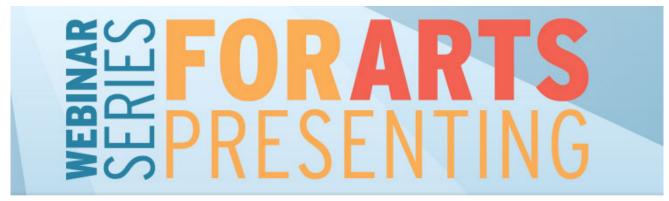
# The Value of Sponsorship

### Intermediate - 201











Cameron Smillie

### Reminders

### You can hear us, we cannot hear you!

### Can't hear?

- \* Try turning up your volume
- \* Call in by phone or use your computer headphones

Have a question or comment? Use the chat box, any time.

#### **Downloads**

\* Slide presentation

What is sponsorship?



# What is sponsorship?

- \* Sponsorship is a cash and/or in-kind fee paid to a property (typically in sports, **arts**, entertainment or causes) in return for access to the exploitable commercial potential associated with that property
- \* While the sponsoree (property being sponsored) may be non-profit, unlike philanthropy, sponsorship is done with the expectation of a commercial return.

### WHY?

\* Sponsorship provides a great means of broadening your competitive edge by improving your company's image, prestige and credibility by supporting events that **your** target market finds attractive.

In recent years, corporate sponsorship has become the fastest growing type of marketing

# Comparison - Sponsorship vs. Donations

	Sponsorship	Donation
Goal	To promote the company in order to sell more products and/ or services	To be a good corporate citizen, to enhance corporate image with its closest stakeholders – employees, shareholders, suppliers
Expectation of Financial Return	Yes, Needs to meet business goals	No expectation of any dollar return
Source of Dollars within Business Organization	Marketing, advertising or communications budgets	From corporate donations budget
Accounting	Written off as a full business expense like promotional printing or media placement expenses – No Charitable Receipt is Issued	Deductible, to set limits depending on the structure of the business enterprise
Level of Exposure/ Publicity	High Exposure through media, on-site exposure	Little exposure other than listing in presenter's program or newsletter
Determination of Fee Amount	Package price set by presenter and then negotiated	Amount of giving is determined by company making donation – no negotiation (not public)
Where the Dollars go	Majority to Sport – less than 15% to performing arts	Education, Social Services, Health get 75% of donations
Use of Funds	Specific events or programs	Project/ cause related or operating funds

# Top 6 Items Companies look for when sponsoring an Event

- \* A written agreement from the event holder.
- \* A list of the actual benefits of what you will get when you sponsor.
- \* An opportunity to purchase additional tickets or passes at a discount.
- \* An explanation of where you fit in relation to all other sponsors of event.
- \* An event that offers pre, intermission and/or post event reception opportunities.
- \* An event that offers on-site display space and/or sampling space.

# Guidelines for Selling the Sponsorship

- \* <u>Prepare list of possible sponsors</u> source from key patrons, suppliers, past advertisers, key <u>local</u> businesses, new business openings
- \* <u>Send package to list with follow-up</u> (call + e-mail) requesting a brief meeting
- \* <u>Customize package as needed</u> to meet wish list of potential sponsor, set asking price
- \* Prepare agreements

### The Fee Rules

- \* Set higher than the cost of an advertisement in your performance program
- \* Compare to cost of one full page ad in your local paper (1 insertion)
- \* Scale fee based upon venue size and amount of paid advertising and publicity you plan to undertake
- \* Reduce fee for multiple sponsors and increase for a solo sponsor
- \* Always set higher than final level you are prepared to accept

# Benefit Bundle- 10 thought starters

- \* name on all tickets
- \* logo included in **X** print ads
- \* logo included on a minimum of **X** posters
- \* logo included on **X** flyers (included in a mailing to past patrons & distribution at X Theatre)
- \* XX complimentary tickets
- \* discount on requested reserved seats (XX% off retail pricing)
- \* logo included on Outside Front Cover of performance program
- \* full page ad in performance program, <u>full colour</u> Outside Back Cover
- \* inclusion in pre-show announcement/ speak from stage
- \* opportunity to hold a pre-performance reception at theatre

### Sample Contract (available for download)

Accepted by: \_

London, Ontario N6A 5P6
Re: Sponsorship of Ballet Jorgen Canada's NUTCRACKER – Monday Dec. 21, 2015
Dear XXXXXX,
This letter will serve as the agreement between Live at the Hippo Pool Events Inc. (Presenter) and
The Sponsor agrees to: Pay a sponsorship fee \$plus HST. The payment schedule will be as follows: 50% in March 2015 upon invoice and remaining 50% due upon presentation of final invoice in late November 2015 prior to the show date.
The Presenter agrees to: Provide <u>all</u> the benefits as included on the benefits list that is enclosed Warrant that the Sponsor will be the sole corporate sponsor of the evening
In the event the performance is rendered impossible or unfeasible (Force Majeure) due to circumstances beyond the control of the presenter then this agreement will be terminated. In this case the obligation for the sponsor to pay the balance of the sponsorship fee shall be null & void. The deposit will be returned. Where the sponsor cancels the sponsorship or neglects a portion of the duties listed here the presenter shall still be entitled to the balance of the fee as well as retaining the deposit amount. And, where the venue or Ballet Jorgen Canada cancels their involvement all sponsorship fees will be returned.
If the above meets with your approval please sign one copy of this agreement and return it via e-mail to our attention at <a href="https://hippopool@execulink.com">hippopool@execulink.com</a> . Please return via e-mail by March 27, 2015.
Yours truly,
Carolynn Clark & Cameron Smillie Live at the Hippo Pool Events Inc.
For xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

Date: \_\_\_\_\_

#### **Benefit Bundle**

- name on all tickets, above title of show
- name/ logo included in all print ads, above title of show minimum of 8 advertisements in London Free Press
- logo included on a minimum of 250 posters, posted in London
- logo included on 1500 flyers (included in a mailing to past patrons & distribution in London)
- •12 complimentary tickets
- discount on requested reserved seats (20% off retail pricing, up to 200 seats)
- logo included (above title of show) on Outside Front Cover of performance program
- full page ad in performance program, <u>full colour</u> Outside Back
- inclusion in pre-show announcement
- option to have a Company representative speak from the stage prior to performance start
- opportunity to hold a pre-performance reception on-site at the theatre rental of reception space at no charge to Company
- Artistic Director invited to speak at the Company reception

#### Sponsorship Fee

• \$XXXXX plus HST

Payment Schedule – 50% to be invoiced in March 2015, remainder invoiced in November 2015; ticket purchases invoiced in late November 2015

Ad Layout Demonstrating Position Of Sponsors









#### Tickets on sale

in person @ Centennial Hall Box Office, by phone @ 519-672-1967 or 519-672-1968 online @ www.centennialhall.ondon.ca

# Questions?

# Feedback

## **QUICK SURVEY**

## The Value of Sponsorship for Presenters

Cameron Smillie Live at the Hippo Pool Events Inc.

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### **Next Session**

Volunteer Management

April 20

**Engaging Youth as Volunteers** 

April 27

Volunteer Burnout: Symptoms, Signs and Solutions