



# The Golden Keys of Corporate Sponsorship

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March 2009



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# Learning Objectives for this Workshop

- Learn the difference between corporate gifts and corporate sponsorships
- Learn how to identify, quantify and evaluate your organizational assets that will interest sponsors
- Learn how to create a winning sponsorship benefits package
- Learn how research can help you target potential sponsors
- Learn how relationships can help you cultivate potential sponsors
- Learn how results can help you attract and keep sponsors



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# Corporate gift or sponsorship?

- Corporate gifts = PHILANTHROPY
- Corporate sponsorships = MARKETING
- Corporate philanthropy has been declining for 20 years
- Corporate sponsorships have continued to increase



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# Why seek corporate sponsorships?

- Integral to corporate marketing programs
- Mutually beneficial to corporation and nonprofit
- Fastest growing corporate marketing investment
- Print and TV viewership has decreased
- New media annoying to many consumers



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# Why seek corporate sponsorships?

- Sponsorships incorporate the message into the action
- Consumer acceptance of cause-related marketing is very high
- Consumers are motivated to buy by local sponsorships
- Consumers are interested in education, environment, hunger, health, economic development and disaster relief



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# Why corporations undertake sponsorships

- Used in the mix of marketing
- Increase brand loyalty through emotional attachment
- Cost effective way to increase visibility
- Can change or reinforce brand image
- Can drive retail traffic
- Showcase corporation's good corporate citizenship



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# Why corporations undertake sponsorships

- Can drive sales
- Offer opportunity to showcase existing products or introduce new products
- Can offer client entertainment opportunities
- Can help recruit or retain employees
- Offer merchandising opportunities



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# Corporate giving in tough economic times

- Securing sponsorships in 2009 will be tough
- There is good news from 2008 LBG Research Institute Study of major corporations
- Good news: 76 major corporations reported they plan to maintain or increase both cash and non-cash contributions in 2009



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# Corporate giving in tough economic times

- Good news: LBG projects an aggregate decrease of just 3-5% in corporate giving in 2009, nowhere near the 12% decrease following 9-11
- Good news for some: LBG reports that corporate giving is shifting for 2009: move away from arts and cultural organizations to more basic needs (food, clothing, shelter) and environmental organizations
- Good news: LBG found that 46% of corporations will shift their giving to more local organizations in 2009.



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# Corporate giving in tough economic times

- Possible good news: Consumers are angry at huge corporate sponsorships of sports stadiums and large sporting events. This could bode well for smaller, localized sponsorships.
- Possible good news: More companies are expanding employee volunteer programs, encouraging donations of employee skills and providing more paid time off for volunteers.
- Bad news: Corporations will be less likely to add new charities to their giving lists in 2009



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# Corporate giving in tough economic times

- IEG predicts a 2.2% growth in sponsorship spending by North American companies in 2009.
- Cause marketing and sponsorships should remain strong during the recession because customers continue to say they prefer products that benefit charities and social causes.



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# Corporate giving in tough economic times

- Corporations need their public images polished in these times of hefty executive bonuses, the near collapse of financial institutions and federal bailouts
- Corporate sponsorships will be harder to get, but they will still be achievable



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# Getting started – know your property

- Know your “property:” who are your board members, your donors, your volunteers, your event guests, your clients? How many of each category?
- Why will these be important to corporate sponsors?
- Determine your organization’s policies: what assets can be leveraged for corporate support? What pieces of your property can bear a corporate name? For how long? Is there a minimum contribution?



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# Getting started – know your property

- Will you allow the promotion or sale of a sponsor's product on your site or at your event?
- Can you share names and addresses or e-mail addresses of your donors, volunteers, clients with a corporate sponsor?
- Know your organizational culture: Will you accept contributions or sponsorships from tobacco, alcohol or pharmaceutical companies?
- How do you put a value on these assets?



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# Creating a winning sponsorship package – the presentation

- Identify and approach corporate sponsors a year in advance of your big event.
- Create a PowerPoint presentation to present the sponsorship on screen and on paper.
- Begin with a 1-2 slide description of your “property” – which will most likely be an event.



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# Creating a winning sponsorship package – the presentation

- Explain how the event is unique in the mix of all the social events in the region
- Explain how many people are expected to attend and who they will be
- Explain how you will evaluate if the people you expected to attend actually did attend



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# Creating a winning sponsorship package – the presentation

- Consider doing intercept surveys to gather audience demographics or aerial photography to estimate crowd size.
- Include a 1-2 page rationale for why your organization has the skills and resources to create a successful event. Include the names of sponsors when describing past events.



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# Creating a winning sponsorship package – the presentation

- Include a diagram of the event and show where the sponsor's dining table, sales promotion table, podium, etc. will be located
- List each benefit of sponsorship on a separate slide
- Include a concluding slide that invites the corporation to serve as sponsor at a particular level “with an investment of \$XXXX.” Request a 3-year commitment of the sponsorship. Indicate a response date.



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# Creating a winning sponsorship package – the benefits

- For presenting and larger \$\$ sponsorships, consider category exclusivity
- **Tangible benefits:** quantitative benefits that can be measured and assigned a dollar value including name on printed materials, verbal recognition at event, mention in paid media, logo on organization's van for 3 months, etc. Quantify, quantify, quantify.



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# Creating a winning sponsorship package – the benefits

- **Property benefits:** qualitative benefits including reputation of property, potential impact of the property, category exclusivity and image associations. The stronger your organizational brand and community image, the more saleable are property benefits.



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# Creating a winning sponsorship package – the benefits

- **Brand benefits:** relevance to the sponsor including shared audience, shared mission, shared values. Also corporate hospitality opportunities, product samplings and promotional opportunities.



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# Pricing your corporate sponsorship

- Actual cost DOES NOT equal value of a corporate sponsorship
- The stronger the brand of your nonprofit, the more you can charge for your sponsorship
- Calculate cost benefit of your tangible benefits: printed materials, paid advertising, visible signage, hospitality benefits



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# Pricing your corporate sponsorship

- Try to learn what other presenting sponsorships are selling for in your marketplace.
- If you have multiple sponsorship levels for one event, make sure your benefits are scaled accordingly.
- In the current recession, pricing counts more than ever. Try to offer as many benefits as you can that don't require additional costs on your part.



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# So, what ARE the golden keys to securing Corporate Sponsorships?

**Research, relationships and results.**



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# Key #1: Research, research, research

- First step: find out about your own organization. Know your mission, values, audiences. This will be key to making good matches.
- Read the newspaper and online business news sources. Find out who is making money. Who is relocating to the region? Who is introducing a new product? Who is sponsoring what?



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# Key #1: Research, research, research

- Subscribe to the IEG Sponsorship Report
- For corporations with foundations, use the Foundation Center directory at [www.foundationcenter.org](http://www.foundationcenter.org) at the Community Foundation
- For corporate donations of \$1M+, use the free portal from *Non Profit Times* at [www.nptgrantsearch.com](http://www.nptgrantsearch.com) --



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# Key #1: Research, research, research

- Use Hoover's online.
- Don't go to all the usual suspects. Get creative.
- Target, Wal-Mart, Home Depot and Costco will increase corporate giving in response to the recession



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# Key #1: Research, research, research

- Look for current active sponsors in your marketplace.
- Look for companies that share your audience, mission, values.
- Look for sponsors of similar properties in other markets.
- Look for emerging corporations in your market.
- Look for businesses that need an image upgrade.
- Look for businesses celebrating milestone anniversaries.



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## Key #2: Relationships

- Personal relationships are still the best route to corporate sponsorships.
- Do your research first to identify a short list of prospective corporate sponsors.
- Never send out corporate sponsorship requests in the mail without first making personal contact.



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## Key #2: Relationships

- Determine who on your board can provide an introduction to the marketing director or CEO of a local company or local branch of a national corporation
- Review your database of current donors to see who works for or may know the marketing director of a potential sponsor. Call the donor and ask his/her advice and help to meet the marketing director.



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## Key #2: Relationships

- Start with a meeting to share your property's opportunity, brand and value to the corporate sponsor. Emphasize the value of the relationship to the company's bottom line.
- Ask for and listen to what the marketing director needs in a sponsorship package.
- Be flexible and creative.



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## Key #2: Relationships

- Invite the potential sponsor to attend another event you are hosting to see how they run and what you can offer a sponsor.
- Ask to return to present a full proposal to him and his marketing team. Resist sending the proposal in the mail.



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## Key #3: Results

- Build into your sponsorship package how you will track results and measure the tangible benefits. Track the results and report them to the sponsor.
- Share stories of the good results of former sponsors. Get testimonials from former sponsors of increased visibility, increased sales, etc.



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## Key #3: Results

- Emphasize to the press the importance of including sponsors' names in their stories. Ask them to secure a quotation from the CEO of the presenting sponsor.
- Prepare a sponsorship “wrap up” book that contains all printed materials with sponsor’s name, all press and advertising materials, all testimonials from attendees.



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## Conclusion

- Corporations will still do corporate sponsorships.
- Sponsorships will be more strategic – targeted to desired audience and geography.
- Sponsorships will be judged much more often by how much they cost.
- The nonprofits that do their research, cultivate strong relationships with potential sponsors and demonstrate results will be much more likely to win and retain sponsorship dollars.



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