

Sponsorship

It makes the world go round

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Classic Blunders

- Selling bike racing
 - Most sponsors want to sell THEIR products, not yours
- Not doing your homework
 - Know THEM if you want their money
- Not building/maintaining relationships
 - Decisions are made by people
- Being impatient
 - Sponsorships can take months, even years.

Types of Sponsorship

- Cash
 - Most desired, hardest to get
- In Kind (aka Barter)
 - Money saved is as good as cash
 - Schwag is good, but not a priority
- Discounts
 - Money saved . . .
 - Example: Media partnerships

Sponsor motivations

- Marketing benefits
 - Advertising
 - Breaking through the clutter
 - Sampling: a powerful sales strategy
 - Internal marketing: employees & dept.s
 - Brand building: awareness & personality
 - Access to other sponsors
- Personal interest
 - Cyclists helping cyclists
 - Often influences choice of marketing strategies
- Community involvement
 - Public image building

Finding them

- Who to contact
 - Direct versus gatekeepers
- Personal connections
 - People you or your friends/clubmates know
 - Agencies
 - Current sponsors
- Indirect connections
 - Even an internal E mail address can be golden
- Sponsors finding sponsors
 - A powerful endorsement
- Cold calls to “good fits”
 - These rarely work

Do your research

- Who is their audience
 - Is their audience your audience?
 - Demographics vs. psychographics
- Know their brand!
 - Do you fit their brand (in THEIR view)?
- Know their goals!
 - Know their business as well as they do
- What have they sponsored before
 - What did they like and not like?
- Research your contact person
 - You're dealing with a PERSON, not a title

Testing the waters

- Keep it easy
 - Drop a name
 - Ask if it's a good time
 - Ask for just a five minutes
- Hit the main points immediately
 - They're busy and want you off the phone
 - Ask if they'll review a one page overview
- Ask for a meeting
 - Progress is made in stages

Listen more than talk

- What are their needs?
 - Ask about their business
 - Ask about their brand
 - Ask about their marketing goals
- Key in on the most important needs
 - Can you offer a realistic solution?
- Concrete solutions
 - Follow up with a clear proposal
 - Be realistic

What can you do for them?

- How many eyeballs?
 - How many people will be at your event?
 - How much product will your sponsors sell?
- Logo on a jersey
 - Little value in most cases
- Promotional work
 - Will you sample for them?
 - Distribute fliers for them?
 - Participate in promotional events?

How much \$\$ can you get?

- See it from THEIR perspective
- What have they spent on other sponsorships?
 - Other properties might tell you
- Advertising equivalence
 - CPM (cost per thousand)
- Return on investment
 - Incremental sales
- Cost plus
 - Budget plus a margin
- Greed is not good
 - Squeezing them makes them feel used

Know how decisions are made

- You are not talking to the decision maker
 - (S)he is probably the gate keeper
- Your job: Make your contact look good
 - Convince them that they'll shine
 - Train him/her to sell your product
- Work for advances, not sales
 - Sponsorships go in stages
 - Ask to be passed along
- Know how and when to close

Keep in touch

- Occasional updates
 - Don't wait until it's time to ask for more
 - Make them feel like they're part of something
 - But don't annoy them
- Thank you gifts
 - A jersey or signed photo can go a long way
- Invitations to events
 - Even if they don't attend, they'll appreciate the thought
- Make a fuss
 - Introduce them and thank them publicly