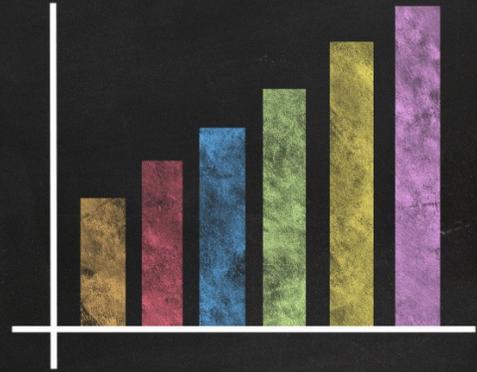
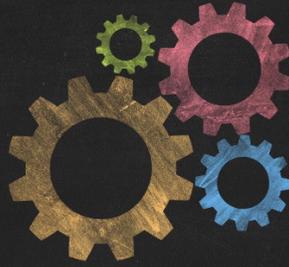
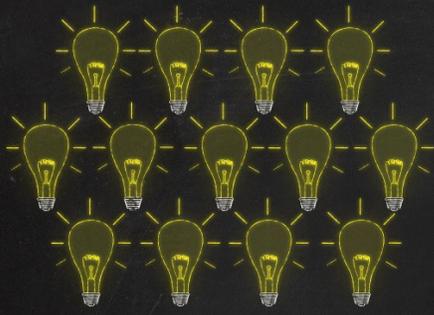
How responsive the audience is (open rates, clickthrough rates, social media engagement etc.)

There are several sources for this data, but we have had the most success using surveys, social media, focus groups and google analytics to develop what we need to bring a property to market.



MORE RESOURCES ON THIS TOPIC:

- [The Most Powerful Asset in Sponsorship](#)
- [How to Use Audience Data for More Sponsorship Sales](#)



> SPONSORSHIP ACTIVATION AND LEVERAGE

THIS STAGE IN THE PROCESS OF DEVELOPING SPONSORSHIP OPPORTUNITIES INCLUDES THE FOLLOWING THREE STEPS:



Complex and highly interactive experiences designed to connect the sponsor to their audience



Clearly defined goals for each audience



Agreed upon measures for those goals

Most sponsorship seekers are focused on logo placement as the exclusive expression of sponsorship, perhaps with a few social media mentions thrown in for good measure. This is not in line with the expectations of sponsors and does not take full advantage of the power of sponsorship marketing.

The only goal outcome of “logo placement” is “awareness” and none of the sponsors we worked for this case study had an explicit goal for increased

brand awareness. The main focus of every campaign we have been a part of was to take a niche audience through a journey or an experience that ended with a very specific action taken by that audience.

In other words, brands do not want their target audience to simply “be aware” of their brand. They want their target market to engage with their brand, take an action and move through the sales process, ending with a highly measurable (and valuable) action based on the sponsor’s needs.

Done well, these activations add tremendous value to the audience experience and produce results that sponsors are happy to pay a significant premium for. Long gone are the days of logos on signs or forcing your audience to listen to yet another 30 second speech from the stage as the main focus of a sponsorship agreement.

In every case, we worked with our clients and their sponsors to build amazing experiences for their shared audiences, based on the feedback we heard directly from those audience segments. When in doubt, give your audience more of what they want using sponsorship, and everyone walks away happy.



MORE RESOURCES ON THIS TOPIC:

- [Video: How to Create Activations That Sponsors Love!](#)
- [Sponsorship Activation, it's Easier Than You Think](#)
- [8 Cool Event Marketing and Sponsorship Activation Ideas](#)



> A VALUATION PROVING MARKET VALUE

Once you have identified your audience, determined interest from a brand based on that audience and then developed activation ideas with your prospect, you are ready for a valuation.

Most, if not all, major sponsorship opportunities require a third-party valuation, typically requested by your sponsor before they are willing to proceed. High six-figure and seven-figure sponsorship opportunities are complex, and the stakes are high, which is why brands look to an independent valuation process. That isn't to say that you cannot do a valuation yourself, but most find it easier to engage external support.

Determining the value of your sponsorship opportunities is without a doubt the thing that strikes fear into the hearts of even the toughest sponsorship sales pro. Make no mistake, your opportunity's value is as unique

as your fingerprint and is something you create for your property based on your unique situation, mix of assets, brand value and audience segments.

Whether or not you choose a "do it yourself" approach or engage external support to conduct a valuation, this stage is non-negotiable. It must be done. If you want to grow your sponsorship program, close multi-year agreements, sell major naming rights, presenting rights or develop big ticket activations you need to conduct a valuation in order to be taken seriously by a brand and to protect yourself from undervaluing your opportunities.

MORE RESOURCES ON THIS TOPIC:

- [The Essential Guide to Sponsorship Valuation: Learn How to Price Sponsorships Like a Pro](#)
- [7 Sponsorship Valuation Questions, Concerns and Common Mistakes Part One](#)
- [7 Sponsorship Valuation Questions, Concerns and Common Mistakes Part Two](#)

> QUARTERLY REPORTING ON BENCHMARKS

The final step in negotiating any significant sponsorship opportunities, whether they be naming rights, presenting rights, largescale activations or multi-year agreements is determining a reporting structure with benchmarks, so that both parties can monitor progress.

Once you know which audience segments are of interest to your sponsors, which actions they want those audiences to take and what they consider a successful outcome, setting up benchmarks is very simple (achieving those benchmarks is not, but that's the fun of sponsorship!).

We do not recommend waiting until after the campaign or event is over to produce your first fulfillment report. This approach is acceptable for smaller sponsorship agreements but not for major sponsorship opportunities. If you wait until after all of the delivery has taken place, then you lose the opportunity to correct any mistakes or missed opportunities.

If your agreed upon goals are to send web traffic to a landing page, have people test drive cars, download and use a coupon or any other action, it is essential that you set up mechanisms to track these conversions and report back to your sponsors about your progress. Typically reporting goes both ways, where sponsors are held accountable for their deliverables as well, giving both parties the opportunity to adjust goals as needed and increase effort in certain areas of the partnership to ensure success.

Regular reporting and the fulfillment report in general are great opportunities to keep your sponsor happy, convert them to a multi-year agreement or even upsell them throughout the course of the partnership.



MORE RESOURCES ON THIS TOPIC:

- [How a Fulfillment Report Saved My Life](#)
- [Sponsorship Activation and Fulfillment](#)
- [The Five Stages of Sponsorship Sales](#)





> WHAT THESE NEGOTIATIONS DID NOT INCLUDE

There is far too much emphasis on the role of sales material, logo placement and, for most non-profits, being a good cause in the sponsorship space. Certainly, these things can have an impact on the overall success of sponsorship negotiations, but emphasis has to remain on the goals of the brand and the needs of the audience above all.

Sponsorship is a marketing discipline and, in our experience, those sponsorship seekers who treat it like a marketing discipline have the most success.

IT IS IMPORTANT TO NOTE THAT THE NEGOTIATIONS AND SPONSORSHIP SALES THAT MAKE UP THIS CASE STUDY AND BEST PRACTICE GUIDE DID NOT INCLUDE THE FOLLOWING:



Stock sponsorship packages (in fact, none of them even used sponsorship packages)



Logo placement as the main focus



"The general public" or "middle class families" or "everyone"



Mission, vision, impact measures or corporate philanthropy



Companies "giving money" because they have so much of it

For more information on how to implement these concepts into your sponsorship program, please visit:

sponsorshipcollective.com