



How to Approach Businesses for Corporate Sponsorship

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Outline for the Session

AM - Getting Ready to Approach Businesses

Why & how companies give
Pro's & Con's of raising sponsorship
Assessing your assets
Identifying your attributes
Researching Companies

LUNCH BREAK

PM - Making the Approach & Managing the Relationship

Preparation for making the approach
Costings/value/benefits
Sponsorship Proposal
Evaluating sponsorships
Maintaining the relationship
Best practice & avoiding errors

Aim of Session

- To define business sponsorship & identify reasons why businesses engage with the arts
- To gain practical skills in making the approach to sponsors
- To understand how to value sponsorships
- To develop best practice in maintaining corporate partnership relationships

What is Sponsorship?

Arts and Business defined sponsorship as:

“The payment of money by a business to an arts organisation with the explicit objective of promoting the business’ name, its products, services or image.

Sponsorship is part of a business’ general promotional spending and may encompass staff development as well as a sense of corporate or social responsibility”

Sponsorship vs Other Income Sources

- Earned Income
- Subsidy
- Private Income
 - Individual Giving/Donations
 - Trust/Foundations
 - Corporate Sponsorship

What sponsorships must have

1. Exchange of benefits
2. Both parties feel the exchange is worthwhile
3. Potential for compromising on the original idea
4. Both parties committed to delivering their share of the deal

Working with Businesses

“Sitting down with someone, expecting them to invest in your world, without having done your research about their world is at best a massive missed opportunity”

Steve Wickham, Founding Director, The Giving Department

Why do businesses sponsor?

- Access to target audiences/markets
- Image enhancement
- Name awareness
- Staff, customer, shareholder goodwill
- Develop community links
- Association with excellence/success
- Opportunity for entertaining
- PR opportunities
- Enjoyable & motivating

Pro's & Con's of Sponsorship

PRO's

1. gives you extra cash –
2. the association can enhance your credibility
3. the potential to receive additional help in kind, over and above the cash support
4. one sponsorship may lead to another
5. generates useful links with the business community
6. gives you an **outside perspective** on your work
7. **BUILDS NEW AUDIENCES!!!**

CON's:

1. researching can take up too much time
2. time factor in managing the relationship
3. association with a particular business can lead to problems – ethical issues
4. may let funders off the hook in terms of funding
5. not very secure - open to potential for sudden changes

How Companies Give

- Hard sponsorship
- Business support
- Soft sponsorship (CSR)
- Corporate memberships
- Donations in-kind
- Facilities
- Staff time

Determining your sponsorship attributes

Self-knowledge

- What is your/organisation's image?
- What is your product?
- How is your image & product perceived by your market?
- What does you/your organisation do that will be of interest to (or compatible with) the interests of a potential sponsor?

Who Is Your audience?

- Demographics
- Impact & Reach (profile)

Assessing Attributes for the Approach

- What are the business objectives/challenges – what can you offer – your key selling points?
- Who are their customers/target market – who are your audiences/visitors/target market – do you share the same people?
- What is the business' style of presentation – what is yours? – how does the way the company presents itself – on their advertising, website and social media – connect with your project (organisation)?
- Has this company sponsored other similar arts projects/organisations?

Exercise 1 – Determining your Sponsorship Attributes

Column A - thinking about you (your organisation) and *particular* project

- Write 3 things that you consider as your project (organisation's) greatest strengths – what makes your project (organisation) special?
- Write 2 statements that describes how you feel about your project (organisation's) image and 'product'.
- Write a statement about how you think your project (organisation's) image and product is perceived by your market.
- Describe who your key target market is – who do you mainly serve?
- Describe what your geographical impact is – what is the reach of the community that normally uses your 'product'?
- Quantify your reach – how many people do you think have the potential to come in contact with your work?
- Describe what your project (organisation) does that will be of interest to and compatible with the interests of a potential sponsor.

Column B -thinking about potential sponsor – local/regional/national business:

- Write down the name of the business.
- Describe what the company does – what is its main business?
- Describe what you think is the company's particular strengths or special feature. If you have access to Google – do a bit more research to add to your comments.
- Describe who you think is the company's key target audience for their product – who is their main market?

Then work in Pairs to establish a match.

Auditing Your Assets

To audit what can you offer in terms of....

- Public Relations/Promotion/Publicity
 - Social Media Channels, Press, Media Sponsor, Publicity
- Hospitality/entertainment
 - Tickets, Venue or space, Pre-Interval-Post Show, Artists/Celebrities
- Venue
 - Specific areas in your venue or space for further promotion
- Employee involvement opportunities
 - Volunteering, on-site activities, off-site activities, staff training

Researching Companies

- Own supporters
- Specialist press
- Company's annual accounts
- Google / LinkedIn searches
- News articles
- Local authorities – Chambers of Commerce listings/County Council's Business Directories
- Councils of Voluntary Service (CVS)
- Other arts organisations' programmes/annual reports/websites

Making the Approach

1. Finding the right person
2. The 'pitch'
3. Determine the right approach (*time factors or any other 'ground-rules'*)
4. Setting out your proposal
5. Follow-up

Finding the Right Person

- Own supporters
- Head of Business Development
- Human Resources Manager
- Sales & PR Manager, Marketing Director
- Community Communications Manager
- Charities Secretary
- Sponsorship Manager
- Brands Manager

The Pitch

Consider tone of voice & use of language.

Put yourself in their shoes.

Cold Calls

- Script your introduction
- Establish you're speaking to the right person
- Prepare at least 3 reasons why they should be involved with your project
- Think of questions to start a conversation

Emails

- Include a personal & compelling title in subject box
- Make sure it is readable on a small screen
- Ensure reason to be involved is in your first paragraph
- NEVER send out email addressed to 'Dear Sir/Madam'

Exercise 2 – Making the Cold Call Pitch

- Using no more than 20 words, describe your project/organisation (this could be your mission statement if it is short enough)
- Imagine you are ‘cold calling’ a company. Create a script which includes an introduction that includes your name, title and (if relevant) organisation. Add your 20-word statement - then use no more than 30 words to make the approach and determine whether the company would like to sponsor your organisation.
- **PAIR UP & decide who will be PERSON 1 and who will be PERSON 2.**
- **PERSON 1 works in the company described in Column B from Exercise One.** This person has been given a designated ‘role’ to play. **PERSON 2** is phoning the company to discuss the possibility of the company sponsoring.
- Go through the script and role play and work out what questions need to be asked and why. Some questions to consider include:
 - Who is responsible for sponsorship budgets?
 - Does the company have a previous track record in arts sponsorship?
 - What kind of marketing does the company undertake to reach their target market?
 - Who is their target audience for their product?
 - What is the size of their giving budgets – how is this divided within the company?
 - What are some of the policy issues related to the company’s giving?
 - How are decisions made – by whom & when?
 - What’s the time-scale for decisions on expenditure (marketing, corporate donations, etc)?
 - **Prepare some counter arguments – think of at least 3.**
- Consider whether you think your call will **lead to a meeting** to discuss a potential sponsorship, if so why ?
- **REVERSE ROLES**

Setting out the Proposal

- Define business' objectives & core values
- Define how your work, audience & reach matches business' objectives & values
- Identify the project
- State the benefits
- State the price

Proposal Opening Paragraph Example

This package is a proposed partnership between Dance NOW and Harlequin Floors UK.

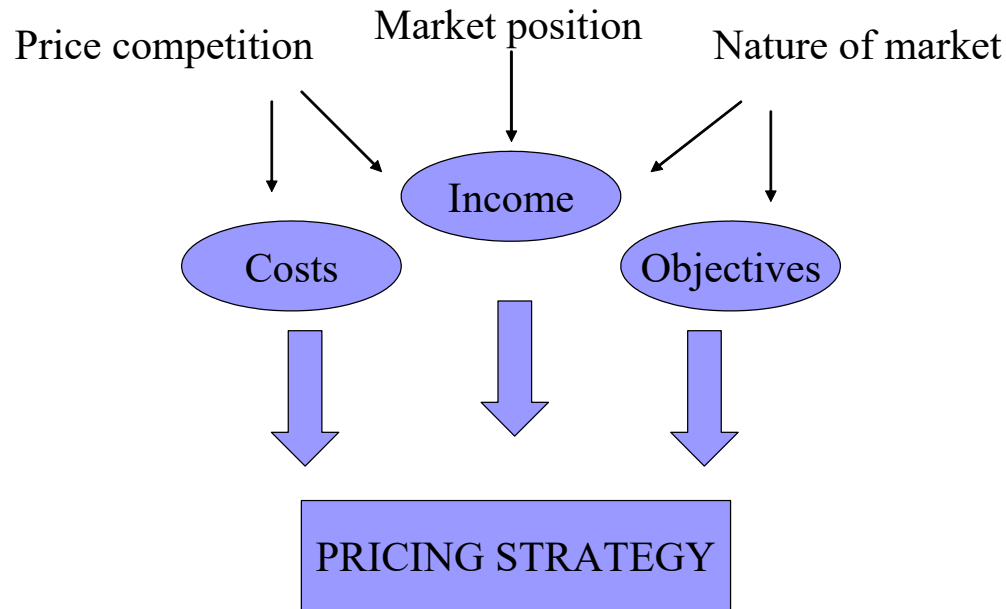
Harlequin Floors UK is the leading supplier of dance floors and ballet barres in the world and has been the preferred supplier for the industry for more than 20 years. Dance NOW is the region's leading dance festival, presenting talented and exceptional choreographers and companies from across the globe. Annually, Dance NOW presents an average of 60 performances by 20 dance companies, including internationally renowned ballet companies, at major venues in the South-East. The festival regularly attracts over 50,000 professional and educated people in the social group ABC1s, of which 60% are female. Audience age range is particularly broad, from 18 – 60 years, but with a concentration of 25 – 45 years.

This proposal aims develop a partnership for Harlequin to sponsor Dance NOW's festival over the next two years and offers a range of promotion and marketing activities that are mutually beneficial.

Sponsorship Value & Pricing



Influences on Pricing



The Meeting

- Be prepared – dress accordingly
- Begin talking about them – not you!
- Bring an expanded version of your sponsorship proposal with visuals
- Finish with a clear idea of what happens next
- Follow up with a thank you

Making the Formal Agreement

- Confirm the details
- Provide clear description of project including venue(s) and date(s)
- Specify benefits you will provide sponsor
- Outline time-line for payment(s) and for any reporting
- Identify any restrictions
- Provide arrangements for cancellation or postponement

<https://www.culturehive.co.uk/resources/writing-a-sponsorship-partnership-agreement/>

Evaluating the Sponsorship

- Agree measurable aims and objectives of the sponsorship at start with the business
- Evaluation costs should be incorporated in the price
- Facts & figures, as well as anecdotal feedback
- Evaluation should reflect the scale of sponsorship
- Use current year's evaluation for next year's proposal



Managing the Sponsorship Relationship

DO:

- Communicate with colleagues
- Be specific & explicit
- Stay in contact & keep the communication flowing
- Be honest
- Be visible
- Evaluate & appraise
- Plan for the sequel

DON'T:

- Give unrealistic expectations
- Make assumptions about working with business people
- Change the rules 'mid-stream'
- Under value your project
- Lie!
- Take the money and run!

Mistakes to Avoid

1. Insufficient research
2. Going in talking about you – not them – or being too general
3. Too much focus on money vs. value
4. Woolly business benefits
5. Sending a really ordinary thank you

Other Resources

Here is a list of free resources about partnering with corporate sponsors from the Culturehive website:

- **How to attract corporate sponsor -**
<https://www.culturehive.co.uk/resources/how-to-attract-a-corporate-sponsor/>
- **Is the art Important to arts sponsorship?**
<https://www.culturehive.co.uk/resources/is-the-art-important/>
- **NCVO Corporate Sponsorship Resource Sheet -**
<https://www.culturehive.co.uk/resources/how-to-develop-corporate-partnerships/>
- **Preparing for a meeting with a potential corporate partner -**
<https://www.culturehive.co.uk/resources/preparing-for-a-meeting-with-a-potential-corporate-partner/>
- **Arts & Business – Making a Formal Partnership Agreement -**
<https://www.culturehive.co.uk/resources/writing-a-sponsorship-partnership-agreement/>



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