

MARKETING

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The art of sponsorship

CAN SME BUSINESSES use sponsorship as part of their marketing?

Whether you're local or multi-national, making sponsorship an effective marketing tool is more difficult than many business people realise. They assume that having their name or their brand associated with a feel-good activity like a sporting event is a natural winner, since the association ought to be universally positive. But a nice warm feeling for you does not necessarily translate into new customers or more sales to current customers. Worse, there is abundant evidence that recall of sports and events sponsorships can be notoriously low, even for the biggest business names.

Many business people get into sponsorships of events because they like the sport or the activity, and that's a very poor reason on its own. Sponsorships should be part of the total marketing plan with the aim of generating synergies from the linkages between your advertising, your brand building and the association with an event or activity.

Before you commit to sponsoring an activity or an event, you need to ask some basic questions: Is this association right for my product or my brand? Is it relevant and likely to be of interest to my customers and, more importantly, to my prospects? Apart from the mention and recognition of my business or my brand, how else can I gain exposure and positive associations from it? How can I link this with my other marketing communications? What could I do spending the same amount of money on above-the-line marketing such as straight advertising?

Making sponsorships work for you

There are two marketing objectives that can be addressed with sponsorships: raising awareness of your business and your products in your target markets and actually building sales volume.

Most sponsorships achieve only the first at best. Assuming your sponsorship 'reaches' your potential customers, have you worked hard to ensure maximum exposure of your brand or your business name? Take sports sponsorship. Outdoor advertising at the sports ground, logos on players' uniforms, your brand on entry tickets, perhaps even naming rights for the team you support should all be considered. Then there's hospitality before or after the game for key customers; product samples for sports patrons, if your product is not a high cost one, or perhaps prize draws at the game if your product is higher cost; links to the sponsorship in your products or your business; indeed a whole raft of other initiatives you need to consider before you sign that sponsorship cheque.

Like any other marketing activity, sponsorships need to be carefully planned to maximise every possible opportunity to leverage the initial investment. As well as outlining the tasks and activities directly associated with the sponsorship, your plan will outline the links to your overall marketing plan. Apart from bringing the sponsorship into your advertising and other marketing communications, there may be opportunities in other elements of the marketing mix. Take pricing as an example. You might offer discounts or premiums for the members of the sporting club.

Whether it's a local sports club, theatrical company, a school, or even an event like an art show, sponsorships can provide rewards, but to make the right investment you need to put in the effort up-front. ●

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