



Raising corporate sponsorship

Definition

Sponsorship is a reciprocal arrangement whereby a company provides funds, materials or a service to support an arts activity in order to promote its name or brand image.

Types of support

Principally there are two types of corporate sponsorship

Cash sponsorship

The provision of funds by a corporation (business) to an artist or carnival organisation in exchange for a set of agreed benefits. Normally, the payment is related to a particular event or activity.

Sponsorship in-kind

The supply of a product or service free of charge (or at a reduced rate) that an artist or carnival organisation would normally have paid for, again, in exchange for a set of agreed benefits.

Why would a corporation sponsor carnival?

A company sponsors arts events for a number of different reasons. These are mainly in order for it to attract attention to its name, products or services. A company can build its brand image through sponsoring events.

Sponsorship motives can include:

- Increasing product or corporate awareness
- Developing product or corporate image
- Driving sales
- Developing market position
- Changing the company's image
- Building alliances in order to gain public support
- Gaining PR value
- Marketing potential
- Promoting benefits to its employees

In addition, corporations are showing a growing interest in fulfilling their Corporate Social Responsibility by supporting and being involved in community and social projects.



What can you offer?

Any company that sponsors an arts activity will want to see a return on their investment. You will need to identify your sponsor's requirements and deliver your side of the bargain. Often the terms and conditions of the sponsorship will be laid out in some form of document.

The benefits package

One of the key benefits for the sponsor will be that customers may recall and recognise a brand name by its association with the event. There a number of benefits that you could offer to a sponsor. These might include:

- Title acknowledgement or naming rights
- The sponsor being able to use the event or a band's logo for its own promotional purposes
- The sponsor's logo being placed on print and publicity
- Sponsor acknowledgement with all media exposure
- Special ticketing arrangements and hospitality for its staff and guests

Additional benefits

You might also be able to offer sponsors more value by allowing them to have their products and services out and about and in use during carnival time. This sponsorship might be seen as a credible addition to carnival for both carnival organisers and the company. For example, the public could purchase the sponsor's goods and services during carnival time.

Do your research

Arts sponsorship has grown in recent years. Often there is a strong relationship between the strength of the country's economy and corporate giving. As part of your research, you should check national and local press for news stories about business changes, mergers or new ventures.

Your research should seek ways to fit what you have to offer with that of potential sponsors. Therefore you should look for similar characteristics, activities, structures or cultures between your own artistic activities and that of a corporation. Look into what local corporations are doing or supporting within your community and check local press to see if businesses are moving to your area or have announced new product lines or secured new contracts. Any hooks that provide you with an opportunity to initiate contact with a corporation should be pursued.



Finally, check to see what types of activity the corporation wants to support and has supported previously. Some corporations have specific policies detailing what they will and will not support. It is vital that there is a close relationship between the nature of your arts event and the aims of the company. You need to find some kind of strategic fit between the two.

Target markets and segments

Carrying out surveys and collating data will reveal the nature and characteristics of your audience. Simple forms of research would identify the demographics, socio-economic and geographic profiles of your audience. This data would enable you to prepare sponsorship proposals tailored to meeting the requirements of sponsors.

Another exercise you can carry out is to think about the people involved in carnival and the types of people who attend. Try to come up with different categories and groupings of audience type. A basic analysis of carnival audiences could come up with segments comprising:

- Families
- Children and young people
- Youth fashion, music and culture
- Multi-cultural life
- Black British experience
- African-Caribbean culture
- Food and drink
- Partying and dancing
- Urban life style
- City living
- Mixed socio-economic groupings

Once you have descriptions of the types of people who are involved and attend carnival then you can seek companies with similar target markets to you. The fact that Carnivals in England attract thousands of people will be an attractive proposition to a company.

Preparing the pitch

Once you have identified your list of corporations that you think may be interested in sponsoring your activity you should check their application procedure. Corporations have different methods on how sponsorship proposals should be submitted. It is always worth contacting a corporation, if they are willing, before preparing your pitch beforehand to make sure that you fit their criteria.



Once you have made contact and submitted a paper proposal, it is likely that the corporation will want to meet you in person where you can make your pitch to them. This will be your opportunity to tell the corporation about your work and the activity that you are seeking sponsorship towards as well as outline how and why the sponsor will benefit from an association with your organisation.

In preparing your bid, the sponsor is also likely to check the following:

- Your track record – longevity and previous successes
- Your effectiveness – the credentials and characteristics of your key people
- Your ability to measure results – companies are generally searching for better ways to quantify the benefits of sponsorship and are demanding greater accountability from event organisers

Your pitch should aim to be truthful and realistic about what you can offer and what can be achieved from a sponsorship arrangement.

Setting your price

There are no formulae to help you set an appropriate price for your sponsorship packages or benefits. The price will be dictated by the amount of money you need and also by what you feel potential sponsors are prepared to pay. You will however need to ensure that what you have to offer is perceived to provide value to a company and be of high quality in all aspects of the sponsorship arrangement.

Relationships – ‘People give to People’

Sponsorship engagements should be viewed as a long term arrangement or partnership. Often sponsorship arrangements will have been brokered with individuals in a company. That person may seek personal satisfaction or professional reward from the sponsorship relationship.

You should bear in mind that any kind of sponsorship or funding relationship is developed through human interaction. It is the people who work for companies who decide who and what to sponsor. Developing a good connection with your supporter or key decision-maker at the corporation is as important as the sponsorship pitch itself.



Challenges

One of the key challenges facing organisations is maintaining a proper balance between maximising sponsorship income and running your core business. Too much time spent chasing new forms of sponsorship can lead to your group drifting away from its main purpose. You should consider whether there are other more effective ways of raising funds, such as applying for grants and contracts from the public sector, such as Arts Council England, local authorities, other governmental bodies, trusts and foundations. Alternatively, looking at how you do things and finding ways to reduce your expenditure is another way of freeing up scarce resources from within your organisation.



Here are some other points to consider:

Ethical dilemmas

Eliminating ethical problem areas prior to starting your sponsorship campaign will save you time. Some groups may wish to debate and set out a policy that explains the rationale for not seeking sponsorship from certain types of companies.

Manage expectations

You should ensure that you and your sponsor's expectations are clearly expressed at the outset.

Sponsorship terms and conditions

It is normal once a corporation has agreed to provide sponsorship to undergo some form of contractual negotiation that will set out the terms and conditions of the sponsorship arrangement. You should consider the impact on your organisation of any direct or implied conditions that may be attached to the sponsorship package.

Ensure quality in everything you do

The event or activity that is sponsored will need to be of high quality but you should also ensure that the additional benefits you provide and the way you conduct business with the corporation meets high standards too.

Your senior people must be active and involved

It is important that your senior members (committee members, band leader, managers) support the whole sponsorship campaign from start to finish. This will involve them attending and speaking at meetings with the sponsor and acting as host at social events attended by the sponsor.

Evaluation and review

Many companies are looking hard at the benefits and impacts of sponsorship. Being open to the idea of evaluation and review will develop your sponsorship relationship further.

External perception

You may need to consider the response of securing corporate sponsorship by your local community, stakeholders, personal network and amongst your peers. A negative response could have a detrimental effect on your work or reputation.