

School of Engineering

Engineering Business Skills - Sponsorship

Mark Sandford

Sponsorship- what is it ?

- Sponsorship is the provision of financial or material support by a company for some independent activity.... Not usually directly linked to the company's normal business, but support, from which the sponsoring company would hope to benefit
(Wilmhurst 1999)
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Sponsorship objectives

- ❑ Increasing brand awareness



Increasing band awareness

- ☐ Lotus
 - ☐ Ferrari
 - ☐ Williams
 - ☐ McLaren
 - ☐ Suzuki
 - ☐ Yamaha
 - ☐ Ducati
 - ☐ What do red bull sponsor ?
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Sponsorship objectives

- ☐ Building and enhancing corporate image

Sponsorship objectives

- ☐ Changing corporate image
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Save Radley Lakes

Cycle to Recycle PROTEST



Saturday 15th September 2007

**12.00 midday from Oxford
Broad Street**

**Joining up at 1.00pm to depart
from Radley Railway Station to
Abingdon**



**For further details
contact:**

**Jo Cartmell on
01235 534424**



www.saveradleylakes.org.uk



Cycle to Recycle: A Radley
Lakes Protest. 15
September .
Join a **Cycle** Ride to Say
No to RWE NPower's
attempt to destroy to
Radley Lakes on Saturday
15 September.

Mountain Biking in Afan Forest Park

Twisty, rooty, rocky and in places wildly exposed, the singletrack in Afan Forest Park is the enthusiasts dream.

The trails here have been carved out of hillsides once scarred by coal mining, but now the valley has been transformed into singletrack heaven by Forestry Commission in partnership with Neath Port Talbot County Borough Council, Visit Wales and the local community group Glyncorrwg Ponds Co-operative.

Afan Forest Park is home to 5 world class trails, the 'Penhydd', 'Y Wal', 'Skyline', 'White's Level' and 'W²', boasting over 100 km of singletrack heaven. Afan Forest Park was the only UK trail destination to feature in the 'What Mountain Bike Magazine' as one of the ten best places to ride "before you die", December 2004 issue. In 2008 it was also voted one of the top ten public forests in the UK by the Sunday Telegraph.

Sponsorship objectives

- ☐ Raising awareness of brands restricted by legislation
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Cola

<https://www.cocacola.co.uk/home/>







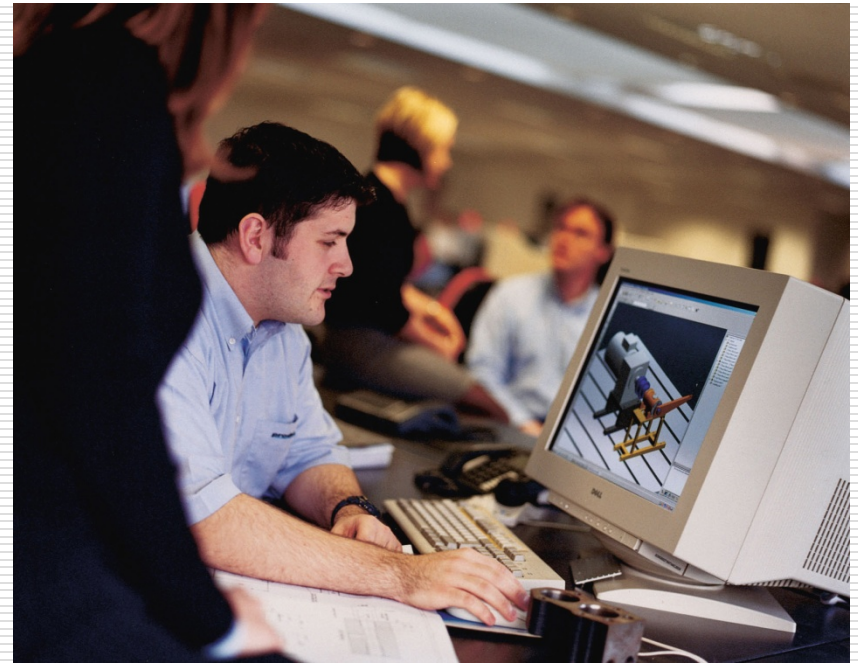
Engineers

- ☐ As engineers why are you / should you be interested in sponsorship?
 - Sole income for teams
 - You want wages and equipment
 - It will affect in some way
 - ☐ Working environment
 - ☐ Behaviour and dress codes
-

Working environment



Working environment



Dress code and behaviour



Dress code and behaviour



Engineers

- ☐ As engineers why are you / should you be interested in sponsorship?
 - Sole income for teams
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 - ☐ Working environment
 - ☐ Behaviour and dress codes
 - ☐ **Public contact and presentations**
 - ☐ **Engineering decisions**
-

Types of Sponsorship

- Programme sponsorship
 - TV, films, product placement
 - Arts sponsorship
 - Venues, events/exhibitions, competitions, commissions,
 - Sports sponsorship
 - Teams
 - Sponsorship of events
 - Single, series
 - Sponsorship of individuals
 - David Beckham, Michael Jackson
 - Social sponsorship
 - Promoting ethical credentials
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Sports Sponsorship

- ❑ Ellen McArther round the world global yacht race resulted in considerable media exposure for her main sponsor, the Kingfisher group.
- ❑ Kingfisher investments of £2m was easily recognised if the strong +ve media coverage was correctly valued at about £50m



The Role of Sponsorship

- ❑ Sponsorship can provide a cost effective means of meeting your target audience, but the design content and message are less controlled than in other media
 - ❑ From a corporate perspective and PR perspective, sponsorship raises the profile of the organisation and it's corporate values, and in some instances can really bring the brand name and corporate image to the centre stage.
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The Role of Sponsorship

- Offers vast opportunities for the organisation in terms of the value added perspective of merchandising, public relations activities, improved stakeholder relationships, and highlighted ethical and social values.
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Merchandising & Licensing



Merchandising & Licensing



Licensing & merchandising

- ❑ **Subaru World Rally Team** (licensed from 1998) Commercial Range & Team Kit swrtcollection.com
 - ❑ **Honda Racing F1 Team** (licensed from 2003 - 2006) Commercial Range & Team Kit
 - ❑ **Aston Martin Racing** (licensed from 2005) Commercial Range www.astonmartinracingcollection.co.uk
 - Williams F1** (licensed from 2006) Commercial Range www.williamsf1collection.com
 - Sony Ericsson Women's Tennis Association Tour** (2006) One-off order for staff wear
 - JTI Camel Yamaha** (licensed from 2006) No further information available
 - Vodafone McLaren Mercedes** (licensed from 2007) www.mclarenshop.com
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What factors to consider?

- ❑ What relevance does the particular sponsorship arrangement have in terms of the match between the two organisations and the potential target audience ?
 - ❑ For example, it is clear that when Carling Black Label sponsor sports events it will bring in additional sales of drinks, both during and after the event.
 - ❑ Sponsorship blocking can occur where major sponsors/stakeholders control their interest
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Sponsorship blocking



Sponsorship blocking



Sponsorship blocking



Factors to Consider

- The period of impact – how long before and after the event will the sponsorship profile last for? Is the event a one-off or a sequence of events?
 - The uniqueness of the sponsorship agreement – from a competitive perspective it will be essential that the agreement with the sponsored individual or organisation allows the brand, market and competitive position to be differentiated in a unique way.
 - Hierarchical sponsorship
 - Flat sponsorship
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Factors to consider

- The level of spin-off promotion – for example, the importance of a co-ordinated approach between other elements of the promotion mix will be essential to maximise cost effectiveness of particular high profile events.

Merchandising – Prodrive and Brand&/Ferrari

Corporate entertainment

Media involvement

Sample distribution

Valentino Rossi





Working environment



Sponsorship blocking



Advantages of Sponsorship

- ❑ Cost effective in terms of reaching a large audience
 - ❑ Allows access to very specific types of audience that might be difficult to reach
 - ❑ Sponsorship can achieve many different objectives
 - ❑ Offers creative opportunities
 - ❑ Effects of a sponsorship programme are measurable
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Disadvantages of Sponsorship

- ❑ Employees (and investors) can misunderstand it as an excessive indulgence
 - ❑ Global media coverage may not be a good thing
 - ❑ Ambush marketing allows non-sponsoring competitors to soak up some benefits without paying full price
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Running a Sponsorship programme

- .S - situation analysis (where are we now)
 - .O - objectives (where do we want to go?)
 - .S - strategy (how do we get there?)
 - .T - tactics (the details of the strategy)
 - .A - action (putting the plans to work)
 - .C - control (monitoring and review)
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How to obtain Sponsorship

1. Decide what you would like to have sponsored
 2. Develop a sponsorship plan
 3. Research companies to establish which companies have sponsored what in the past
 4. Select an appropriate method of contacting the relevant company
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How to obtain Sponsorship

5. The appointment

- Dress appropriately
 - Arrive on time
 - Introduce yourselves positively
 - Be confident and answer any questions fully
 - Have all your costs and benefits readily available
 - Before you leave establish what happens next
 - Thank the organisation for their time
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Exercise

- ❑ In groups of 3 or 4 imagine that you are running a small motorsport team.
 - ❑ You need to obtain more funding to improve your engineering resources and ultimately your competitiveness.
 - ❑ You also want to obtain more funding to enable the team to attend some European championship rounds in your class.
 - ❑ Generate a mind map to outline the issues affecting your potential to gain sponsorship.
 - ❑ List possible industries/companies that you could approach
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Appropriate sponsorship

