

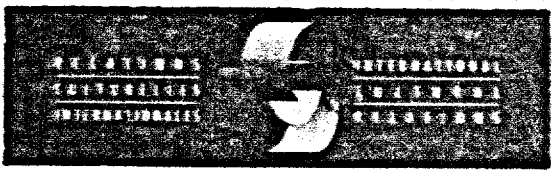
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**DISCUSSION PAPER
ON A
MULTI-YEAR CORPORATE
SPONSORSHIP STRATEGY IN SUPPORT OF
INTERNATIONAL CULTURAL ACTIVITIES
MAY 1991**

**UNE STRATEGIE DE COMMANDITE PRIVÉE
PLURI-ANNUELLE À L'APPUI DES ACTIVITIÉS
CULTURELLES INTERNATIONALES:
DOCUMENT DE DISCUSSION
MAI 1991**



External Affairs and
International Trade Canada
Affaires extérieures et
Commerce extérieur Canada

Canada

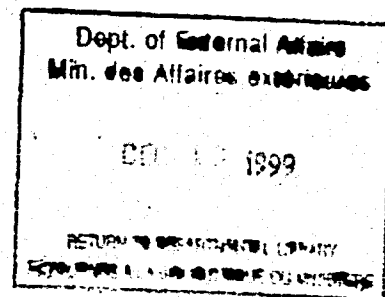
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INTERNATIONAL CULTURAL RELATIONS BUREAU

NOTE

This document is intended for discussion purposes only and does not necessarily represent the views of the International Cultural Relations Bureau. It is the result of a feasibility study carried out by Christopher Lange & Associates Limited as a follow up to the departmental Corporate Review on International Cultural Relations. It is hoped that it will contribute to the development of a policy framework as well as an operational guide on corporate sponsorship for International Cultural Relations once the internal and external consultation process on this subject has been completed.

May 1991



43-271-631

**A MULTI-YEAR CORPORATE SPONSORSHIP
STRATEGY**

**A Report Prepared For
External Affairs International Cultural Relations Bureau**

- Final Report -

Prepared by

Christopher Lang & Associates

May 1991

PREFACE

The following report offers a strategy for EAICR to partner with the private sector to increase funding. The strategy reflects a standard process which should be used as a foundation upon which to build a localized approach.

The first step is to develop an understanding and appreciation for the fundamental elements involved in approaching the private sector for support. This is outlined in the report herein. The second step is specific to ICR's objective of exporting Canadian cultural products to priority markets and obtaining funding from corporations within those local markets. This step requires that information be obtained relative to the market in which the activity will occur ie/ the cultural variables that will impact the standard process. The process must then be adapted and 'massaged' to recognize these cultural variables.

This report focuses on a standard approach to partnership with the private sector. Although it is not represented here, additions to the report should focus on the local cultural variables in the priority markets which will impact any partnership relationship.

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SECTION 1
INTRODUCTION

The sponsorship industry within Canada has increased tremendously since the early 1960's. As the level of marketing sophistication grew during the 1970's and 1980's - most notably in professional sport - so, too, did corporate sponsorship of these activities. Canada has witnessed a level of sponsorship sophistication unparalleled in other developed countries except the United States. This growth is in part because **the CORPORATE COMMUNITY VIEWS SPONSORSHIP AS A VIABLE MARKETING TOOL TO MEET SPECIFIC BUSINESS OBJECTIVES.**

Sponsorship today is more correctly termed Event Marketing which is the process which *integrates* a range of marketing elements around a central event sponsorship or lifestyle themed activity. This is vastly different from the interpretation of sponsorship as something a corporation is doing when they spend \$x dollars on an activity in return for some tickets, a reception or mention in the programming. This form of "sponsorship" is in reality a *donation* or grant and is in fact not sponsorship at all.

This distinction between "sponsorship" as a donation/grant and the *leveraging of the sponsorship through the process of event marketing* is critical to understanding the "Why" and "How" of corporate sponsorship activity. *Event marketing* - the most sophisticated form of sponsorship - *is a tool used to build business.* Corporations become involved in sponsorship because it is a unique and concrete method of building business that can be measured against stated objectives. Funding for sponsorship comes from a marketing budget *not* a donations budget which is a one time "grant".

Within as short a time frame as the last decade, even the nature of event marketing itself has evolved. Recent trends have seen a shift from being used as a tool for "differentiating a product or service from the competition" or as a means to provide a "unique experience" to special guests, sales/trade to a means to develop a "partnership" relationship with another company or to create "ownership" of an event by a company/brand or service. Consistent throughout, however, is the ability of event or sponsorship marketing to build business via sales or image related tactics in a cost effective manner.

The challenge before EAICR clients is to tap the funding of the private sector community and channel it into the development of those specific cultural products which will best promote the Canadian identity abroad. Not only can willing corporations assist through funding and support in the development and promotion abroad of our cultural products, but, so too can this relationship serve to advance and enhance foreign policy objectives of trade promotion goals. With this in mind, EAICR has requested the services of Christopher Lang and Associates, the leading Canadian event marketing/sponsorship consultant in Canada with over 25 years experience in

dealing with the corporate community , to assist in the development of a strategy to approach the private sector.

The following report presented to EAICR by Christopher Lang and Associates recommends a specific multi-year strategy to assist ICR in working with the private sector. The underlying objective is to provide ICR with the means to increase corporate funding (sponsorship) of Canadian cultural exports/properties.

SECTION 2
EXECUTIVE SUMMARY

The following summarises the multi-year sponsorship strategy outlined in full detail in Section 5. The overriding priority is the immediate need for training of all key players in the fundamentals of the sponsorship process. Furthermore, this training program must be ongoing over the next 3 to 6 years in order that the learning maintain its effectiveness in the face of staff turnover, new clients and corporate partners, as well as increasing skill level of staff, clients and corporations.

MULTI-YEAR SPONSORSHIP OBJECTIVE

To increase private sector funding of cultural products.

MULTI-YEAR SPONSORSHIP STRATEGY

Strategy Overview

To implement a multi-year corporate relations development plan consistent with foreign policy priorities and available program funding.

Sub-Strategies

- 1) Provide EAICR departmental representatives with the tools for developing an appreciation for and understanding of
 - a) the Canadian sponsorship industry;
 - b) the private sector approach to sponsorship; and
 - c) the current level of relative cultural clients' sophistication toward sponsorship.
- 2) Educate the private sector on the opportunities available for meeting business objectives through leveraging of sponsorships of the various Canadian cultural products and that these cultural organizations do indeed have products and systems in place to assist corporations in meeting their needs.
- 3) Provide Canadian cultural groups with the practical means to approach and maintain open dialogue with the private sector on matters relating to securing sponsorship funding, as well as the means to enhance their cultural product to allow for leveraging of the sponsorship from a business goal orientation.
- 4) Provide information to the missions to increase their level of understanding of event marketing in general and appropriate steps to take to carry forward with a corporate contact when seeking sponsorship funding.
- 5) Establish, commit to and actively support the development of internal and/or external support procedures to reinforce and enhance the developing relationships between Canadian cultural clients and the private sector. This demands that a decision be made by EAICR as to the level of commitment in both manpower and funding to the initial training of all key bodies (EAICR, private sector, cultural groups, missions).

SECTION 3
OVERVIEW OF EAICR'S CURRENT PROGRAMS

Reference EAICR internal document
overviewing current programs.

ICR promotes Canadian Studies in 27 countries. The program now encompasses some 4,500 foreign academics whose teaching and research about Canada reach over 150,000 students annually. They set up yearly about 200 conferences and seminars on priority themes of Canadian foreign and domestic policy. About 200 books and 3,000 periodicals and papers on Canada were published abroad in 1990 while 10 journals of Canadian Studies are now regularly published in priority countries.

Additionally, the ICR program awarded 633 scholarships to foreign scholars from 69 countries while foreign countries, in reciprocity, offered over 460 scholarships to Canadians.

Through people-to-people exchanges, 400 Canadian artistic and academic personalities participated in approximately 1,600 foreign conferences/seminars and meetings. In turn, 75 foreign cultural personalities participated in some 300 similar activities in Canada. ICR also enabled 9,500 young Canadians to spend working holidays abroad or undertake practical training in their respective fields of study while 8,000 youth from 14 priority countries were able to come to Canada for the same reason.

In dance, music and theatre, 89 grants assisted 940 artists and technicians from 5 different provinces. This gave 905 representations in 230 cities of 38 countries reaching, on average, an audience of 200 for middle size groups and 2,000 for major companies in each venue. Bookings for Canadian performers were promoted by bringing 140 buyers from 40 countries to festivals showcasing Canadian talent.

In visual arts, 41 grants enabled 100 artists from 5 provinces to participate in 40 venues in 11 countries. In literature, 135 writers from all provinces were assisted to tour in 18 countries. In film, 32 grants provided assistance to 95 film professionals from 6 provinces to tour in 15 countries. In cultural industries, 10 grants brought 35 foreign buyers to Canada. In sports, 19 grants involving 18 associations allowed 475 athletes, officials and coaches to tour in 45 countries with audiences ranging in size from 30 to 45,000 per event.

SECTION 4
CLA MANDATE

As per contract dated
February 18, 1991

To develop a plan to prepare a multi-year sponsorship strategy to further extend the opportunities that are currently available to EAICR.

The *primary objective* of this proposal is to develop a strategy to work with the private sector.

The following process will be implemented:

Research

The Contractor will work with EAITC's representative to determine the number of activities in the fields of artistic promotion, academic relations and international sports the Department is currently involved in. The Contractor will categorise these activities and evaluate them on present business objectives.

Analysis

The Contractor will, in consultation with the Departmental representative, determine the relevance of these objectives or develop new objectives to meet the present environment or demands. The Contractor will develop a set of criteria out of the objectives which would include guidelines to determine what amount of spending or percentage of total budget would be appropriate per activity category/event.

Recommendations

The Contractor will recommend:

- how best to leverage those activities which satisfy the established objectives and criteria;
- how to gracefully exit over time from those activities which do not satisfy the established objectives and criteria;
- an overall sponsorship strategy that would assist the Department in determining when to say "yes" to becoming involved in an activity, and how to say "no";
- a specific sponsorship strategy that would establish guidelines to partner up with corporations in the private sector;
- suggest practical ways the cultural clientele could engage more corporate funding.

Reports

The Contractor will provide status reports in coincidence with the schedule of reports, a presentation on research, analysis and recommendations as required prior to May 31, 1991 and a final presentation May 31, 1991.

Meetings

The Contractor, in consultation with the departmental representative, will coordinate meetings which will be required with the appropriate individuals.

Conclusion

The research study should result, in the final analysis, in a practical approach to corporate sponsorship of international cultural activities which will remain under the ownership of the Department but that will be intended for use by the departmental artistic, academic and sport clients.

SECTION 5
OBSERVATIONS ON OVERALL SPONSORSHIP ACTIVITIES

In understanding EAICR's experience with sponsorship coupled with in-depth discussions with departmental personnel, review of relative program summaries/reports and discussion with other agencies, it is apparent that EAICR's current interpretation of sponsorship is relatively narrow. At present, there is an active translation of sponsorship as being philanthropic/donation oriented where an acceptable level of corporate return on their sponsorship is limited to tickets, a reception and/or mention in the programming.

There is, however, tremendous potential for EAICR to cultivate sponsorship as an integral part of their portfolio. Opportunities exist for EAICR to develop both the internal (departmental employees, mission representatives) and the external (cultural clients, corporations) players in terms of the understanding and appreciation for the process of sponsorship and event marketing as it is currently interpreted and applied within the leading corporations today.

Within this report CLA has provided EAICR with the tools to develop this level of understanding and furthermore to partner with the private sector to obtain increased sponsorship. The first and foremost area of priority is the training of the key players. Increasing the overall level of knowledge amongst all players will create an atmosphere of acceptance and personal commitment to the significance and ongoing development of sponsorship activities. It will also assist in enhancing the terms of more effective funding disbursement.

SECTION 6
RECOMMENDATIONS

6.1 MULTI-YEAR SPONSORSHIP OBJECTIVE

To increase private sector funding of cultural products.

6.2 MULTI-YEAR SPONSORSHIP STRATEGY

STRATEGY OVERVIEW

To implement a multi-year corporate relations development plan consistent with foreign policy priorities and available program funding.

SUB-STRATEGIES

- 1) Provide EAICR departmental representatives with the tools for developing an appreciation for and understanding of
 - a) the Canadian sponsorship industry;
 - b) the private sector approach to sponsorship; and
 - c) the current level of cultural clients' sophistication toward sponsorship.
- 2) Educate the private sector on the opportunities available for meeting business objectives through leveraging of sponsorships of the various Canadian cultural products and that these cultural organisations do indeed have products and systems in place to assist corporations in meeting their needs.
- 3) Provide Canadian cultural groups with the practical means to approach and maintain open dialogue with the private sector on matters relating to securing sponsorship funding, as well as the means to enhance their cultural product to allow for leveraging of the sponsorship from a business goal orientation.
- 4) Provide information to the missions to increase their level of understanding of event marketing in general and appropriate steps to take to carry forward with a corporate contact when seeking sponsorship funding.
- 5) Establish, commit to and actively support the development of internal and/or external support procedures to reinforce and enhance the developing relationships between Canadian cultural clients and the private sector. This demands that a decision be made by EAICR as to the level of commitment in both manpower and funding to the initial training of all key bodies (EAICR, private sector, cultural groups, missions).

Sub-Strategy #1:

Provide EAICR departmental representatives with the tools for developing an appreciation for and understanding of

- a) the Canadian sponsorship industry;
- b) the private sector approach to sponsorship; and
- c) the current level of relative cultural clients' sophistication toward sponsorship.

Rationale

It is necessary for these employees to have this background in order to be able to support and commit to the development of the remaining strategies recommended herein.

Tactics

- Review EAICR Multi-Year Sponsorship Strategy giving particular consideration to the development of the event marketing industry as it has evolved from straight sponsorship/donation programs as well as the manual outlining how to partner with the private sector.
- Develop and institute a staff training and planning program on event marketing as the means to elevate the current level of understanding in preparation for addressing situations as they arise from the cultural clients. This could be a separate program or it could be integrated to current training activities.
- Training should be ongoing over the next 3-6 years in the form of retraining, advanced training and training for new staff and clients.
- Support procedures should be implemented either with the return of the "trainer" or access to a constant external source (TBD) as needed.

Sub-Strategy #2:

Educate the private sector on the opportunities available for meeting business objectives through leveraging of sponsorships of the various Canadian cultural products and that these cultural organisations do indeed have products and systems in place to assist corporations in meeting their needs.

Rationale

Corporations understand that there are many *sponsorship* opportunities available. However, many do not understand that the sponsorship can be *translated into an integrated event marketing program* which can be utilised as a viable business tool. This business tool, if developed properly can meet their business objectives.

Thus it is necessary firstly to inform the private sector of the value of event marketing (i.e., the leveraging of a sponsorship) as a tool to meet business objectives. Secondly, to give them the confidence in the sophistication of the delivery system behind the product (art, academic or sport related) they have sponsored.

Tactics

Develop a brochure as a "sell-piece" to market both the cultural products available to the private sector and the sophistication of the infrastructures behind these products which are capable of delivering a product that will meet business objectives.

Use this "sell-piece" as a means to condition the private sector to believing in and supporting sponsorship of Canadian cultural products both domestically and more specifically on the international level.

Distribution Strategy

- **Target companies** with a *demonstrated* interest in sponsorship and/or international business developments (i.e., those which have an office *already* established in another country).
 - Use foreign policy objectives to establish countries and industries of priority.
 - Use established and new information networks to access decision makers who should receive the brochure. Decision makers would include those who handle marketing, advertising and/or communications budgets.
 - Cultural clientele should include this brochure as part of either an introductory letter and/or sponsorship proposal being forwarded to a prospective sponsor.

- Provide cultural clients with access to the brochure and provide guidelines for the most effective means to use the brochure, i.e.:
 - as a stand alone education piece forwarded to a prospective sponsor as part of a two part series of mailings, the second part being the invitation on behalf of the corporation to further explain the opportunity as it relates to the product sponsorship offered;
 - as the introductory phase of a presentation to a prospective corporate sponsor and subsequently a "leave-behind";
 - as part of a sponsorship proposal kit.

- Distribute the brochure to the missions abroad as an educational tool for their own purposes and accompany it with guidelines on how to use the brochure effectively should the need arise.

- Distribute to key Canadian business councils/organisations as well as the individual cultural organising bodies within the art, academic and sport disciplines, i.e.:
 - Council for Business in Arts in Canada (CBAC);
 - national and local theatre groups
 - national and local sport groups
 - fundraising arm of universities

- The brochure should be accompanied by a letter outlining suggestions on how to use it effectively in meetings and presentations and for whom it might be of value within this organisation.

- Use existing distribution channels to create added awareness of initiatives, i.e., include the brochure as part of both Information Export and CanadExport distribution, as well as through the Canadian trade centres.

- Examples of successful sponsorship initiatives abroad should be added to brochure. Use information currently being gathered through initiatives with the Arts Majors and Canada Quest as basis for case studies.

Sub-Strategy #3:

Provide Canadian cultural groups with the practical means to approach and maintain open dialogue with the private sector on matters relating to securing sponsorship funding, as well as the means to enhance their cultural product to allow for leveraging of the sponsorship from a business goal orientation.

Rationale

Research indicates that many cultural groups understand the value of corporate sponsorship relative to their own development. However, communication may break down relative to understanding how to either approach corporate representatives and how to identify to the corporate representative the inherent or created values their product can deliver.

Tactics

- Develop and institute a training program for targeted cultural clients identified as being prepared and willing to commit to a level of product development which would attract corporate sponsors. Use foreign policy objectives and available funding to determine funded recipients and/or offer subsidised registration fees.
- Develop and distribute a step by step sponsorship manual providing practical guidelines on "PARTNERING WITH THE PRIVATE SECTOR". This manual should also provide an overview of the event marketing industry and what corporations look to receive as a return on their sponsorship investment.
- For those cultural clientele that have not already done so, encourage the development of a board of directors no matter how "small" the client. This board will a) create a perception of credibility in the eyes of a prospective sponsor and b) provide a valuable link to the corporate community.

Sub-Strategy #4:

Provide information to the missions to increase their level of understanding of event marketing in general and appropriate steps to take to carry forward with a corporate contact when seeking sponsorship funding.

Rationale

The missions are the vital link between domestic and local activities abroad. It is important that missions have the same level of understanding and commitment to EAICR sponsorship initiatives as not only the ICR departmental representatives but the corporate community and cultural groups as well. Educating the mission contacts will be key to completing the loop that begins with the cultural client through to the local corporate sponsor, for example. Consideration must be given, however, to a number of variables affecting execution at the level of the missions including their relative priorities, personal commitment to deliver, available manpower, access to information of local contacts and so on.

Tactics

- Develop and institute training seminars at priority missions in priority markets.
- Integrate training into established briefing programs.
- Training should be mandatory for:
 - Head of Mission/Ambassador;
 - Minister Consulate or the individual in charge of cultural activity; and
 - Senior Trade Representative.
- Training should include the on-site development of a sponsorship strategy specific to that local market.
- Heads of missions/ambassadors should be assigned responsibility for spearheading the corporate sponsorship drive in the mission.
- Prior to departure for Canada on assignment, Heads of Missions/Ambassadors should meet with targeted corporations across Canada to raise the profile of the ability of the missions to assist in sponsorship abroad and the related trade

opportunities. Moreover, that commitment to partnering together to meet objectives is from the top, i.e., Ambassador/Head of Mission.

- Training should be integrated over the next 3-6 years with specific programs for retraining, advanced training and training for new mission staff and clients.
- Support procedures should be implemented in the form of either the return of the trainer three or four times or access to a constant external source (TBD) as needed.
- Use both the brochure (Recommendation #2) and the manual (Recommendation #3) as the information pieces. Accompany these pieces with a letter of explanation providing guidelines on how and when to use both pieces.

Sub-Strategy #5:

Establish, commit to and actively support the development of internal and/or external support procedures to reinforce and enhance the developing relationships between Canadian cultural clients and the private sector. This demands that a decision be made by EAICR as to the level of commitment in both manpower and funding to the initial training of all key bodies (EAICR, private sector, cultural groups, missions).

Rationale

The success of the tools provided herein (marketing brochure and step by step manual) is directly dependant upon the level of commitment to their active implementation into the system and their use.

Tactics

- Set up a *program champion* to initiate and lead the development of the recommendations provided herein. This could be achieved by:
 - creating an EAICR sponsorship department with fulltime resources committed to achieving stated goals; or perhaps more realistically,
 - appointing an individual as an internal Program Champion who will act as key liaison with all groups. This individual should participate in training seminars and have an in-depth understanding of the various cultural clients from each department. Guidance should be provided to cultural groups in their initial and ongoing efforts.
- Integrate education seminars on the event marketing process into established training programs. The seminars should be made mandatory for:
 - EAICR department representatives;
 - targeted cultural clients receiving a base level of EAICR funding (to be determined); and
 - key missions targeted as playing a vital role in the link to advancement of event marketing efforts (i.e. Eastern Europe).

These are outlined more specifically in the tactics of sub-strategies 3 and 4.

- Consider the development of sponsorship incentive programs, i.e., reference ABSA and BCA awards, programs such as "dollar matching" incentives and "Bovey Report" Recommendation #21 (Funding of the Arts in Canada to the Year 2000).

- Consider the feasibility of acknowledging excellence in sponsorship by Canadian companies with the established Export Awards program and the Financial Post awards program.
- Consider the development of a media relations program to enhance awareness of sponsorship activities through credit in the media. Reference ABSA's success in their campaign for crediting sponsors.
- Use the Relative Value Assessment model and/or the Selection Criteria model (see Appendices 10.1 and 10.2) provided herein as a means for assisting in establishing criteria for funding. These models focus on those elements of a sponsorship which can satisfy business directives.

These models *do not* judge the cultural value of an activity and thus are not to be considered a tool to rationalise funding on the basis of cultural value.

These models *do* assist in establishing whether or not the activity currently has the potential to develop those elements which will attract private sector funding, i.e., whether or not the activity is marketable as defined in event marketing terms.

- Use the Relative Value Assessment/Selection Criteria model as a means for assisting in determining when to reduce or eliminate funding for a particular activity.

These models will provide assistance to EAICR in that, where a decision must be made to reduce or eliminate funding, EAICR can use these models to assist in determining which activity has the inherent or potential elements necessary to attract corporate sponsors.

- Establish semi-annual review procedures.

The semi-annual reviews should include an assessment of progress to date on a more global scale including feedback from both internal representatives as well as missions, cultural clients and follow-up with contacts in the private sector.

- Develop partnerships with established domestic and international organisations to assist in the development of key contacts at targeted corporations. For example, with regard to exporting of art related products, EAICR might consider developing a relationship with CBAC or a similar organisation - provided that CBAC is capable of assisting EAICR in meeting foreign policy objectives. At present the CBAC operates with a staff of three and a mandate to assist in the partnering of business in the arts in Canada. EAICR might consider initial training of the members to bring

them to the level of understanding concurrent with EAICR departmental representatives, missions abroad, cultural clients and targeted corporations. EAICR might then commit seed funding to the further development and extension of CBAC to include a mandate for international development. This development could be linked through an established international network of 15 affiliated associations and is a natural extension of the domestic activities.

Similar relationships might also be fostered with the Canada Council, BCA, BCNI and Canadian trade associations as well as established organisations within the academic and sport disciplines.

This initiative should be supported in its initial years by the EAICR program champion. The long term goal is to transfer the funding leadership of the sponsorship initiatives at the international level to the relative bodies and/or private sector with ongoing support from EAICR.

- Use established/planned activities (conferences, seminars, meetings) as a forum for obtaining feedback/direction on the recommendations herein and for creating awareness of EAICR's long term objective and commitment to increasing private sector funding.
- Continuously add information to the Step By Step Manual in terms of providing additional learning that will increase the likelihood of obtaining private sector funding. For example:
 - add case studies of successful sponsorship initiatives (EAICR research in progress);
 - add feedback from missions on cultural variances that could impact sponsorship;
 - add feedback from any relevant conferences, seminars, etc.

SECTION 7
ACTION PLAN

The recommended action plan is based on the acceptance of the strategy and tactics provided in Section 6. Obviously, adjustments to the action may have to be considered given the inability to move forward on any one of the recommended tactics.

7.1 SHORT TERM ACTION PLAN

ITEM	1991						
	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1. Review recommended strategy and tactics with key groups both domestically and abroad to obtain feedback.			✓				
2. Determine EAICR manpower and financial commitment to implement recommendations.			✓	✓			
3. Assign a Program Champion.			✓				
4. Develop a detailed workplan reflecting manpower/financial commitments.				✓			
5. Obtain feedback on recommendations, manual and brochure outline from mission representatives.	✓	✓	✓				
6. Obtain feedback on recommendations, manual and brochure outline from delegates at international conference being held in the Fall of 1991.			✓	✓			

ITEM	1991						
	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<p>7. Begin development of training program planning, i.e., who will receive training (priority is EAICR and missions), with intention to implement program beginning of 1992. Consideration must be given to the:</p> <p>a) extensiveness of training (3hrs - 3 days) and who should receive what amount, i.e., certain individuals may only need an overview or "mind flip" to accept the concept of sponsorship whereas others will need the full training in order to be able to implement it;</p> <p>b) level of departmental involvement, i.e., will department representatives take a "hands-on" approach and actually sit down with their clients and help develop a marketing plan or will they only reference the manual to them;</p> <p>c) level of support to be made available, i.e., three or four return visits by "trainer" or access to a constant external source.</p>				✓	✓	✓	
8. Adapt the Step By Step Manual for planned distribution to priority areas and to reflect foreign policy objectives.					✓	✓	✓
9. Adapt the "marketing brochure" for planned distribution to priority areas and to reflect foreign policy objectives.					✓	✓	✓

7.2. LONG TERM ACTION PLAN

ITEM	1992		1993		1994	1995
	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	1995	1996
1. Implement training program within EAICR, targeted missions and other groups (*Distribution of Step By Step Manual and final brochure included in training kit).	✓					
2. Distribution of final version of Step By Step Manual and marketing brochure to targeted cultural clientele.	✓					
3. Distribution of final version of Step By Step Manual and marketing brochure to established channels through distribution, i.e., ISTC.	✓					
4. Revisit EAICR, missions and other groups providing retraining, advanced training and training for new staff, new clients or corporations.		✓				

ITEM	1992		1993		1994	1995
	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	1995	1996
5. Establish and implement a communication program to cultural clientele discussing <i>long term</i> objective of increasing private sector funding via successful event marketing strategies. The objective of the communication program is to advise cultural groups that EAICR will continue to fund those activities, which by nature of their activity, do not have "products" which can be cultivated for sponsorship and, as a matter of necessity, EAICR will <i>gradually reduce</i> (not eliminate) funding to those activities which have the capability to receive assistance from the private sector. Note: EAICR is providing tools to cultural groups to assist them in obtaining this funding.		✓				
6. Program review/audit/next steps.		✓				
7. Actively work with targeted groups to assist in skill development.			✓			
8. Revisit EAICR, missions and other groups providing retraining, advance training and training for new staff, new clients or corporations.			✓			

ITEM	1992		1993		1994	1995
	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	1995	1996
9. Begin development of extensive objective and subjective internal program review to determine which programs should receive funding as follows: a) long term support; b) reduction of support by 1994 (relative to ability to secure private sector funding); c) seed money only.				✓		
10. Program review/audit/next steps.				✓		
11. Begin implementation of revised funding procedures (based on ability to implement training program in 1992 and communication program).					✓	
12. Revisit EAICR, missions and other groups providing retraining, advanced training and training to new staff, new clients or corporations.					✓	
13. Revisit EAICR, missions and other groups providing retraining, advanced training and training to new staff, new clients or corporations.						✓

Form 875 G (5)
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MONTREAL - TORONTO

SECTION 8
STEP BY STEP MANUAL TO PARTNER WITH PRIVATE SECTOR

PARTNERING WITH THE PRIVATE SECTOR

**A Step by Step Manual
to help understand sponsorship from the corporate point of view
and practical steps to partner together to meet mutual objectives**

Prepared for

External Affairs International Cultural Relations Bureau

by

Christopher Lang & Associates

May 1991

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The Wilkinson Group - David G. Wilkinson

For providing valuable insight on the level of sponsorship sophistication outside North America as well as guidance on training opportunities. His input is based on practical experience obtained from presenting and leading training initiatives on the event marketing process worldwide.

INTRODUCTION

i) WHO SHOULD USE THIS MANUAL?

Any group, organisation or individual who would like to approach private corporations for funding of an activity or who would like to enhance current funding.

ii) WHAT WILL THIS MANUAL HELP YOU DO?

This manual has been developed and provided with the intention of sharing a standard approach or process to partnering with the private sector with various cultural clientele (arts, academic or sport groups). This approach has evolved over the last 30 years in Canada and has become an accepted standard method of practice among corporate leaders in event marketing (Petro-Canada, Canadian Tire, Coca-Cola, etc.). This process is consistent for all disciplines (arts, academic or sport) and within any industry. The variables which *do* affect the process are 1) the individual who should receive your proposal (i.e., marketing, public relations, sales, CEO); and 2) the current level of sophistication relative to the practise of sponsorship within that corporation.

"Partnering With the Private Sector" provides you with the general background on the development of this process, as well as the key steps to practice it.

This manual first takes you through the background of sponsorship as an industry to understand how it has evolved over the last three decades and the kind of role it will play in the 1990's (Section 1). Secondly, we look at sponsorship from the viewpoint of the corporation considering why corporations sponsor events, how their needs and objectives are changing and we provide practical tactics that you can utilise to increase the value of your event (Section 2). Next we take you through a step by step process to partnering with the private sector. This process outlines from start to finish the generic practice of approaching, securing and maintaining corporate sponsors (Section 3).

The last three sections (Sections 4-5) provide you with specifics of varying industries and how you might change your approach when dealing with corporations in those industries, where to access corporate contacts and where to look for support systems in a number of countries around the world.

iii) HOW TO USE THIS MANUAL

Read Section 1 - *Understanding Sponsorship/Donations* to review how sponsorship is defined within the corporate community and the role it plays within the larger field of marketing and communications. The value in understanding this section is that it prepares you for understanding where sponsorship has come from, where it is today and the comparative level of development of you and/or your organisation/activity.

Read Section 2 - *Understanding Event Marketing: the corporate process to leverage sponsorship* to review how corporations view sponsorship in the 1990's (event marketing). The value in understanding this is that it will provide you with a full background on the development of the event marketing and sponsorship industries. This will help you to evaluate, once again, where you and/or your organisation/activity fit relative to what the current corporate expectations are. This section will also provide you with information to preface any sponsor package presentation with a look at the current industry trends.

Read Section 3 - *Understanding Why Corporations Sponsor* to review the specific business objectives that can be met through a properly leveraged sponsorship. The value of this section is that it provides you with proven tactics to meet these business objectives that you can either highlight to a potential corporation as something they might do for themselves and/or you could make them part of your sponsorship package offer.

Read Section 4 - *Consider Your Sponsorship Offer from the Corporate Viewpoint* for a detailed look at the process that your prospective sponsor might be using in evaluating your sponsorship opportunity. The value of this section is that it provides you with an "acid test" to apply to your sponsorship package to better evaluate how it will be perceived by the corporate community, i.e., does it have the potential to meet business objectives or would sponsorship of this activity be better described as a donation?

Read Section 5 - *Understanding the Event Marketing and Sponsorship Process* for a detailed outline from A-Z on how to approach, secure and maintain corporate sponsors. This section is particularly valuable in that it lays out, step by step, using very basic terminology, the elements to partnering with the private sector. These steps are proven successful and, more importantly, are accepted and expected by the members of the corporate community with whom you will be approaching. This process is flexible and will have to be adapted to the level of event marketing/sponsorship sophistication of the corporation.

Read Section 6 - *Resources Available To You* for a listing of organised bodies and companies available to help you with particular elements of your sponsorship program. The resources range from within Canada and abroad.

Read Section 7 - *Sample Reference Materials* on an as-needed basis. These formats are taken from actual Canadian event marketing programs held within the last three years. You should use only those elements which apply and add/delete other elements as necessary. In reviewing these formats, you may feel burdened by too many organisational tools; however, it is important to remember that the sharing of these organising devices amongst your team and your sponsor's team will help to maintain, not only a level of confidence in your ability to deliver, but it will also reinforce the professional, caring image of your event. They also *work!*

SECTION 1
UNDERSTANDING SPONSORSHIP/DONATIONS

1.1 WHAT IS SPONSORSHIP?

The misconception - donations equal sponsorship (sponsorship is not a donation).

Sponsorship is often perceived to be the process whereby a corporation provides funding for an activity. This activity has many forms and could include funding of a university research program, a local theatre group, a national sport group or team and so on. Sponsorship as it is understood in this format does not necessarily require that the corporation receive anything back in terms of a return on their investment beyond perhaps a few tickets to the opening show/match, an invitation to the post-event cocktail reception and/or corporate recognition in the event brochure. This form of "sponsorship" is, in actuality, a *donation*. The funding activities where there is no expected return on investment typically comes out of a corporation's donations budget.

Sponsorship, in the truer sense of the word, is a planned strategic financial investment in an activity (similar to that funded by a donations budget) in which there is an expected return on investment. The funding for sponsorship typically comes out of a marketing, advertising, public relations or other communications budget.

The return on investment will have a different meaning for each company including one or more objectives of sales, image, product sampling, business to business, etc. and is dependant on:

- a) what the event organisers are willing and capable of guaranteeing;
- b) what the corporation has asked for;
- c) a combination of a) and b) resulting from negotiations between the two groups.

Specific examples of what different corporations look for as a return on investment are reviewed in detail in Section III under "What are corporate objectives for sponsorship?". For example, if a corporate objective is image, the sponsorship contract might include title or category exclusivity; if a corporate objective is sales, the sponsorship contract might include right to execute promotions (sales, trade, consumer) and/or a block of 100 tickets per show; if the corporate objective is business to business, the sponsorship contract might include 10 VIP tickets to each show plus attendance by the star performer at a private reception or any combination of the above.

1.2 HISTORICAL DEVELOPMENT OF SPONSORSHIP AND CURRENT PRACTICE.

The specific kind of return on investment has held a different level of priority over the years as sponsorship has evolved and sophisticated. As the nature of the corporation evolved and changed to meet current marketplace needs, so too did the sponsorship process to adjust to meet these changes.

In the *1960's*, corporations within the tobacco and liquor industries used sponsorship of events as a tactic to *create awareness* for their product to overcome government legislation banning usage of traditional advertising media (i.e., television, radio, print). For example, Players began sponsoring tennis and Rothmans sponsored auto racing. The *rationale* for why one tobacco company sponsored tennis and another auto racing was usually *emotionally based* and typically from the *top down* - the president or CEO of XYZ corporation had a daughter in tennis and thus, being familiar with the sport, was naturally aligned to the event sponsorship. This approach was not limited to sports sponsorship only. It also included the arts such as ballet or theatre.

This *philanthropic top-down* approach was consistent by virtually all companies who sponsored events or programs and within any industry. Sponsorship was not considered a marketing expense or as a viable business-building tool. It was usually an emotional response by a corporate executive with the *funding* typically coming from the corporate *donations budget*.

In the *1970's* and into the *1980's*, the use of sponsorship became recognised as a tool that could be used to obtain *image* as well as sustain *awareness*. Package good companies began to recognise that sponsorship could be an effective means of creatively reaching both its key retailer (point of distribution) and consuming public.

Major brands in highly competitive categories (i.e., Pepsi and Coke) led the package goods marketplace in sponsorship. Their focus was to own certain properties and effectively block its competition from participation/association with that activity. It was a key component of the "Cola Wars".

Into the *1980's*, other products turned to sponsorship for *awareness* and as a *point of differentiation*. The retail trade was becoming inundated with "more of the same" - allowances, coupons, contests. Advertising mediums were becoming very cluttered as networks were more interested in generating revenue than worrying about the perception of its viewing public. Sponsorships, on the other hand, offered something new and different, capturing broadscale retailer and consumer awareness and interest.

Toward the mid to late 1980's, marketers of companies within highly concentrated Canadian retail industries (i.e., grocery, banking, petroleum) turned to a more sophisticated integrated form of sponsorship to develop niche/ownership positionings and draw on its target consumers' emotions to create interest. In markets where location and price are key variables for purchase, the challenge has become how to drive volume without relying totally on price cutting and reduced margins.

Thus, the last decade has seen tremendous sophistication not only in product marketing, but in service marketing as well. The communication clutter has forced corporations to scrutinise their spending and obtain a stronger return on their sponsorship investment.

The leveraging of these sponsorship investments has become a recognised industry in its own right and this is known as *event marketing*, i.e., *what is done "around" the sponsorship to leverage the investment*.

TREND	TYPICAL SPONSORS	FOCUS OF SPONSORSHIP	EXPECTED RETURN ON INVESTMENT
1960's Donation "Sponsorship"	Tobacco Manufacturers - Players - Rothmans Liquor Manufacturers - Molsons	Tennis - Players Challenge Auto Racing - Molson Indy	- awareness
1970' and 1980's Increasingly Integrated Sponsorship	Packaged Food Companies - Pepsi/Coke - Procter & Gamble Retail Service Industries - Banking (Royal Bank, CIBC) - Grocery (A&P, Loblaws) - Petroleum (Petro- Canada, Shell, Texaco)	Athletes/Sport - Ben Johnson auto racing baseball hockey Olympics Music - orchestra series concerts	- awareness <i>and</i> image - create a point of difference in a cluttered retail environment - create ownership and niche marketing
1990's Event Marketing	Retailers - banking, grocery, trade, petroleum industries Manufacturers - Reebok	Art Community/ Grassroots Sport Academic	- makes good business sense - strong ROI leading to sales

It is important to understand that, while these corporations had a defined rationale for sponsoring a particular event and a specified expected return on their investment, the understanding and commitment to obtaining that return was not as sophisticated as it is today in the 1990's. In the face of a recession, increased competition both domestically and internationally, corporations today are reluctant to spend where there is no solid return. The impact of this changing attitude on sponsorship (straight donation and marginal return for sponsorship dollars and event marketing sophistication) is such that corporations are demanding higher and higher returns on their investment. The sponsorship dollar no longer comes out of the donation budget but rather the marketing or communications budget where there is a predetermined and expected ROI consistent with the corporation's marketing strategy.

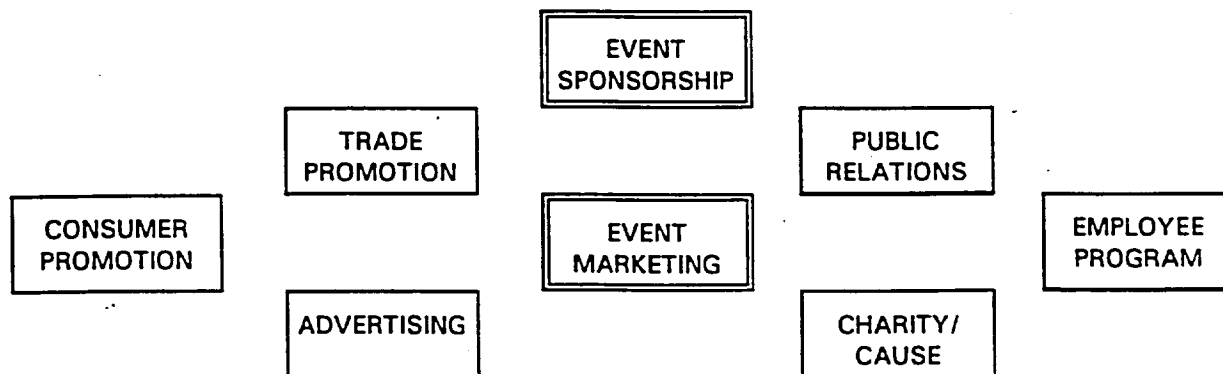
SECTION 2
UNDERSTANDING EVENT MARKETING
The Corporate Process to Leverage Sponsorship

2.1 WHAT IS EVENT MARKETING?

Event Marketing is the process which integrates a range of communication elements behind a central event or lifestyle *themed* activity.

Thus, it is not only the sponsorship of an event, but all the surrounding activities conducted to "leverage" or get value back from the event, i.e., trade/sales and/or consumer promotion, advertising, etc.

This process of integration provides the focus for corporate communication activities around the sponsored event where there is a naturally existing emotion which can be leveraged. It capitalises on that emotion to convey key business messages to specifically targeted groups, with the objectives of influencing purchase decision, corporate image, brand awareness, etc.



A sophisticated and total event marketing program would use the sponsorship of an event as the driving force behind a synergistic communications program. Each of the above-noted represent elements of the communication mix and when themed around one event lead to a synergistic and effective marketing/communications program.

2.2
**WHAT IS THE DIFFERENCE BETWEEN
SPONSORSHIP AND EVENT MARKETING?**

Event marketing is a sophisticated, integrated process used to leverage a corporation's financial investment of a sponsorship. It requires an *additional* investment over and above the sponsorship cost.

Sponsorship is only one element of event marketing. Sponsorship alone provides no real value in terms of business building objectives unless it is leveraged across other elements of the communications mix (advertising, public relations, hosting, promotion, etc.)

2.3 ESTIMATED INDUSTRY SIZE (1990)

North American companies currently spend approximately \$4 billion on sponsorship rights alone and another combined \$12 billion on event marketing to leverage these rights for a specific return on investment. The ratio by country is as follows:

	CANADA	UNITED STATES
Sponsorship	\$800 million	\$3 billion
Event Marketing	\$2 billion	\$10 billion
# of Companies Sponsoring Events	680	4000
Percent Spending Increase	+ 22	+ 20

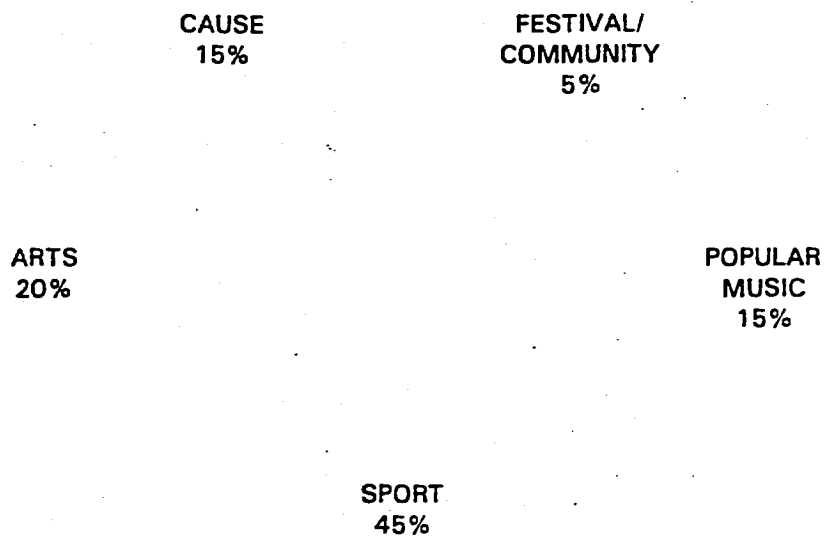
The ratio of sponsorship spending alone and that which is spent to leverage a sponsorship (event marketing dollars) is important for sponsorship "sellers" to appreciate.

Sophisticated event marketers should spend at a ratio of 2 or 3:1. In other words, for every \$1 spent on obtaining sponsorship rights a corporation should spend \$2 to \$3 leveraging those rights to obtain maximum return on their investment. Thus where \$800 million was spent on sponsorship in 1990, \$2 billion was spent leveraging that sponsorship to obtain a meaningful return on the investment.

This value for event organisers is significant. Any additional spending by a corporation above and beyond the direct sponsorship serves to further promote the event/activity. The event organiser has significant impact over the use of this extra spending through contract stipulations. It is important to work with a sponsor to provide them with appropriate sponsorship rights so that they are able to leverage their investment, i.e., right to run a promotion, guarantee of tickets, right to use event logo, etc. Increasing the commitment and involvement of the corporation in the sponsorship process will help in bringing corporations additional corporate dollars to the event. How to involve the corporation in this process is explained in detail in Section 4.

As indicated by the chart above, corporate sponsorship has increased significantly. Sponsorship is a legitimate tool that corporations use to meet real business objectives. The challenge and opportunity for event organisers is to present a solid business case to the corporation for sponsoring their event. The following outlines where corporate

spending has been focused but by no means suggests that shifts in spending may not occur as each area increases their ability to meet standard corporate objectives. (These standards are outlined in detail in Section 3.)



2.4 WHY SPONSORSHIP AND EVENT MARKETING ARE GROWING; CHANGING CORPORATE ATTITUDES

Recent trends in the marketplace have led some corporations to turn to sponsorship as a means to address their business needs. In understanding and appreciating the current marketplace trends, you will better understand why a certain corporation may ask for certain conditions on their sponsorship agreement, or better yet you can proact to offer solutions to their current needs.

The growth in sponsorship and event marketing can be attributed to five major trends in the marketplace.

Increasing Communication Clutter. Event Marketing is unique, exciting, tangible and emotional. Corporations wanting to differentiate themselves or their products from the competition can use events targeted at their key groups (trade, sales, consumer) to rise above the clutter. Canadian Tire had an objective of creating an image whereby Canadian Tire was "more than just tires" and in fact, one of the dominant Canadian bicycle retailers. Canadian Tire used event marketing to accomplish this image and other business objectives (sales, awareness) by creating and owning the Canadian Tire Cycling Series - a series of 5 internationally renowned cycling races in major cities across Canada.

Market Segmentation. Geographically and psychographically, Canada is divided into numerous market segments that demand specific marketing strategies and tactics. Event marketing helps corporations reach these fragmented groups in a cost efficient and synergistic way. The Canadian Tire Cycling Series stretches through Vancouver, Winnipeg, Toronto, Ottawa and Montreal, integrating the corporations' communication and marketing efforts from coast to coast.

Trade Domination. The last decade has seen a significant rise in strength from Canadian retailers across all industries who are in control of the product distribution network. Corporations continually search for new and effective tactics to reach the trade and influence buying decisions. Events offer entertainment and promotional opportunities for building trade relationships and creating "excitement" at store level. Corporations can substitute a straight dollar "buy-out" with a less expensive but "once-in-a-lifetime" opportunity that facilitates customer bonding/relationship building and hence purchase decisions. The "diet Coke Wayne Gretzky Spring Breakaway to L.A." offered diet Coke's

key retailers a chance to win a week with Wayne Gretzky and his wife Janet Jones Gretzky in exchange for meeting a pre-determined sales quota. The emotion of a "once-in-a-lifetime" event was leveraged to meet sales objectives.

Brand Loyalty Erosion. Consumers are increasingly becoming sophisticated purchasers and less likely to remain loyal to a brand if a competitor's price is the same or lower. Corporations can use events to create a strong *emotional* appeal and a "tangible" experience for the consumer that adds value to the purchase beyond that of a competitor. Hockey enthusiasts across Canada would rather buy Coke than Pepsi, if it enables them to get a chance to participate in Wayne Gretzky's "Future Stars" Hockey Clinic.

Bottom Line Requirements. Event Marketing offers a cost effective and synergistic process to reach the target group. Integrating all the traditional elements of the communication mix (advertising, consumer, trade and sales promotions, etc.) under one themed event "umbrella" allows for cost efficient spending and enhances the ability to leverage the investment overall.

SECTION 3
UNDERSTANDING WHY CORPORATIONS SPONSOR

3.1 WHY DO CORPORATIONS SPONSOR EVENTS?

To build their business.

As discussed in Section 1, in the 1960's and 1970's it was commonplace for corporations to sponsor events/activities for no other reason than perhaps the personal interest of the company president. Corporations also have traditionally made a straight donation to an event or activity and called this process "sponsorship" despite return on their investment being limited to tickets or company mention in the event brochure.

In the 1990's, corporations today sponsor events/activities when it makes good business sense. What makes good business sense will vary from corporation to corporation depending on:

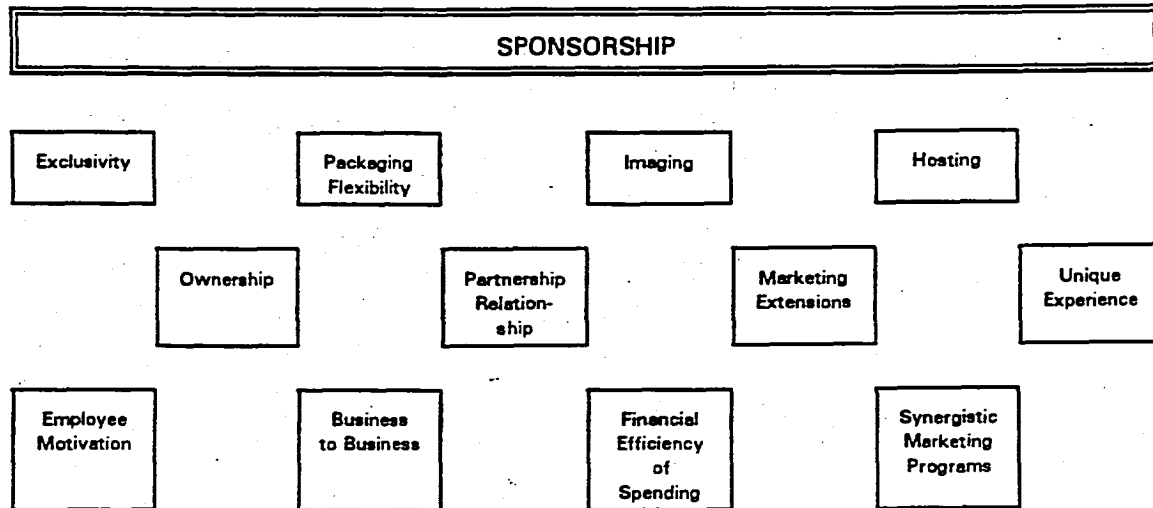
- their current internal level of sponsorship sophistication; and
- their specific business needs relative to image, sales, etc.

What corporations look for.

The following outlines business objectives that, our experience indicates, corporations try to meet via sponsorship of an event. Corporations may focus on one or more of these objectives. This section should be used as reference when researching a particular corporation for potential sponsorship as recommended in Section 5.2 - Step 4.

Event organisers should consider which of the following objectives can be satisfied through a sponsorship of their event. The next step would be to approach those corporations who have been identified as having a need to fulfil that objective and then present the case for sponsorship of your event as the means to achieving X, Y or Z business objective.

Each objective is identified and tactics to achieve it are recommended. It is important to remember that these objectives are not bound by industry, company or country; rather, they are common to all. Their relative importance is dependent upon the corporations' specific business needs/opportunities within the marketplace in which they compete.



Remember:

- Sponsorship is used as a means to build a corporation's business.
- Each one of these elements is an important element in the sponsorship strategy - no one consistently being more valuable than another. The relative value as a means to improve business is determined by the situation of that particular corporation in today's marketplace.
- The more clearly the corporation has identified reasons for their sponsorship participation, the more positively the sponsorship will impact their business. While the onus for development/execution of certain tactics will be the responsibility of the corporation, it will enhance the perceived value of the sponsorship if they are identified within a sponsorship package.

3.2 WHAT ARE CORPORATE OBJECTIVES FOR SPONSORSHIP

EXCLUSIVITY/CATEGORY EXCLUSIVITY

Where only one company in a specific industry is permitted to participate in the sponsorship.

This allows for a unique point of difference for that company relative to their competition. This is especially important in the cluttered retail and packaged goods environments, where traditional advertising mediums do not effectively reach the defined audiences. The exclusivity clause is an important selling feature of any sponsorship activity.

Tactics for Exclusivity Objectives

Proposal outline. In the outline of your presentation make sure you state that each sponsor will have category exclusivity. This should be further explained to indicate what categories of sponsorship are being pursued (auto, jewellery, petroleum, airline, shoe manufacturer, etc.). It is acceptable to pursue more than one company within the industry providing that you allow that company which you have approached first, first right of refusal. Upon rejection of Company #1, you can open the offer to Company #2. Obviously, Company #1 has been researched as having the best fit with your product and the most likely to accept.

Slogan. An added feature that may be appealing to a corporation is to phrase their association in such a way that it is clear they are the only sponsor in that category. Typical usages are "Timex, the official watch of ____", i.e., "(corporation), the official (product) of (event)".

Event brochures, radio or print media. When listing your sponsors on your event brochure or in your newspaper, print, radio media you should consider how you can make your sponsors feel that they are receiving special mention. Make sure that wherever space permits, you include any slogans that may have been developed. If your key sponsor has not approached you with this, you may wish to proact and ask if they would like to be recognised in that way. Most corporations will have an internal policy on how, when and where the company name can be used so you should not assume this will be appropriate.

Sponsorship cost. Consider the dollar value of the exclusivity that you are offering. Some companies may insist on being the only sponsor of the event. This carries with it a higher dollar value in sponsorship fees. Companies typically demand this to create a very strong association of their name with the event. It is normal to expect that, after the second or third year, the company may then ask that sub-sponsorships be offered to other companies in non-competing industries. This is done to share some of the costs of sponsorship and/or program extensions that have been developed (see marketing extensions in this section). For example, in Years I and II of the Coca-Cola Classic Futures Stars Hockey Program, Coke maintains sole sponsorship rights; for Year III Coke will offer sub-sponsorships within both Canada and the U.S. as a means to lay-off costs now that their name, "Coca-Cola", is synonymous with the event.

OWNERSHIP/NICHE OWNERSHIP

Either the "real" or "perceived" image of owning a property.

Companies want the image of owning a property, or at least in the perception of its target audience. A natural association with a particular activity is ideal for business building, particularly when the sponsor's name is included in the event title (i.e., Sun Life Skate Canada, Royal Bank Gold Orchestra Series, Petro-Canada Olympic Torch Relay, Labatt's Blue Live).

"Niche" ownership may enable more than one real owner of the overall event, but from the perception of their target audience, they are most clearly associated with the property (i.e., Kodak and Coke were *both* official film/soft drink of the 1988 Olympics, however, each held "niche" ownership from the perception of their respective target audiences).

Tactics for Ownership/Niche Ownership

Title sponsorship. Offering title sponsorship in the sponsorship package is an effective tool for creating ownership. Corporations can then spend additional advertising dollars to promote this association and/or they should receive mention in all media communications put forth by the event organiser.

Category Exclusivity. Offering category exclusivity is an effective means to allow the corporation to create a perception of niche ownership. The corporation and/or event organiser will promote the corporation/product as being *the* official sponsor of X. When accompanied with title sponsorship this is a very effective means of creating total ownership of an event. The responsibility for leveraging the purchase of these sponsorship buys relies mainly on the corporation. However, it is in the best interest of the event organiser to add to this effect wherever possible by doing the following: 1) always refer to the event in its full title in both print and verbally; and 2) follow up on and correct any misrepresentations by other sponsors in their own communications regarding the event.

PACKAGING FLEXIBILITY

The ability for the corporation and event organiser to work together to shape the sponsorship package to best meet mutual needs.

Ideally, a corporation should spend time at the outset of the sponsorship negotiations "shaping" the terms of the contract (i.e., what will be offered and guaranteed to them - signage, soloists for a reception, media, title sponsorship and so on). It is important for the corporation to *invest this time up front* as it will facilitate both the development of a positive working relationship with the event organiser and it will allow for the inclusion of only those elements which will serve to further advance the specific business objectives.

Tactics for Packaging Flexibility Objectives

Proposal planning. This requires careful planning on the part of the event organiser to ensure that, when they are approaching a corporation with a sponsorship opportunity, the timing of the offer is consistent with the corporation's communication/marketing planning schedules. It is necessary to understand when a corporation puts their yearly plans "to bed". In some cases, a corporation may have all 1992-93 plans and budgets confirmed by the spring of 1991. Thus the event organiser must present the opportunity well in advance to allow for:

- careful consideration of the opportunity
- back and forth negotiations/discussion on the sponsorship package
- internal approval process at varying levels/departments within the corporation
- budget allocation.

All too often a sponsorship proposal is rejected on the sole basis of the decision time being "rushed" or the offer coming too late - not because the opportunity is inappropriate.

Refer to Section 3 - Step 1 *Workplan Development* for a suggested planning schedule.

As discussed in Section 1, corporations should spend a minimum of \$2-3 for every \$1 of sponsorship. This is a substantial investment for any corporation and thus being involved with the program from inception provides greater negotiation and returns from a corporate point of view.

Present to the corporation at the conceptual level. While it is the norm to take a sponsorship proposal to a corporation after the major details of the tour or programs have been developed, it also makes sense and is acceptable to approach a corporation at the conceptual level. This adds to a greater sense of personal ownership and development from a corporate point of view and may even facilitate a larger commitment, financially and in terms of time, effort and manpower.

Cooperation/Adaptability. Be prepared to *work with* your corporate sponsor to create a package that best suits their current business objectives. Showing commitment to appreciating and understanding their need to create/add/delete certain elements of the sponsorship package will reinforce your professionalism and dedication to satisfying your sponsor. This will go a long way in paving the way for a good working relationship. Moreover, should any "mishaps" occur resulting from circumstances beyond your control or otherwise, your sponsors will be more apt to assist in remedying the situation and/or remaining on board for future years.

Sponsors can be extremely demanding and it is often very difficult to say "no" to their requests without feeling guilty or that you may be jeopardising the present and/or any future relationship. For this reason, it is critical that the specific services/package elements be contained in detail in the written contract. However, when dealing with a new and as yet unproven art form, academic program, etc. it may be necessary to make concessions in the first year to gain new sponsorship support. Make note in the contract that in Year II these provision may change, i.e., Year I: reduce sponsorship fee to minimise investment risk; offer to execute certain sponsor elements like a hosting reception, distribute pamphlets on site, paper the neighbourhood with posters advertising the event, prepare and proof the copy on their corporate selling piece, etc.

"PARTNERSHIP" RELATIONSHIP

The "partnering" or linking of groups around a common sponsorship to further advance mutual business objectives.

Sponsorship involvement can create unique opportunities for the development of "strategic alliances" or partnerships that may not otherwise be formed so easily. The common bond, therefore, is the sponsorship, which ideally is meeting both corporate and/or corporate/public sector needs.



Tactics for "Partnership" Relationship Objectives

Defining the common link/need. The event organiser should consider what value can be derived from involving both government and corporations in the sponsoring of an event. This requires the careful consideration of their relative objectives and then the development of an opportunity to meet these needs.

Consider the following:

Image improvement/credibility can be enhanced by sponsoring a program that is endorsed by the government and/or an accredited association, i.e., Crest Toothpaste is endorsed by the Canadian Dental Association. This offers credibility to both the product and any event it is associated with. Corporations will feel an added sense of investment security in knowing the program is endorsed by an accredited, recognised body. Participation sponsor?

Address a current issue. Both government and corporations may have a need to be perceived as addressing a current public concern or issue, i.e., child safety, university funding. In many cases a program may be created by either the government or the corporation each sensing the other's support. For example, the Canadian Tire Child Safety Program is endorsed by the CACP (Canadian Association of Chiefs of Police).

In other cases, an event organiser may have the event which addresses the government or business need. For example, the Toronto Symphony Orchestra's

current European tour meets elements of foreign policy and that of the local sponsor.

Networking. Companies touring abroad which are supported in part by the federal government allow for the opportunity of linking senior corporate personnel with local high ranking government officials.

IMAGING

The use of sponsorship to enhance a corporate image nationally and/or within the community in which the event takes place.

The public perception of a company can be influenced significantly (both positively and negatively) based on the selection of event involvement. For example, with the recent worldwide focus on the environment, corporations have tried to select relevant issues to their business and attempt to address them in a positive light. However, if focus on the issue results in an emotional response from the public, the impact can be negative on corporate image. Of note, Procter & Gamble has had to be particularly conscious of the public perception of solid waste management as it pertains to diapers, whereas the actions of oil companies have been under scrutiny due to massive oil spills like the Exxon Valdez incident.

Sponsorship can be used to meet varying image objectives:

- Create or enhance a certain image of a product or brand.
 - e.g.: Gucci sponsors polo to create an upscale image whereas Timex ties into more sporty/active lifestyle oriented events (i.e., waterskiing).
 - e.g.: Petro-Canada recently sponsored the Jane Goodall series of animal books creating an image of goodwill and environmental caring.
- Improve or develop community relations and presence in the community.
 - e.g.: Petro-Canada sponsors local softball teams across Canada creating an image of community involvement and goodwill.
- c) Change of image.
 - e.g.: Canadian Tire wanting to be perceived as "more than just tires" committed to changing their image by creating and sponsoring the Canadian Tire International Pro Sprint series - a series of cycling races of which 5 are held in Canada with international racers.
- d) Differentiate from the competition.
 - e.g.: Gucci's association with polo differentiates itself from Timex sponsorship of waterskiing as a high end, more elegant dress watch vs. the utilitarianism of Timex.

Tactics for Image Objectives

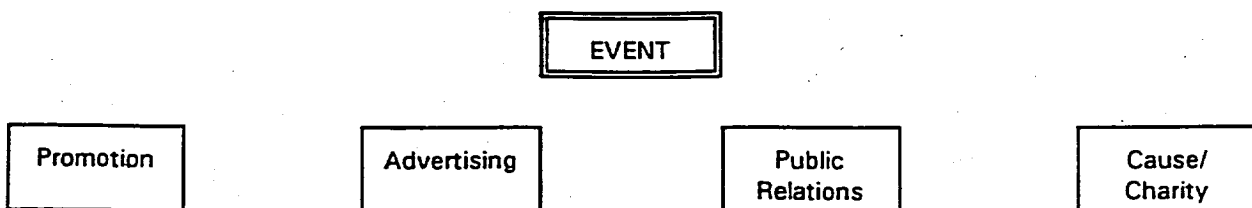
The following tactics are typically coordinated by the corporation, however, it would improve the ability to sell the sponsorship package if you could illustrate how they might apply.

The event. The most important image tactic is to ensure that the product/corporation has a logical fit with the event (IBM - scholarships/research programs; Gucci - polo, yachting; Reebok - basketball, tennis, running). To determine if a corporation has a logical fit with the event, you must consider the target audience first and foremost (Campbell Soup Co. sponsored the development of grassroots figure skating in Canada because this was an excellent vehicle to reach young girls and mothers - their target audience).

MARKETING EXTENSIONS

Program extensions themed around the sponsored event with the same communications message will increase audience interest and reinforce this image (i.e., hosting a reception pre-event to launch it).

Corporations can utilise sponsorship as a thrust for its marketing activity. A truly integrated event marketing program uses the event as the emotional focus and then extends this emotion through its traditional marketing mix.



The responsibility lies with the corporation to leverage their sponsorship through these marketing extensions. It is to your advantage to work together to assist your sponsor in the development of such program extensions to:

- illustrate your commitment;
- strengthen your relationship;
- invest in the future of your sponsor relationship and/or your event/program, i.e., the more your sponsor does to heighten awareness of the program, the more value this brings to other existing and/or new sponsors (provided that they are not in direct competition).

Although the bulk of responsibility lies with the corporation, there are some tactics available to you to add value to your sponsorship package.

Donations program. Tying a donations program into the event will create goodwill (i.e., 10¢ off every ticket purchase will be donated to a related cause/charity; donating uniforms, instruments, etc.).

Public Relations Program. This will serve to leverage sponsorship in a positive way and further promote the event to the public. It should also be used to further leverage a donations program or any marketing extensions.

Advertising. There are many tactics that can be used to advertise the event the cost of which may be carried by the corporate sponsor and/or the event organiser. Often, if advertising is donated to an event that is just getting off the ground, the

organiser will offer the sponsor free mention in the advertising. This will serve to increase the value of the sponsor package and reduce the sponsor risk (investment) - especially if it is a first-time activity.

Television: the event organiser may include this as an element of the sponsor package if TV advertising space has been secured or the corporation may secure it through their own media buying agency.

Radio: similar to TV; may include a promotional element (i.e., phone in and win event tickets).

Newspaper: Similar to TV and radio.

Event Brochure/Posters: this is typically produced by the event organiser with the sponsor logo(s) identified within.

Banners: the value of this awareness is noted for the sponsor(s) and included within the cost of their sponsorship fee.

Tactics for Marketing Extensions

Promotions (consumer, sales and trade)

Tickets. It is valuable to provide the sponsor(s) with a variety of tickets (VIP for senior executives, general admission for sales, trade and consumer promotions).

- The company can run an internal incentive program to motivate employees (sales and trade) to either sell or buy their product or they may provide tickets as a reward/show of appreciation in itself.
- Other tickets may be used for a consumer promotion such that for every x number of products purchased or by entering a ballot consumers have the opportunity to win free/reduced admission to the event.
- Depending on the level of sponsorship and anticipated sell-out factor, it would be satisfactory to offer a sub-sponsor a block of 4-10 VIP tickets and 10-20 general admission tickets. These amounts may increase at the sponsor's request but this would be a substantial first offer. A title sponsor would anticipate a greater number of tickets and this should be negotiated at the outset.

Merchandising. A cost effective yet very impactful tool to create awareness is to merchandise the event or activity. The simplest form is to design a contemporary logo and use it on all communication media (posters, banners, etc.) and to supply all on-site staff with uniforms bearing the event logo.

- Merchandise should have a *logical fit with the activity* and be stylish and contemporary, i.e., don't use neon in 1991 events as it is no longer the "trend"; consider softer shades or colours fitting to activity. Items might include t-shirts, sweatshirts, hats, small carry-on bags, coffee mugs and so on.

- Merchandise is typically produced by the corporate sponsor using the event logo. The event organiser should have final approval of the merchandise copy to ensure that the event logo is consistent across all merchandise items.

BUSINESS TO BUSINESS/HOSTING

Sponsorships provide a fabulous hosting opportunity. Specifically, companies use the event or program as a reason to invite key customers to be their guests to attend the activity. This can be used tactically, for specific top-to-top discussion, as a "relaxed forum for selling", right down to a hospitality suite to thank employees for their continued support. For example, sponsorship of the Toronto Blue Jays enables corporations to mingle with key clients and personnel at the most popular sporting activity currently in the city of Toronto.

Tactics for Business to Business Objectives

Reception (dinner/luncheon/breakfast/cocktail). Holding receptions before, during and/or after the event is a relaxed forum to interact with clients, key customers or simply to build relations with potential business partners.

- The event organiser may opt to host an "all-sponsors" reception or the sponsor may choose to entertain on their own.
- Event organisers can add value to this tactic by suggesting ways to enhance the reception, i.e., negotiate for an athlete/performer appearance, provide use of a particular display unit/banners/posters, advise sponsor of "official" or "host" hotel.

Other Tactics Include

- A themed picnic event where all family members of key target groups can attend.
- A special sponsor-only showing of a ballet or museum exhibit; a sponsor could then invite key clients/employees, etc. and encourage them to bring their families.
- A private clinic where, prior to a big race, the participating athletes run a clinic for sponsors and their families.
- Hospitality booths/boxes/tents at the event are an ideal way to provide another forum for interaction.

Key Considerations for Receptions

- Name tags preference; name only, name and company, name and title?
- Seated or buffet style?
- Seating list required?
- Formal invitations? Letter? Who should this letter come from?

- Decorations (consider budget); flowers, themed merchandise, balloons, pieces from show/museum display, pieces that will create excitement and maintain theming?
- Timing of delivery of hot/cold catering.
- Call and reserve reception room as far in advance as possible and *always* do a site inspection to get the "feel" for what is needed to decorate appropriately.
- Consider activities to hold during the reception - where appropriate, i.e., on-site draws for themed merchandise, photo opportunities, speeches, awards presentations, display table, poster give-aways, autograph session.

UNIQUE EXPERIENCE

Sponsorships are perceived as offering a chance to participate in a unique experience to the corporation, its employees, customers and consumers. If the rights are negotiated properly, the company can secure a long term relation with the event and be the only company in its field to benefit from such an activity. "Unique experiences" can be memorable, allow a corporation to be associated with a high profile activity and capture the emotional interest of the participants. It will set itself apart from its competitors in both the short and long term.

Tactics for Unique Experience Objectives

Title Sponsorship. A corporate sponsor negotiates title sponsorship of the activity meaning that the corporation will be associated with the title of the event any time it is mentioned, i.e., The *Petro Canada* Torch Relay, The *Molson* Indy, The *Royal Bank* Ontario Pops Orchestra Series.

Category Exclusivity. A corporation negotiates to be the only sponsor within its category, i.e., only one chocolate bar company would be allowed or only one petroleum or banking company and so on.

Less tangible tactics are based on the "once-in-a-lifetime" opportunity and are more emotionally driven, i.e., opportunity to play tennis with Jimmy Connors, opportunity to conduct a symphony orchestra, opportunity to throw the first pitch at a major league baseball game, opportunity to attend a dinner reception with Jane Goodall.

EMPLOYEE MOTIVATION

The use of sponsorship to motivate employees through incentives/reward programs, personal satisfaction and/or increased awareness/commitment.

Tactics for Employee Motivation Objectives

Incentive Programs. Reward employees with VIP tickets to the event, hospitality at the event, "once-in-a-lifetime" experience such as meeting a celebrity performer, chance to participate in the event and/or chance to win prizes themed around the event.

Hosting. Hosting employees before, during and/or after the event including tickets, chance to meet a celebrity, and so on will create excitement.

Special Activities Around the Event. Creating excitement and awareness of the sponsorship, particularly if it is one which has a huge emotion attached to it like the Terry Fox Run or the unveiling of a long overdue exhibit. Items that have personal meaning to the employees will create a sense of pride and accomplishment if the employees are part of the sponsorship activities (volunteers hosted, etc.).

Sales Meeting/Convention. Theming an annual activity around an event can create new excitement and awareness. Corporations can leverage this new interest to talk about a new procedure, product or service launch.

SYNERGISTIC MARKETING PROGRAMS

The theming and integration of all marketing activities around a central themed sponsorship.

Sponsorship of an event allows for the possibility of bringing together many of the corporate/product/service marketing efforts to create a unified, synergistic communication package.

Tactics for Synergistic Marketing Programs

Theming. Tie as many marketing efforts together under a single theme. This includes advertising, promotion, public relations and charity or cause.

FINANCIAL EFFICIENCY OF SPENDING

Maximising spending efficiencies of marketing/communication efforts.

Sponsorship of an event/activity allows for the possibility of creating a synergistic marketing effort. If executed properly, the end result should be financial efficiency of spending.

Tactics for Financial Efficiency of Spending Objectives

Print Production. Maintaining a single theme or logo across all marketing/communication efforts will significantly reduce creative and design costs as well as print production costs.

Merchandising/Point of Purchase Materials. Maintaining a single theme or logo will reduce costs of imprinting on merchandise, letterhead, packaging, posters, etc.

Leveraging the Sponsorship With Media Partners. The corporations can effectively use their rights as sponsors to secure media support at little or no cost. For example, a local radio station may want to become involved with an event but will not pay sponsorship fees. If a corporation approaches this station to generate event awareness by providing tickets and other give-aways, the radio station can create consumer excitement and awareness while creating a close association with the prestige of the event.

Time/Manpower. Maintaining a synergistic marketing program will facilitate the ease and simplicity of communication efforts internally to employees and reduce not only internal communication materials but the amount of physical time spent to explain individual programs and gain this approval.

SALES

The leveraging of a sponsorship to achieve specific sales targets.

These sales targets can be achieved via a number of methods, each with specific tactics.

- **Trade Push** - This occurs when the sales force will want to push a brand/product because of an event incentive program (i.e., the sales force will get a bonus/prize such as tickets to an event or an opportunity to meet a celebrity if they sell x amount of product).
- **Consumer Pull** - This occurs when consumers will go to a certain store because of an advertising flyer which attracts them to that store. This flyer might talk about the opportunity for consumers to win a themed prize or tickets to an event if they buy a certain brand/product.
- **Display** - Most products sell better when they are on display at the end of an aisle. An event-themed promotion will create an exciting and attractive display in a store. This is one reason a corporation might sponsor an event, i.e., opportunity to obtain end-aisle displays which will sell more product.
- **Product Trial or Sampling** - Events provide a great opportunity to introduce a new product or create sampling opportunities for a new product.

Tactics for Sales Objectives

Contest/Sweepstakes. Events provide a theme around which contests or sweepstakes (consumer is made eligible, through purchase of product, to win a prize offered by the company) can be run in-store or in some other media form.

Couponing. Coupons themed around an event can be mailed to a targeted public, made available in-store or in magazines/newspapers.

Ticket Tie-Ins. Proofs of purchase (i.e., box top, Universal Product Code symbol, soda pop lid) can be used as tickets to the event or reduce the cost of the ticket to increase the sale of product and attendance at the event.

Special Events. Special events themed around the core event will also drive sales. For example, Toyota Tennis Series, if you test drove a car, you were eligible to participate in a tennis clinic from a professional tennis player.

Premiums. With 3 proofs of purchase, you can receive an event-themed prize free (i.e., Molson Indy Cap).

Donations Program. A donations program may be designed where money or supplies are donated to a cause for every purchase or use of a service. For example: Ivory Bar Soap will donate 5 cents to Special Olympics with every proof of purchase sent in by a customer.

Cross Promotion with Co-Sponsors. Cross promotions (a promotion where two non-competing, compatible products run a promotion together where both products benefit) are an efficient and cost-effective method of promoting the product and event. For example: Coca-Cola could run an Olympic cross promotion with General Motors and give away cars and soft drinks. (Test drive a G.M. product and receive a free 6 pack; send in six bottle tops for an entry to win a car.)

Point-of-Purchase Displays. Point-of-purchase displays (displays located in-store where the item is located at or near where the product is shelved) which associates the product with the event is a tactic that draws attention to the product in-store. For example: Weston Bakeries' Grey Cup display program had store managers building Grey Cup displays in their store with Weston Bread.

Sampling/Trial. Events provide an opportunity for sampling, trial or product demonstration.

Sales Force Incentive Program. Incentive programs designed around the event will push sales by the sales force.

Self-Liquidating Offer. A self-liquidating offer means that, with a proof of purchase and a specified amount of money, a customer can receive a high value item. For example: with 5 proofs of purchase of McCain's Orange Juice and \$5, a customer could receive an "Official Canadian Ski Association" Toque and Ski Gloves.

AWARENESS

To create or heighten awareness of a product/service that is not well known to the public or to target key groups.

Events can be used to target a very specific audience to make a key group aware or to heighten their awareness of a product or service.

Tactics for Awareness Objectives

Television Coverage. The principal method of building awareness is through television coverage. This can be achieved in several ways:

- Purchase TV advertising time from the network covering the event.
- Purchase TV advertising time as part of the sponsorship package. The Canadian Figure Skating Association sells its events' television time in this way.
- Own the television rights and produce the television coverage internally. Labatt's produces Blue Jays games with their own production company.

Public Relations Programs. Another important vehicle to develop awareness is Public Relations. The program can include press releases, press kits, press conferences, receptions, press hospitality and involvement in the event.

Advertising. Traditional media advertising (i.e., television, radio and print advertising, billboards, transit posters, outdoor posters) will heighten awareness of the product's association with the event and consequently the product itself.

Advertising Through Clubs. Posters and schedules placed in interested clubs will have an impact because club members are interested in the event.

Contest/Draws. Contests may be run before the event to encourage interest and enthusiasm in the event and the product. At the event, contests or draws will heighten awareness and reinforce the company tie-in.

Displays In-Store. Displays at point-of-purchase which associate the product with the event are an effective means of increasing awareness.

Direct Mail Campaign. Application forms, information forms, contest entries or coupons may be mailed to a targeted group. For example: Petro Canada mailed an

Olympic Torch Relay Application form to every household within Canada. They reached 9 million Canadian households and received 6 million applications.

Merchandising. Event-related merchandise can be sold or given away in-store or at the event site to build awareness of the product. Contemporary music tours are very good at merchandising their events through t-shirts, programs, buttons, hats, etc. (Molson Rocks, Labatt's Blue Live).

Signage. On-site (i.e., at the place of the event during the event) recognition of company/brand name and/or logo can be placed on programs, trophies, ribbons, badges, scoreboard, athlete's uniform, podium, stage, curtains, blimps, balloons, etc.

Product Display On-Site. The event is an ideal opportunity to display and demonstrate your product/service. For example: the Toyota Tennis Series displayed the line of cars at each event.

Sampling/Trial. Events provide an excellent vehicle for sampling and trial opportunities.

Special Events/Activity. Special events (i.e., tennis clinics, autograph signing sessions) developed around the event theme will build community awareness and interest.

On-Site Public Address Announcements. On-site public address announcements are a very effective way of creating awareness among spectators. For example: cycling events utilize P.A. announcements to spread out crowds along the race course.

BLOCKING COMPETITION

To prevent the competition from obtaining entry into a key marketing vehicle.

An event such as the Olympics stresses quality and leadership. It is common that the leader within most industries will want to be recognised as "number one" and will not let the competition obtain this position by purchasing sponsorship to the event.

Tactics for Blockage Objectives

In this particular instance, a corporation will invest money in a sponsorship for this sole purpose of blocking out the competition. In this case, additional spending around the event is not necessary as the objective is achieved with the sponsorship purchase.

3.4 APPROACHES TO CORPORATE INVOLVEMENT

There are many levels at which a corporation may choose to sponsor an event. At each level the corporation can achieve specific objectives through use of the various tactics described in the pages immediately preceding.

The event organiser needs to consider what level of sponsorship will be most attractive to a particular corporation given their current business needs. Thus, when researching the prospective sponsors (see Section V, Step 4) this level of corporate involvement must be kept in mind in order to prepare the most applicable sponsorship package.

With some knowledge of marketing and specific insights into a corporations' business objectives, an event organiser or owner can appeal to corporate partners for resources to make the event very successful or a corporation can create events for marketing purposes.

There are 5 common approaches to sponsorship involvement.

Ownership. A corporation "owns" the event. They oversee the managing, marketing and execution of the event. The Petro Canada Olympic Torch Relay is an example of an event that is owned by a corporation.

Major Sponsor. The corporations are recognised as the major sponsors of the event. In most cases, they do not have title sponsorship, but are highly recognised at the event. Coca-Cola, Kodak and 3M were major sponsors of the 1988 Winter Olympics. There is no corporate "owner" of an event if there are major sponsors.

Sub-Sponsor/Supplier. The company supplies its product to, or has a minor involvement in, the event. Retailers who have a direct link with the type of event are the most common sub-sponsors.

Theming. The company utilises the event to theme a promotion or its advertising with no direct link to the event. Numerous corporations utilise the Olympic Games as theming for their advertising, or run a new Olympic promotion.

SECTION 4
CONSIDER YOUR SPONSORSHIP PROPOSAL
FROM THE CORPORATE VIEWPOINT

Before you set out to sell/present your sponsorship package, step back and ask yourself the questions that may be asked of you in the corporate boardroom, i.e., "the what's in it for me" test.

To assist you in evaluating how your proposal will stand up to the scrutiny of a corporate CEO or a brand or marketing executive, you should review the following two assessment models. Each of these models was developed specifically for corporations to use in determining whether or not to invest in a sponsorship.

If your proposal does not reflect a healthy portion of the criteria outlined in these models you should a) re-design your package or b) focus your efforts on fundraising, i.e., obtaining donation budgeted dollars rather than event marketing or sponsorship dollars.

4.1 CONSIDER THE CORPORATE EVENT SELECTION CRITERIA

The following corporate event selection criteria questionnaire has been developed specifically for a Canadian national retailer to assist in their event sponsorship selection. It is used on a regular basis by any one of their local dealers/retail outlets and/or their national head office marketing managers to assess the value of incoming sponsorship opportunities.

How to use this questionnaire.

Put on your prospective sponsor hat for a moment and assess your own sponsorship package from their point of view.

- First: determine what the current corporate objectives/priorities are (image, sales, business to business - review Section III).
- Second: evaluate your sponsorship package in light of what you have determined those objectives to be.
- Third: review your package where you feel it may be weak and consider ways to enhance the value.

These are questions that will need to be addressed at one point in time or another prior to your sponsor closing the deal.

THE
"COMPANY XYZ"
EVENT SELECTION CRITERIA
QUESTIONNAIRE

THE EVENT EVALUATION QUESTIONNAIRE

Purpose

The purpose of this Event Evaluation Questionnaire is to assist you to effectively evaluate sponsorship proposals sent to you by event organisers.

Directions

- 1. Fill out the questionnaire based on the sponsorship proposal(s) sent to you.*
- 2. Phone the event organiser if you do not have the information to answer all questions.*

EVENT IDENTIFICATION

1. *Name of the event:* _____

Date: _____

Location: _____

2. *Contact:* _____

Address: _____

Tel no: _____

3. *Rights Fees:* \$ _____

EVENT MARKETING EVALUATION

1. Does the event have significant local community appeal?

Yes _____ No _____

1.1 How many times/years has the event been on? _____

1.2 Is the event high profile? Is it well supported by the community?

2. Can this event meet your objectives?

Yes _____ No _____

2.1 What are your objectives? _____

2.2 What can it do for your store image? _____

2.3 Is there a possibility of using the event promotion as an opportunity to build in-store traffic? _____

2.4 Does/can the event reinforce a specific brand or product line (fishing derby, cycling race) _____

3. Does the event fit, i.e. it is compatible with:

a) your image yes _____ no _____

b) your target market yes _____ no _____

3.1 What image do you want to portray? _____

3.2 What target market(s) will the event attract? _____

4. Does the event reach a large enough population?

Yes _____ No _____

	<i>Last year's attendance</i>	<i>This year's projection</i>
<i>Spectators</i>	_____	_____
<i>Participants</i>	_____	_____
<i>Viewers</i>	_____	_____
<i>Volunteers</i>	_____	_____

5. Has the event organiser successfully executed events in the past?

Yes _____ No _____

5.1 What other events has he/she organised? _____

5.2 Are they financially stable? _____

5.3 How successful were they? (attendance, coverage, community appeal)

6. Does the event offer title sponsorship or ownership of some element within the overall event?

Yes _____ No _____

6.1 What can the event be called? _____

6.2 If title sponsorship is not available, i.e. "The Company XYZ _____", which elements can you "own"? (a VIP tent, a race, a display)?

6.3 Who are the other sponsors? _____

6.4 What role will they play? _____

7. Does the sponsorship guarantee retail and/or product exclusivity?

Yes _____ No _____

7.1 Do any other sponsors fall in the following categories?
(List categories relevant to industry, e.g., banking: RRSP, Home Ownership, Personal Touch Banking, Senior's Plan.)

8. Does the event allow for promotional extensions and integration opportunities?

(Note: The original event proposal may not include a lot of promotional extensions/integration opportunities. What you are looking for is a willingness on behalf of the event organiser to be flexible and negotiate on promotional opportunities that you may identify)

Yes _____ No _____

8.1 In-store promotion:

POP _____
contests _____

8.2 Special advertising buy:

print _____
radio _____

8.3 On-site exposure:

banners: _____
P.A. announcements: _____
award presentations: _____
displays: _____
souvenir program: _____
Where else will your logo appear: _____

8.4 Public Relations:

Press conference: _____
Press release: _____

8.5 Merchandise:

What types of products will be sold? _____
Will our company logo appear on them? _____
Can you get merchandise at cost? _____
Do you have access to large quantities? _____

8.6 Cross Promotion:

Are there opportunities to cross promote and involve sponsors/suppliers?
(e.g. do other sponsors have products you could offer as prizes?) _____

8.7 Employee Incentives:

Can you involve your employees in:
organising? _____
promoting? _____
volunteering on-site? _____
can you offer them tickets/VIP passes/merchandise? _____

8.8 Hosting/Business development:

Will key people attend the event? (officials, politicians, co-sponsors)

How many free tickets are you offered? _____

How many VIP passés are you offered? _____

Are you invited to any receptions? _____

8.9 Donations:

Is there a charity involved? _____

9. Does the event include significant local media support?

Yes _____ No _____

9.1 Posters _____

9.2 Pamphlets _____

9.3 Print _____

9.4 Radio _____

9.5 Television _____

9.6 Are there official media sponsors? _____

10. Does the event guarantee minimal executional responsibilities on your part?

Yes _____ No _____

10.1 What is expected of you? _____

10.2 Will they service all your "sponsor benefits"? _____

11. Does the event guarantee first right of refusal on renewal of sponsorship and/or a multi year opportunity?

Yes _____ No _____

11.1 Contract longevity: _____

12. Is the event measurable in a quantitative and/or qualitative manner?

Yes _____ No _____

12.1 Will attendance be calculated? _____

12.2 Will publicity be tracked? _____

13. Can you afford to back the "rights fees" with promotional support dollars?

Yes _____ No _____

13.1 Cost of sponsorship: _____

13.2 How much can you spend to promote it from your end? _____

14. Is the timing of the event appropriate according to:

a) other in-store activities? yes ___ no

b) the community calendar of events? yes ___ no ___

14.1 What other promotions do you have in-store at that time? _____

14.2 Will any big events precede your event? _____

14.3 What other community events are running in that time frame? _____

OTHER COMMENTS:

EVALUATION:

How many of the 14 questions were answered by "yes"? _____

If x/14 were yes, then this is a solid event sponsorship opportunity and it should be considered further.

If y/14 were no, then do not consider further.

4.2

CONSIDER THE CORPORATE RELATIVE VALUE ASSESSMENT (RVA) MODEL

The following corporate Relative Value Assessment (RVA) model was developed for a national retailer to assist in evaluating and selecting sponsorship opportunities. This method attaches a weighted value to each criteria relative to the overall corporate objectives. Each category - image, communication and media impact - has been weighted overall as equal; however, the specific tactics to achieve each has been weighted according to the perceived value. A minimum score required to confirm participating is two thirds of the total.

Use this RVA model as another more "scientific" means to evaluate your sponsorship proposal as it would be from the viewpoint of the corporate marketing vice president of manager you will be presenting to.

"COMPANY XYZ"

RELATIVE VALUE ASSESSMENT MODEL

Image		Communication		Media Impact	
Criteria	Weight % x 1-3 = Score	Criteria	Weight % x 1-3 = Score	Criteria	Weight % x 1-3 = Score
<i>Responsive</i>	20x ___ = ___	<i>Image</i>	25x ___ = ___	<i>Audience</i>	40x ___ = ___
<i>Responsible</i>	20x ___ = ___	<i>Promotability</i>	25x ___ = ___	<i>Demographics</i>	30x ___ = ___
<i>Successful</i>	15x ___ = ___	<i>Test Audience Appeal</i>	15x ___ = ___	<i>Reach</i>	10x ___ = ___
<i>Corporate Identity</i>	15x ___ = ___	<i>Empl'ee/Dealer Value</i>	15x ___ = ___	<i>Frequency</i>	10x ___ = ___
<i>Regional/Cdn. Identity</i>	10x ___ = ___	<i>PCP Publicity</i>	15x ___ = ___	<i>Exclusivity</i>	10x ___ = ___
<i>Positive Impression</i>	10x ___ = ___	<i>Ownership</i>	10x ___ = ___		
<i>Community</i>	10x ___ = ___	<i>Control/Delivery</i>	5x ___ = ___		
Total:	<u> /300</u>	Total:	<u> /300</u>	Total:	<u> /300</u>

TOTAL SCORE: <u> /900</u>
MINIMUM SCORE:* <u> 600/900</u>

**Recommended minimum score before proceeding with sponsorship.*

SECTION 5
***UNDERSTANDING THE SPONSORSHIP AND EVENT MARKETING PROCESS:
WHERE SHOULD YOU START?***

Developing Your Product

- Step 1 Develop Your Workplan
- Step 2 Define Your Commitment Capabilities/
 Allocate Responsibilities
- Step 3 Package Your Product
 - Brainstorm to Define/Develop/Package

Selling Your Product

- Step 4 Research Your Prospective Sponsors
- Step 5 Prepare Your Sponsorship Package
- Step 6 Follow-Up to Initial Contact - yes/no
- Step 7 Prepare Your Presentation
- Step 8 Follow-Up to Presentation

Executing the Sponsorship

- Step 9 Execute the Sponsorship

Auditing/Planning For Future

- Step 10 Auditing Your Program; Planning for Next Year

5.1 DEVELOPING YOUR PRODUCT

STEP 1 - DEVELOP YOUR WORKPLAN/BUDGET

It is important, at the very outset, to develop a workplan and budget to identify the timeframe and financial restrictions. It doesn't matter how well prepared you are to meet a prospective sponsor if you have either passed that corporation's budget finalisation date and/or you have only left one week to fulfil the details of the sponsorship agreement; moreover, it is vital that you keep within the allotted budget. There is no value in obtaining corporate funding if you are continuously working from a deficit.

Workplan Overview

Review the following generic workplan overview noting the elements for development and relative time frames. Use this as a guide to develop your own event workplan.

Remember:

- Put it on paper. It is much easier to appreciate the timelines within which you will be working when they are in print right in front of you.
- Work backwards from your planned launch date. Set up realistic time frames.
- Reference your workplan weekly. Use this as a trigger point to making tasks actionable. Place it in a location where it is easy to access or perhaps on the wall beside your work station.
- Update timelines and revise elements as necessary. Keep your workplan current.
- You must give consideration not only to *your own* sponsorship packaging/selling/executing process but also to that of *your sponsor*. Each corporation has its own system for reviewing and negotiating sponsorship packages. This is identified partially in Section IV. It is vital to the success of your ability to obtain sponsors that you understand not only the process the prospective sponsor must go through but also the timeframe in which this happens.

This workplan overview provides a *rough* estimate on timeframes and addresses the majority of elements to be considered. Each sponsorship process has its own particular elements depending on its relative magnitude and scope, etc.

<u>Item</u>	<u>Months Prior to Event Launch</u>
Developing Your Product	18-16
■ Develop an itemised workplan	
■ Develop a rough budget estimate	
Selling Your Product	
■ Research your prospective sponsors	16-15
■ Prepare sponsor acquisition plan	16-15
■ Prepare your specific sponsorship packages	15-14
■ Distribute sponsorship packages to title/key sponsors	14-13
■ Assess response; distribute category or sub-sponsor packages	13-11
■ Ongoing meetings/discussions	11-10
■ Assess response; based on status, determine when to sell local sponsor packages	11
■ Contract negotiations	11-9
Executing the Sponsorship	
■ All-Sponsor Welcome Luncheon (review event details; potential cross promotion opportunities)	10
■ Ongoing liaison with sponsor agencies (advertising, PR, promotion, etc.)	ongoing
■ Liaison with sponsor in development of themed program design and creation	ongoing (10-6)
■ Liaison with sponsor in the establishment of measurement criteria	10-6
■ Liaison with sponsors on sponsor-specific agreements i.e., securing of VIP's, athletes, performers to attend corporate hospitality suite; additional tickets; approval of logo designs, merchandise, etc.	10-1
■ Development of event promotional materials	4-2
■ All-status sponsor update meetings (monthly) to ensure corporate needs are being satisfied	monthly
■ On-site execution; liaison with all key groups to ensure logistically secure and that corporate sponsor needs are being met (volunteers, catering, signage, media, etc.)	at event
Auditing/Planning for the Future	2 weeks - 1 month post-event/tour completion
■ Internal review of event (budget, sponsor satisfaction, manpower, resources, etc.)	2 weeks post-event
■ Presentation to sponsors of event results (attendance, funds raised, media received, outline those aspects which will satisfy the stated sponsor objectives)	2-3 weeks post-event
■ Statement of program for future years (expected sponsors, targets, growth, review of successful elements to maintain and other to delete	1 month post-event

STEP 2-DEFINE YOUR COMMITMENT CAPABILITIES/ALLOCATE RESPONSIBILITIES

Review your current and required manpower resources in terms of your planned timelines and the amount of work that needs to be done.

Consider the following:

- How many staff are wanting to secure sponsors?
- How much time can be committed per day/week/month by each individual?
- What is the mean level of experience of the team presenting the sponsorship package?
- Does the "team" have credibility?
- How many corporations are being targeted as prospective sponsors per week and is there enough available manpower to actively pursue each one?
- Should the timelines/workload be re-adjusted to reflect the current situation? Should you target *more* companies?
- Who has the most valuable experience relative to the music industry? media? relation? petroleum industry? banking industry? i.e., who can "speak their language"? Assign that individual the responsibility of pursuing sponsors within that industry.
- While John and Jane are pursuing sponsors who will represent the event at home base? Do you need a telephone answering service? (Return your calls within 24 hours.)
- Who has experience in promotions? advertising? design? creative theming? Assign that individual to developing the sponsorship package.

Consider each element of development, selling and executing by asking the key questions: Who has the most relevant background? Who can commit the time? What resources are available to you?

Inevitably, both time and expertise may fall short of the ideal. Teamwork, enthusiasm and commitment to the end result will bring you through. As will this manual and the resources outlined in Section VI.

Most importantly, assign a *Program Champion* to monitor ongoing progress, keep team members motivated and on schedule and to identify area of opportunity (new sponsors) or re-assign responsibilities as needed.

The Corporate Players

It is also important to understand the key roles played by those agencies hired by your corporate sponsor to fulfil a certain objective (media buyer, PR agency, etc.). In many instances, your corporate contact may ask you to liaise with a contact within one of their agencies to follow-up on a particular request or to obtain their point of view on your sponsorship offer.

The following highlights their possible role relative to your sponsorship opportunity:

Advertising Company

- Creates advertising.
- Recommends mediums to utilise:
TV, radio, outdoor, newspaper, program ads, magazines.

Sales Promotion Company

- Creates sales promotions.
- Oversees printing of materials.
- Decides with clients what type of sales promotion tactics (see sales objectives sections) would lead to most sales.

Event Marketing Company

- Works with the event organiser to ensure benefits of sponsorship.
- Provides "technical" event expertise to other areas.

Public Relations

- Oversees public and media relation campaigns.
- Develops the press conferences, ensures good media coverage, and creates a pre-event publicity tour.

STEP 3 - PACKAGE YOUR PRODUCT
- BRAINSTORM IDEAS TO DEFINE/DEVELOP/PACKAGE

Take a look at your sponsorship opportunity from the point of view of a prospective sponsor and yourself "What is my company going to get out of this? A warm, fuzzy feeling for doing good?"

Chances are that in today's globally competitive environment this "good feeling" of donating money may happen but not for the long term and not for as much as you would probably like or need.

THE KEY TO SECURING LONG-TERM CORPORATE COMMITMENT IS TO PROVIDE A TANGIBLE RETURN-ON-INVESTMENT.

Take the following approach:

- Review your current sponsorship to determine what value you can offer a corporate. Put yourself in your sponsors shoes and ask yourself "What's in it for me?" Write down all you can offer.
- Review Section 3 - *Understanding Why Corporations Sponsor* for practical tactics on what you might be able to provide to increase the value of your package.
- Review Section 4 - *Consider Your Sponsorship Offer from the Corporate Viewpoint* for more ideas on what you can offer a corporate sponsor. Use your opportunity as an expense. Go through the checklists. How do you compare?
- Brainstorm - be creative.

Every organisation/activity has something to offer someone.

Being in some "fresh faces", some colleagues who are from another industry. Ask them to give you one hour of their time. Present your opportunities and your ideas and ask for their feedback. Get a fresh point of view.

Now that you have reviewed your sponsorship opportunity in light of all the variables available to you, take a moment to define it.

Define Your Product

- What do you have? A tour, a play, an orchestra?
- What are you offering?
 - Consider the individual elements as unique components that can be marketed.
 - Each element may have a unique appeal to different corporations based in their relative target markets and objectives, i.e., an orchestra series touring Eastern Europe over Christmas or a junior national women's volleyball team competing in the U.K.

Develop Your Product

- Consider your product interim from the view point of your sponsor
 - What are the corporate objectives?
 - image?
 - awareness?
 - sales?
 - hosting?
 - employee motivation?
 - How will you help your sponsor improve their awareness? - can you offer your sponsor a target group that is key to the further development of their business?
 - Can your sponsor offer free samples of their new product at intermission of your event?
- Review the status of your product in terms of what you can offer a sponsor and see if you can develop it any further.

Package Your Product

Before you go in to present your sponsorship opportunity to a potential sponsor you want to package it so that you highlight the most valuable components available to them. You will want to organise your program in a logical fashion and make the physical package as attractive as possible - easy to read, colourful etc.

Elements of your Sponsorship Package

■ Your Product Profile

- what your organisation/event is
- how long you have been in operation (provide an annual report)
- timing of your event (spring, summer...)
- one time event, a series, annually
- accredited affiliations
- mandate/objective of your organisation/event
- history of management
- outline of recent activities
- age and number of people involved
- rough budget
- organisational structure
- include recent positive media exposure, samples of other event brochures
- include any research on demographics - who watches/attends/follows/has interest in your event
 - * this element is key to convincing a corporate sponsor that you can help them meet their business objectives because your activity can deliver them their key target group
- outline your sources of revenue

■ Outline Opportunities for Building Their Business

- outline each of the program elements of your activity that you have outlined as being relevant to meeting their corporate objectives
 - provide an example to how they might create a synergistic event marketing program to leverage their sponsorship to provide a solid return on their investment. (Review Sections 3 and 4 once again to remind you of the relevant components)
- Now find the appropriate corporate sponsor who has a need to reach your target audience to build their business, re-visit your sponsorship package to make sure the fit is right and **SELL YOUR PRODUCT.**

5.2 SELLING YOUR PRODUCT

STEP 4 - RESEARCH YOUR PROSPECTIVE SPONSORS

In order to sell your sponsorship package effectively you need to be selling it to the right audience. It is important to research any prospective sponsor thoroughly.

Overall, corporations will look for an event that will:

- Fit with the corporate image/style
- Be effective in reaching their target group
- Fit within their communication schedule

Consider the following:

- The corporate mood - are they avant garde? ahead of their time? is it an accounting/investment firm?
- Do employees wear casual clothes to work or do they wear conservative business suits?
- Do they have a popcorn machine in their front lobby or do they have a fish tank? I.e. try to get a sense of how they approach their work.
- Who is their target market? (this should be yours)
- Where do they want to do business?
 - locally? if so, where
 - regionally? if so, where
 - nationally? if so, where
 - internationally? if so, where(this should be where your event will go)
- What are their corporate objectives? (Review Sections 3 and 4 - you should be able to satisfy one or two of these the very least.)
- How long have they been in business?
- Where are their offices located? (They should be located where your event/target is located and/or they should want to be there and thus - you could introduce them.)
- Why are they considering your sponsorship?
- What is their history of sponsorship? Have they had any negative experiences? any positive experiences?
- What is their current financial status? - obtain their annual report?
- Can they afford to commit to a sponsorship?
- Who should you be presenting your sponsorship package to?

- The president? CEO? VP? Marketing? Sales? Public Relations?
- Cut of what budget would the funding come from? Who controls this budget? Can you leverage money from other budgets? I.e. show your sponsor how it will meet goals in other departments with allotted budgets.
- Will they be launching any new products or services? what is their marketing plan?
- Who do they do business with? Can you help them improve their business with these other companies?
- What type of sponsorship would they be comfortable with? able to afford? able to leverage? title/category/co-sponsor/supplier?
- Would there be a natural product/service fit? does it make sense?
- Will their target audience be part of the television viewing audience?
- Can they merchandise the event? do they want to?
- Would they have the manpower internally to manage the leveraging of the sponsorship or would they expect you to do it? if yes, will they increase their funding?
- Is the timing of the event in line with their other communication plans? are they too late - should you re-consider for next year?

STEP #5 PREPARE YOUR SPONSORSHIP PACKAGE/DISTRIBUTE

Once you have prepared the initial corporate profile you will be better able to fine-tune your sponsorship package to meet their identified needs.

Review that which you have already prepared (as per Step 3) adding or deleting those elements which make sense.

If you are approaching a large number of corporations you will save time and money by preparing a generic sponsorship package and sending it along with a company specific cover letter.

This cover letter would be the place where you would identify to the corporation how your sponsorship will help them to meet their current business objectives.

Spend time receiving and editing their letter as it will be here that your contact may decide whether to read on or to stop.

Distribution

Your sponsor search should be a planned process with a carefully monitored system of distribution. If you are approaching a wide variety of sponsors from a number of different industries you should organise your contacts in a chart form. Monitor the number of companies within each industry, what level of sponsorship they have been offered, whom it went to, when it was sent and when you should follow up.

Reference Section 9 - *The Sponsor Acquisition Plan* for an outline of how organise this process.

STEP #6 - FOLLOW-UP TO INITIAL CONTACT - YES/NO

Follow-up the distribution of your sponsorship package within the next 5-7 business days. Be prepared for your phone call by reviewing the corporate profile and introductory with immediately prior to the call.

The objective of your phone call is to determine the level of interest and confirm a meeting date for when you and a colleague can make a formal presentation.

If your initial contact responds negatively to the concept, be appreciative of their views but before the conversation ends, make sure you understand why. Perhaps your contact has misunderstood the opportunity, is really not the most appropriate person you should be speaking with or maybe your letter/package has not even been read.

STEP #7 - PREPARE YOUR PRESENTATION

The presentation of your sponsorship package provides you with the greatest opportunity to sell yourself and your sponsorship.

Review the following steps in detail and make sure that you are *fully* prepared.

- Set the appointment, giving yourself enough time to make necessary preparations.
- Decide what your visuals will be: Posters, flipcharts, overhead projector, 35mm projector, combination?
- Assemble your material and check it for accuracy.
- Repair or replace damaged items.
- Update and/or revise where necessary.
- Run through (rehearse) to ensure you are familiar with it and that everything is in order, right side up, etc.
- Check projector for focus (and sound, if you are combining recorded material with your slides). Practice setting up.
- Find out whether the room where you will be presenting has a screen. If not, you must provide one.
- If you are leaving printed materials behind, make sure you will have enough.
- Confirm time and place 24 hours in advance.
- Projector.
- Extension cord.
- Spare bulb.
- Slides.
- Transparencies.
- Screen.
- Easel, pointer.
- Notepad, pens.
- Tape recorder.
- Cassettes.

Consider the following:

- Who is the most appropriate person from your "sponsor acquisition team" to be making the presentation? Who has the most experience? Who is the most comfortable? Should two people present?
- When you are presenting you should without distribution of any leave-behind materials until after you have finished speaking to avoid your audience from jumping ahead of you. You want their complete attention.

- **REHEARSE, REHEARSE, REHEARSE**

As a team you and your colleagues should take turns presenting the "standardised" package to each other. Plan "devil's advocate" and ask questions that the potential sponsor might ask. Offer constrictive criticism not only in content and format but personal presentation style (too many "um's"; moving hands; frozen figure; don't tell jokes if you can't; talk of ease with equipment, etc.).

- **KEEP IT SIMPLE**

- **Review Your format**

- state purpose of presentation and what you hope to accomplish and how long it will take
- relax, speak slowly and clearly
- specify when you would prefer questions (at any time or during a question period)
- before you leave the room, confirm out level to your contact what the key next steps will be i.e., you are to prepare further research; set back on x, y, z questions or they will contact you
- after you have completed a number of presentations make a list of the most often asked questions, put those into a visual for next time

- **How to Start**

- Memorise the first word of your presentation -- write it on the corner of your overhead out of sight from your audiences' view
- Often, if you can get that first word out the rest will flow easily!

STEP #8 - FOLLOW-UP TO YOUR PRESENTATION

- Immediately upon return to your office write a letter to your contact
 - thanking them for their time
 - summarising any questions/issues that arose in the meeting
 - addressing them/alleviating any concerns
 - stating immediate next steps -- who will do what

- Follow up to that letter within the next week with
 - information as promised; or
 - a phone call to inquire as to further interest in sponsorship opportunity, any feedback on presentation, etc.

5.3 EXECUTING THE SPONSORSHIP

STEP #9 - EXECUTING THE SPONSORSHIP

Getting your sponsors on board is only part of the job. The key to developing and maintaining long term sponsor relationships and commitment rests a great deal on how well you can execute the sponsorship.

Once an initial agreement has been reached you and your team should focus on *executing* which includes not only the specific event execution but completing the sponsorship arrangement as well, including the following:

- Contractual Negotiations
 - Confirm in a detailed document to your sponsors) the specific details of the agreement noting *everything* that they receive for the cost of sponsorship such as:
 - signage (detail size, number)
 - tickets (number, location)
 - athlete appearance (date, time, duration)
 - right to run a promotion using event logo/name
 - first right of refusal in their category the following year
 - corporate logo identification in event brochure, etc.
 - Reference Section 9 for a sample sponsorship agreement.
 - Use resources available to you for evaluating the final dollar value of your package. You may find that in Year I of obtaining sponsor sheet you may not obtain as high a return as you feel is warranted however you should be able to recoup this in subsequent years as the event reputation grows.
- Specific Program Design and Creation/Integration With the Communications Mix
 - Work with your sponsor(s) to develop a program/sponsorship agreement that maximises their satisfaction.
 - Expect to be called upon frequently to provide specific event details as the corporate representatives plan their marketing activities around the sponsorship.

■ Establishment of Measurement Criteria

- It is to the benefit of both the sponsor and the vent organiser to establish measurement criteria. Measuring the successful elements will help to reinforce the value of the event sponsorship and justify the investment. In addition, determines those elements which were unsuccessful will help to identify tactics to improve them for future years and further strengthen the return on investment and/or reduce the investment as necessary.
- If possible, the event organiser should include the actual cost of measuring the event in the total cost of the sponsorship.
- Common measurement techniques include:

■ SALES (volume/marketshare)

Technique

Tracking of Total Sales

Explanation of Technique

Can be based on a previous year's results, or a similar promotion, and usually includes the additional projection of sales for the promotion to pay out (pay for itself).

Technique

Percentage Increase in Market Share

Explanation of Technique

Market share is the percentage of the market that your product has. For example: Coca-Cola would have a 40 share in the pop market, Pepsi a 30 share, and all other pops a 30 share.

■ IMAGE/AWARENESS

Technique

Tracking Studies

Explanation of Technique

A tracking study is research that monitors changes in consumer's purchasing habits or attitudes.

A four-part tracking study held in spring, summer, fall and winter will show the changes in consumer's awareness of a product/service or company.

■ **EMPLOYEE MOTIVATION**

Technique

Employee Surveys/Interviews

Explanation of Technique

Employee motivation surveys are usually qualitative (not guaranteed to be scientifically accurate) in nature, but provide a good understanding of employees' thoughts about the company's event involvement.

■ **BUSINESS-TO-BUSINESS MARKETING**

Technique

New Business Generated; Salesforce Impressions

Explanation of Technique

Qualitative data, however, a review of the new business generated through the program, and salesforce impression of the event will provide enough accurate data to measure the event's success or failure.

Key Tips on Developing the Sponsor Relationship

- Maintain ongoing contact - where there is no specific need to review details on a daily or weekly basis make contact every so often via phone or fax just to say hello and make sure your sponsor is satisfied -- keep in touch even after event is over, if you feel they may sponsor again.
- "Under-Promise/Over-Deliver" - try to undersell those features which you know you can over-deliver on eg. tickets, athlete appearances, etc.

This will keep you from being in a position where you are not providing what you promised but rather you are providing event more

- Do those "little" extras - show your sponsor that you truly care about their business, if you read something in the paper about a competitor's business fax your sponsor a copy, wherever possible help out.

5.4 AUDITING/PLANNING FOR THE FUTURE

STEP #10 - AUDITING YOUR PROGRAM, PLANNING FOR NEXT YEAR

Corporate audit

- Document the successes/disappointments of the event immediately after it is over and provide your sponsor with a copy -- (the cost for this manpower time should be included in the sponsorship cost). An audit will show the corporation that you recognise the value for the corporation's involvement and that you are eager to assist the corporation in meeting its objectives through sponsorship and event marketing.

- An analysis should include:
 - overall successes/disappointments of the event itself
 - summary of attendance
 - summary of media coverage
 - summary of spectator likes/dislikes
 - recommendations for future years
 - pictures of the event
 - videotape of event
 - summary of merchandise sold (i.e., with the corporation's logo)
 - summary of on-site corporate activities

Internal audit

- Document the successes/disappointments of the event relative to the internal development, execution, management and measurement.

- Use this as a guideline for next year's planning.

SECTION 6
RESOURCES AVAILABLE TO YOU

In sourcing either information on the local culture, or information on an appropriate corporate contact consider the following:

- Internationally affiliated organisations:

ARTS

- For example, in Canada the CBAC (Council for Business in Arts in Canada) wants to bring business and the arts together domestically. The CBAC is affiliated to 15 sister organisations internationally with similar mandates. This is a good resource for local market sponsors. See the end of this section for List of International Associates.

SPORT

- Consider the Sport Marketing Council which performs a function similar to that of the CBAC.

ACADEMIC

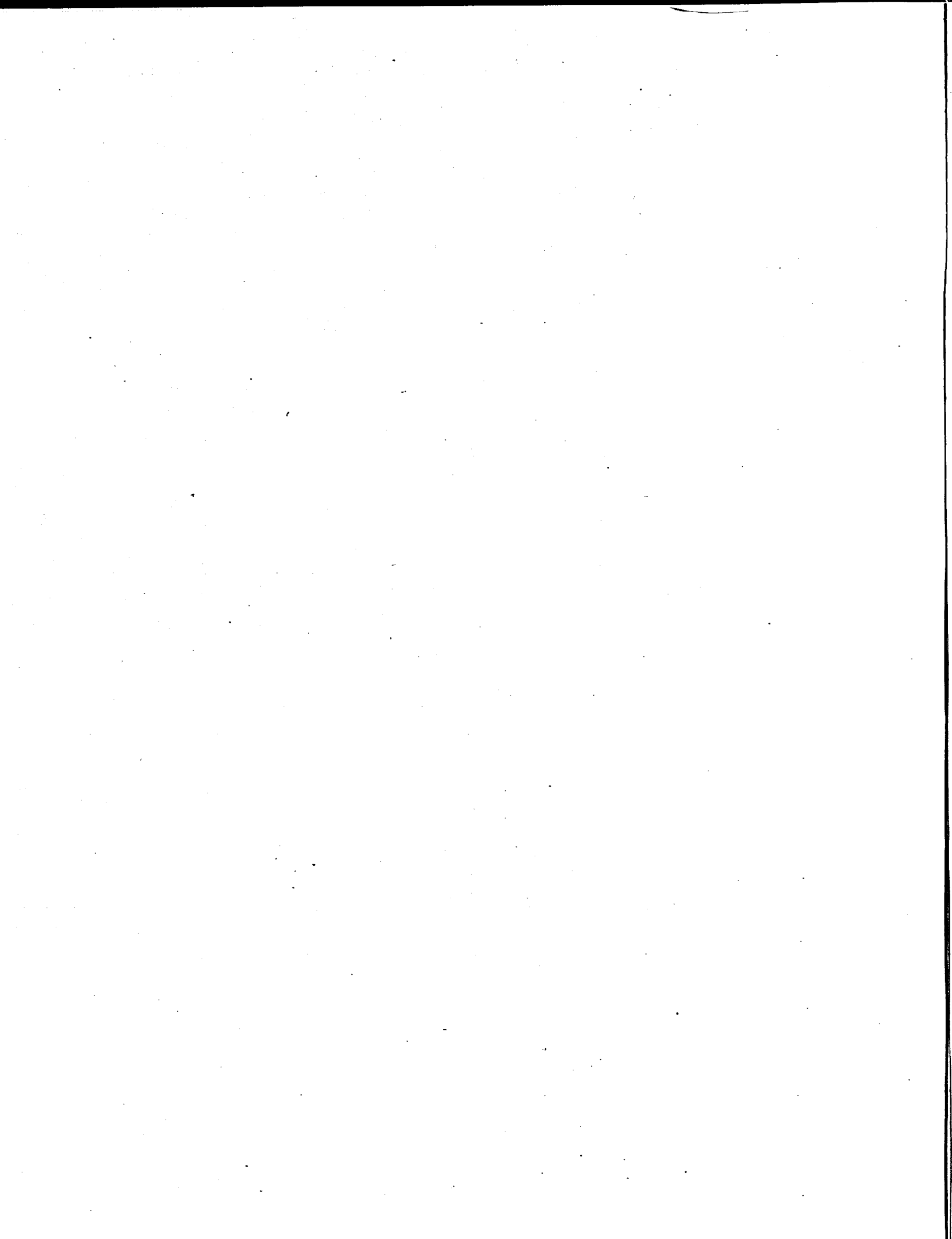
- At present there is no academic related organisation/association which fulfils a mandate similar to that of the CBAC or SMC. Consider the AUCC (Association of Universities and Colleges in Canada).
- Contact relevant EAICR department in Ottawa for contact at mission in host country.
- Contact EAITC for information on corporations trading internationally.
- Contact associations: Board of Trade, Merchants' Associations, Service clubs.
- Consider your participants. Do not overrate value of "word of mouth". Your own event members may have business contacts you could follow up on.
- Reference trade journals, business magazines:
 - *Inside Guide*
 - *En Route*
 - *Canadian* (Canadian Airlines magazine)
 - *Fortune 500*
 - *Canadian Business Life*

- *Forbes*
 - *Globe and Mail Report on Business*
 - *Sponsorship News*
 - *Special Events Report*
-
- Reference "Canada Who's Who"
 - Reference Canadian Almanac and Directory for further listing of related trade journals, publications.

Tips on How to Find Sponsors

- Check existing sponsors of other events/activities. It may be time for a change in their sponsorship direction or they may be dissatisfied with the current delivery system. Your planned approach may provide the delivery system they expect.
- Consider how companies advertise. You may see ways in which your activity can help the company make the advertising tangible and meet their business needs.
- Consider the slogan currently being used by a company. Does it relate to your product?

SECTION 7
SAMPLE BUDGETS, WORKPLANS, CONTRACT DETAILS,
DEFINITION OF TERMS



SPONSOR SERVICING BUDGET OUTLINE

**NATIONAL MEDIA PARTNER & LOCAL SPONSOR SERVICING
BUDGETING WORKPLAN**

Draft #1
Date

ELEMENT	RATIONALE/REMARKS	TIMING	BUDGET
1. SPONSOR NEGOTIATIONS			
<ul style="list-style-type: none"> ■ Mailing, faxing, couriers, phone, travel, etc. 	n/a	Nov. 1/89 - Feb. 15/90	\$2500
2. SPONSOR WELCOME LUNCHEON			
A. Luncheon	<ul style="list-style-type: none"> ■ hosted in company facility or outside ■ to "kick-off" program and officially welcome sponsors ■ provides a networking opportunity for sponsors ■ invite 2/3 representatives from national partners, local sponsors, media partners and event organisers if available (estimate 25 people) 	w/o Mar. 19/90	\$400
<ul style="list-style-type: none"> ■ For all levels of sponsors 			
B. Cycling "Kit"	<ul style="list-style-type: none"> ■ to be presented to each sponsor representative at luncheon (estimate 20) ■ to be sent by mail with welcome letter to those sponsors not able to attend (estimate 24) ■ to include: cycling t-shirt (\$5), waterbottle (\$2), cycling cap (\$2) 	at luncheon w/o Mar. 19/90	\$396
<ul style="list-style-type: none"> ■ For all levels of sponsors 			

ELEMENT	RATIONALE/REMARKS	TIMING	BUDGET
3. SPONSOR SERVICING			
A. Mailing, faxing, couriers, phone, travel, etc.	<ul style="list-style-type: none"> ■ communication with each sponsor prior to and after each event ■ distribution of event materials (posters, VIP passes, programs, etc.) ■ distribution of event follow-up material (clippings, videos, photos, etc.) 		\$2500
B. Event videos	<ul style="list-style-type: none"> ■ one per national partner per event ■ distributed with event results 2-3 weeks after each event ■ approx. cost \$10 each x 5 events x 7 partners 		\$350
<ul style="list-style-type: none"> ■ National partners only 			
C. Event photos	<ul style="list-style-type: none"> ■ 2 - 5"x7" photos per national partner ■ distributed 2-3 weeks after each event ■ approx. cost \$5 each x 2 x 5 events x 7 partners 		\$350
<ul style="list-style-type: none"> ■ National partners only 			

ELEMENT**RATIONALE/REMARKS****TIMING****BUDGET****4. SPONSOR GIFTING****A. Event "Kit"**

- National partners and media partners only

- approx. 2-3 per partner per event (designated for local representatives within each market)
- distributed at press conference or in advance of event with event information/material package
- to include: cycling t-shirt (\$5), water bottle (\$2), cycling cap (\$2)
- approx. cost \$9 each x 3 x 5 events x 7 national partners and 2 media partners

\$1215**5. SPONSOR "THANK YOU" RECEPTION****Reception**

- All levels of sponsors

- in conjunction with Vancouver post-event reception or separate reception in Toronto

**July 1 or
Aug./90****\$300**

ELEMENT**RATIONALE/REMARKS****TIMING****BUDGET**

Plaques

- large version to each national partner (7 x \$100)
- smaller version for local sponsors and media partners (24 x \$50)
- to be presented at reception by company official

at reception
July 1 or
Aug./90

\$1900

6. CONTINGENCY

- n/a

■ n/a

\$89

TOTAL:**\$10,000**

SPONSOR ACQUISITION PLAN

CRITICAL DATES

- National Partner Proposals Distributed 10 months prior to event
- Potential Sponsor Meetings 9 months prior to event
- Evaluate National Partner Progress. Determine when to begin selling National Supplier packages. 8 months prior to event
- Sell National Supplier packages. 7-6 months prior to event
- Notify event organisers of categories available for local sponsors. 6 months prior to event

EXAMPLE OF HOW TO EVALUATE SPONSORSHIP VALUE OF YOUR EVENT

Product Category: XYZ								
Company	Contact	Address	Phone	Responsibility to Pursue	Proposal Sent	Meeting Date	Status	Next Steps

EXAMPLE CONTRACT SPECIFICATIONS

Complete contracts are essential for effective corporate sponsored events. Because events have so many "active and uncontrollable" elements (i.e., event participants, weather, other corporate sponsors, locations and spectators), the contract has to outline every possible scenario.

The contract should be thought of as *more* than a legally binding document. It should be the operating guideline for the two parties clearly defining each group's roles and responsibilities. Often sponsors do not continue event sponsorship because there was a misunderstanding of responsibilities.

Finally, event contracts should spell out all sides of the agreement. They must clearly outline the responsibilities of all parties concerned. An example of a contract is provided below for a major tennis event and Coca Cola.

Coca-Cola will provide Tennis Canada (the event owner) with:

1. \$100,00 cash.
2. Additional promotional spending worth \$100,000.
3. \$25,000 (value) of Coca-Cola T-shirts.
4. 500 Coca-Cola T-shirts.
5. \$50,000 to pay for TV production costs.

Tennis Canada will provide Coca-Cola with:

1. Title sponsorship.
2. Right of refusal over sub-sponsors.
3. Turnkey sponsorship/execution by Tennis Canada.
4. 3 corporate boxes.
5. The exclusive softdrink listing for the event.
6. 5 banners (to be paid for by Tennis Canada).
7. Product category exclusivity.
8. Guarantee 2 hours of prime TV coverage and four 30-second commercials to Coca-Cola.
9. Right to present trophies on TV.

DEFINITION OF TERMS

Donation

A gift or contribution, as to a charitable organisation, usually in the form of cash, however, often in the form of a product or service.

Sponsorship

A financial commitment by a corporation (less frequently an individual) to an activity with an expected return on investment to meet stated business objectives.

Event Marketing

The *planned* process which integrates a range of communication elements behind a central event or lifestyle themed activity to meet stated business objectives. It is not only the sponsorship of the event, but all the surrounding activities conducted to *leverage* or get value back from the sponsorship.

The Marketing Mix

Research

Research is utilised to test what consumers think about a certain product or service. Companies utilise research at all levels to test the product, to measure awareness and to test the creative approach. The two types of research that companies undertake are *concept* (the idea) and *product* (the actual physical characteristics of the product) research.

Product

The actual physical characteristics of the product. Marketing staff try to create a product with some type of distinct superiority.

Pricing

How the product is priced to the consumer.

Packaging

It is very important that the packaging make the product look appealing. For example, the McDonald's Big Mac hamburger containers add a special dimension to the hamburger.

Distribution

Distribution is where the product will be made available to its defined public. For corporations that do not control their own distribution to sell their products, ensuring maximum availability is essential to a product's success.

The Communications Mix

Advertising

It includes TV, radio, newspaper, magazine, outdoor (billboards) and transit. Advertising is where the majority of corporate communications dollars are spent.

Sales Promotion

More and more companies are utilising sales promotion to assist in meeting their sales objectives. It is a value added feature of their product. Sales promotion involves providing the consumer and the trade (stores) with some additional benefit other than the product's normal benefits. Types of sales promotion include contests, sweepstakes (a chance to win something), buy-1-get-1-free, premiums (giveaways), and self-liquidating offers (pay \$5 and get a T-shirt with 3 proofs of purchase).

Public Relations

Public Relations can include increasing media coverage (i.e., getting a corporate name into the media) or obtaining positive media coverage.

Business-to-Business Marketing

It involves business utilising various communications tools for business to impact upon other business clients.

Direct Mail

Direct mail is the sending of information by mail directly to a person/household. Corporations develop profiles on preferred clients or prospects and develop a mailing list to send information to these people. Credit card companies use direct mail frequently.

Event Marketing

Event marketing is the use of special events to communicate with defined markets. It will be discussed in the next section.

With a brief overview of marketing and marketing strategies, the event manager can apply this to the role that events play in a corporate marketing scheme.

SECTION 9
MARKETING BROCHURE DRAFT OUTLINE

The following outlines a suggested format for a brochure that should be developed to complement EAICR's initiatives in sponsorship development.

PURPOSE OF BROCHURE

- To create awareness of the sophisticated sponsorship process that is available to the corporate community for use in meeting business objectives.
- To create awareness of the increasing level of sponsorship sophistication of Canadian cultural groups.
- Encourage corporate community to call the Program Champion for further information and/or a presentation on sponsorship opportunities available to them.

WHO SHOULD RECEIVE IT

- Business groups/associations.
- Prospective sponsors.

WHO SHOULD DELIVER IT

- EAICR cultural clients.

TIMING OF DISTRIBUTION

- It is important the EAICR, the designated program champion and cultural clientele have an established understanding of the sponsorship process as outlined in the Step By Step Manual *prior* to distribution of this brochure.
- This brochure also references case studies (EAICR currently gathering information) and a contact, both of which must be established prior to distribution of the brochure.

Suggested Format

Front Copy: Want To Improve Your Bottom Line?
Try Sponsorship.
It *Does* Work.

Inside Copy: Mission Statement (TBD)

(Left Page) What Sponsorship Can Do For You

- Break through the communication clutter.
- Reach fragmented market groups in a cost effective and synergistic way.
- Reach your key channel of distribution with a "once-in-a-lifetime" opportunity to influence buying decisions.
- Impact brand loyalty erosion by offering/creating a strong emotional appeal that adds value to purchase.

Motivate Employees

- Create awareness and/or improve/change image of product or service.
- Provide forum for business to business development.

(Right Page) What We Can Provide

- Sophisticated *proven* sponsorship process.
- Recent case studies with international success.
- Worldwide network of affiliated organisations who can provide guidance in local markets on *effective* program development and execution.
- Information on sponsorship opportunities relevant to your business needs.
- Information on the proven process used to leverage the sponsorship investment to meet your specific business needs.
- Proven effective tactics to leverage your sponsorship investment.
- Information on sponsorship awards and incentive programs specifically designed for corporations.

(Back Page) We Can Help

If you are interested in improving your business results from sponsorship please call us.

contact TBD

We are committed to ongoing development of sponsorship of Canadian cultural endeavours.

SECTION 10
APPENDICES

10.1 RELATIVE VALUE ASSESSMENT MODEL

The following corporate Relative Value Assessment (RVA) model was developed for a national retailer to assist in evaluating and selecting sponsorship opportunities. This method attaches a weighted value to each criteria relative to the overall corporate objectives. Each category - image, communication and media impact - has been weighted overall as equal; however, the specific tactics to achieve each has been weighted according to the perceived value. A minimum score required to confirm participating is two thirds of the total.

Use this RVA model as another more "scientific" means to evaluate your sponsorship proposal as it would be from the viewpoint of the corporate marketing vice president of manager you will be presenting to.

"COMPANY XYZ"

RELATIVE VALUE ASSESSMENT MODEL

Image		Communication		Media Impact	
Criteria	Weight % x 1-3 = Score	Criteria	Weight % x 1-3 = Score	Criteria	Weight % x 1-3 = Score
<i>Responsive</i>	20x ___ = ___	<i>Image</i>	25x ___ = ___	<i>Audience</i>	40x ___ = ___
<i>Responsible</i>	20x ___ = ___	<i>Promotability</i>	25x ___ = ___	<i>Demographics</i>	30x ___ = ___
<i>Successful</i>	15x ___ = ___	<i>Test Audience Appeal</i>	15x ___ = ___	<i>Reach</i>	10x ___ = ___
<i>Corporate Identity</i>	15x ___ = ___	<i>Empl'ee/Dealer Value</i>	15x ___ = ___	<i>Frequency</i>	10x ___ = ___
<i>Regional/Cdn. Identity</i>	10x ___ = ___	<i>PCP Publicity</i>	15x ___ = ___	<i>Exclusivity</i>	10x ___ = ___
<i>Positive Impression</i>	10x ___ = ___	<i>Ownership</i>	10x ___ = ___		
<i>Community</i>	10x ___ = ___	<i>Control/Delivery</i>	5x ___ = ___		
Total:	<u> /300</u>	Total:	<u> /300</u>	Total:	<u> /300</u>

TOTAL SCORE:	<u> /900</u>
MINIMUM SCORE:*	<u> 600/900</u>

**Recommended minimum score before proceeding with sponsorship.*

10.2 SELECTION CRITERIA MODEL

The following corporate event selection criteria questionnaire has been developed specifically for a Canadian national retailer to assist in their event sponsorship selection. It would be used on a regular basis by any one of their local dealers/retail outlets and/or their national head office marketing managers to assess the value of incoming sponsorship opportunities.

How to use this questionnaire.

Put on your prospective sponsor hat for a moment and assess your own sponsorship package from their point of view.

- First: determine what the current corporate objectives/priorities are (image, sales, business to business - review Section III).
- Second: evaluate your sponsorship package in light of what you have determined those objectives to be.
- Third: review your package where you feel it may be weak and consider ways to enhance the value.

These are questions that will need to be addressed at one point in time or another prior to your sponsor closing the deal.

THE
"COMPANY XYZ"
EVENT SELECTION CRITERIA
QUESTIONNAIRE

THE EVENT EVALUATION QUESTIONNAIRE

Purpose

The purpose of this Event Evaluation Questionnaire is to assist you to effectively evaluate sponsorship proposals sent to you by event organisers.

Directions

- 1. Fill out the questionnaire based on the sponsorship proposal(s) sent to you.*
- 2. Phone the event organiser if you do not have the information to answer all questions.*

EVENT IDENTIFICATION

1. Name of the event:

Date:

Location:

2. Contact:

Address:

Tel no:

3. Rights Fees: \$

EVENT MARKETING EVALUATION

1. Does the event have significant local community appeal?

Yes _____ No _____

1.1 How many times/years has the event been on?

1.2 Is the event high profile? Is it well supported by the community?

2. Can this event meet your objectives?

Yes _____ No _____

2.1 What are your objectives?

2.2 What can it do for your store image?

2.3 Is there a possibility of using the event promotion as an opportunity to build in-store traffic?

2.4 Does/can the event reinforce a specific brand or product line (fishing derby, cycling race)

3. Does the event fit, i.e. it is compatible with:

a) your image yes _____ no _____

b) your target market yes _____ no _____

3.1 What image do you want to portray?

3.2 What target market(s) will the event attract?

4. Does the event reach a large enough population?

Yes _____ No _____

	<i>Last year's attendance</i>	<i>This year's projection</i>
<i>Spectators</i>	_____	_____
<i>Participants</i>	_____	_____
<i>Viewers</i>	_____	_____
<i>Volunteers</i>	_____	_____

5. Has the event organiser successfully executed events in the past?

Yes _____ No _____

5.1 What other events has he/she organised?

5.2 Are they financially stable?

5.3 How successful were they? (attendance, coverage, community appeal)

6. Does the event offer title sponsorship or ownership of some element within the overall event?

Yes _____ No _____

6.1 What can the event be called?

6.2 If title sponsorship is not available, i.e. "The Company XYZ _____", which elements can you "own"? (a VIP tent, a race, a display)?

6.3 Who are the other sponsors? _____

6.4 What role will they play?

7. Does the sponsorship guarantee retail and/or product exclusivity?

Yes _____ No _____

7.1 Do any other sponsors fall in the following categories?

(List categories relevant to industry, e.g., banking: RRSP, Home Ownership, Personal Touch Banking, Senior's Plan.)

8. Does the event allow for promotional extensions and integration opportunities?

(Note: The original event proposal may not include a lot of promotional extensions/integration opportunities. What you are looking for is a willingness on behalf of the event organiser to be flexible and negotiate on promotional opportunities that you may identify)

Yes _____ No _____

8.1 In-store promotion:

POP
contests

8.2 Special advertising buy:

print
radio

8.3 On-site exposure:

banners:
P.A. announcements:
award presentations:
displays:
souvenir program:
Where else will your logo appear:

8.4 Public Relations:

Press conference:
Press release:

8.5 Merchandise:

What types of products will be sold?
Will our company logo appear on them?
Can you get merchandise at cost?
Do you have access to large quantities?

8.6 Cross Promotion:

Are there opportunities to cross promote and involve sponsors/suppliers?
(e.g. do other sponsors have products you could offer as prizes?)

8.7 Employee Incentives:

Can you involve your employees in:
organising?
promoting?
volunteering on-site?
can you offer them tickets/VIP passes/merchandise?

8.8 Hosting/Business development:

Will key people attend the event? (officials, politicians, co-sponsors)

How many free tickets are you offered?

How many VIP passes are you offered?

Are you invited to any receptions?

8.9 Donations:

Is there a charity involved?

9. Does the event include significant local media support?

Yes _____ No _____

9.1 Posters

9.2 Pamphlets

9.3 Print

9.4 Radio

9.5 Television

9.6 Are there official media sponsors?

10. Does the event guarantee minimal executional responsibilities on your part?

Yes _____ No _____

10.1 What is expected of you?

10.2 Will they service all your "sponsor benefits"?

11. Does the event guarantee first right of refusal on renewal of sponsorship and/or a multi year opportunity?

Yes _____ No _____

11.1 Contract longevity:

12. Is the event measurable in a quantitative and/or qualitative manner?

Yes _____ No _____

12.1 Will attendance be calculated?

12.2 Will publicity be tracked?

13. Can you afford to back the "rights fees" with promotional support dollars?

Yes _____ No _____

13.1 Cost of sponsorship:

13.2 How much can you spend to promote it from your end?

14. Is the timing of the event appropriate according to:

a) other in-store activities? yes ___ no

b) the community calendar of events? yes ___ no ___

14.1 What other promotions do you have in-store at that time?

14.2 Will any big events precede your event?

14.3 What other community events are running in that time frame?

OTHER COMMENTS:

EVALUATION:

How many of the 14 questions were answered by "yes"?

If x/14 were yes, then this is a solid event sponsorship opportunity and it should be considered further.

If y/14 were no, then do not consider further.

10.3 CLA METHODOLOGY

RESEARCH

- Meetings held with departmental representatives to obtain information on and discuss current programs, sponsorship endeavours.

See Appendix A for contact list.

- Program summaries/reports gathered from both a general (EAICR) and a specific department (art, academic, sport) viewpoint.

See Appendix B for document summary.

- Internal meeting held to discuss review information gathered and to discuss and obtain agreement to conceptual outline of final report.
- Meetings held with outside groups to discuss sponsorship endeavours/current practices/possibilities.

See Appendix A for contact list.

ANALYSIS

- Ongoing internal and external discussion/analysis to determine applicability of tactics currently used by EAICR in seeking out corporate partners/funding; in particular, determining applicability vis-a-vis market (corporate community) demands/environment.

REPORTING

- March, 1991
Phase 1 written submission
- CLA overviews
- March 26/April 1
Phase 2 verbal submission
- conceptual discussion
- April 17, 1991
Phase 3 written submission
- Preliminary Report (draft)
- conference call
- April 30, 1991
Phase 4 approval for delay of
submission due to overseas try.
Phase 4 included in Phase 6.
- May 24, 1991
Phase 5 Draft Submission of
recommendations
- June 4, 1991
Phase 6 Final Report

10.4 OUTLINE OF RESOURCES

10.4.1 INDIVIDUALS/ASSOCIATIONS

CBAC

- Blair Mascall, President

Canada House, London, England - Renée Picard

EAICR

- Alain Dudoit
- Jacques Demers
- René-François Désamoré
- Pierre Granger
- Anne Hillmer
- Bryan Hutton
- Brian Lang
- Donald McPhee
- Yves Pepin
- Jean Paul Picard
- Sheila De La Varende

British Council

- Sylvia Armstrong

Bell Shankeman

The Wilkinson Group

- Dave Wilkinson

10.4.2 REFERENCE DOCUMENTS

General

ICR Overview

PEMD Brochure (Program for Export Market Development)

Bovey Report (Funding of the Arts in Canada to the Year 2000)

ICR Program Evaluation Study

ICR: Looking Ahead

Evaluation of ICR

Canada Export

Outline Canadian Business Representatives Participating in Canada-USSR Council Inaugural Meeting.

Art

Arts Bulletin

ABSA Publications List

Performing Arts request for Financial Assistance Form; Road Signs "A Guide To Foreign Touring"; Breakdown Artist/City/Revenue/Sponsors

May 1990 Arts Bulletin (CLA)

Film Program Breakdown

ABSA Sponsorship Manual, Annual Report, Setting Standards for the 1990s

International Arts Promotion Program BCA Brochure; Summary of Beneficiaries '88-'89

Academic

Canadian Studies program outline

ICR Success Stories: A Sampling

Pan-European Conference pamphlet

Pamphlet on Business Funding for Canadian Studies in the U.S.

Pamphlet on Making Friends in the U.S.

Canadian Studies Grants Program brochure

Sport

ISR background on Current Program

ISR Program Policy and Recommendations

Sport: Big Business, corporate outreach; Hosting Benefits

Action Plan for the Minister of Fitness and Sport

Role of SMC/Corporate Attitudes Toward Amateur Sport in Canada

10.4.3 BRITISH COUNCIL INTERVIEW SUMMARY (May 16-17, 1990)

Key Points

Re: Strategy for marketing the "Investing For Influence" brochure

- no strategy development until this year as staffing too low when initially developed.
- Prior to 1990, brochure was distributed via "word of mouth" and by request.
- 1990 Strategy: 1) target *blue chip companies* in Britain who have an *identified interest* in country in which the activity may stop on tour, i.e., the company has an office already established in the country;
 - 2) target companies already well established in sponsorship, i.e., Xerox, Shell, British Petroleum;
 - 3) target other companies who may have a future interest in expanding into other countries and present them with outline of successes to date, e.g., the Merchant Bank or American companies (which want to expand into Eastern Europe).

Re: Trends in Sponsorship

- Witnessing a change in the way corporations spend their money.
- Shift is from large investment by a company of one event to smaller, more frequent investments by the same company.
- Rationale is that in a time of recession this is a low risk yet effective business building investment.

Re: Strategy for Approaching Sponsors

- Key to success has been matching the activity with the appropriate sponsor; this *demands* extensive research into the current business objectives/image of the prospective sponsor.
- Use this research as the basis for forming a purposed sponsorship arrangement to meet their business needs, i.e., put on the corporate hat and ask the question "What is in it for me?"
- Present this arrangement in person or outline in a letter to decision-making individual.
- Be creative in both how you partner the activity to the sponsor and in how you determine who the key "decision-maker" is; *brainstorm*, use all resources available to you.

10.5 DEFINITION OF TERMS

Donation

A gift or contribution, as to a charitable organisation, usually in the form of cash, however, often in the form of a product or service.

Sponsorship

A financial contribution by a corporation (less frequently an individual) to an activity with an expected return on investment to meet stated business objectives.

Event Marketing

The *planned* process which integrates a range of communication elements behind a central event or lifestyle themed activity to meet stated business objectives. It is not only the sponsorship of the event, but all the surrounding activities conducted to *leverage* or get value back from the sponsorship.

The Marketing Mix

Research

Research is utilised to test what consumers think about a certain product or service. Companies utilise research at all levels to test the product, to measure awareness and to test the creative approach. The two types of research that companies undertake are *concept* (the idea) and *product* (the actual physical characteristics of the product) research.

Product

The actual physical characteristics of the product. Marketing staff try to create a product with some type of distinct superiority.

Pricing

How the product is priced to the consumer.

Packaging

It is very important that the packaging make the product look appealing. For example, the McDonald's Big Mac hamburger containers add a special dimension to the hamburger.

Distribution



Distribution is where the product will be made available to its defined public. For corporations that do not control their own distribution to sell their products, ensuring maximum availability is essential to a product's success.

The Communications Mix

Advertising

It includes TV, radio, newspaper, magazine, outdoor (billboards) and transit. Advertising is where the majority of corporate communications dollars are spent.

Sales Promotion

More and more companies are utilising sales promotion to assist in meeting their sales objectives. It is a value added feature of their product. Sales promotion involves providing the consumer and the trade (stores) with some additional benefit other than the product's normal benefits. Types of sales promotion include contests, sweepstakes (a chance to win something), buy-1-get-1-free, premiums (giveaways), and self-liquidating offers (pay \$5 and get a T-shirt with 3 proofs of purchase).

Public Relations

Public Relations can include increasing media coverage (i.e., getting a corporate name into the media) or obtaining positive media coverage.

Business-to-Business Marketing

It involves business utilising various communications tools for business to impact upon other business clients.

Direct Mail

Direct mail is the sending of information by mail directly to a person/household. Corporations develop profiles on preferred clients or prospects and develop a mailing list to send information to these people. Credit card companies use direct mail frequently.

Event Marketing

Event marketing is the use of special events to communicate with defined markets. It will be discussed in the next section.

With a brief overview of marketing and marketing strategies, the event manager can apply this to the role that events play in a corporate marketing scheme.

Storage
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Discussion paper on a multi-year
corporate sponsorship strategy in
support of international cultural
activities May 1991 = U
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