

The following is an extract from the latest edition of the Sponsorium Report. The Report is based upon more than 14,000 sponsorship properties from 35 countries, accessed and evaluated against the weighted sponsorship criteria of 65 leading brands. The purpose of the Sponsorium Report is to deliver macro trends to the global sponsorship industry so that we may better understand and improve performance. Insights include

- An industry score and index on how sponsorship proposals meet the needs of brands.
- What are brands looking for and how can rights owners improve their offering?
- What is the average annual rights fee and how does it differ by Sector?
- What impact has the economic crisis had on asking rights?
- How cost effective is sponsorship and how does each Sector compare?

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WHAT DO BRANDS WANT?

We have established over the two years that on average a sponsorship proposal meets less than half the objectives of a brand, and even the best performing sector (Festivals and Fairs) is meeting only 60%. So what is it that brands are looking for from the sponsorship market?

For the first time we are able to share with you a unique insight into the brands mindset, to shed some light on what they look for and how sponsorship sellers could improve their offering.

Of the traditional sponsorship benefits, **broadcast coverage**, ability to **reach large target audiences** and **hospitality** remain reasonably high on the brands agenda. However, they do not dominate as they did three or more years ago, and offering these benefits alone will not allow a sponsorship opportunity to fully satisfy brands objectives.

Instead brands have other considerations that are growing in prominence. These include; the **level of sponsorship** that is being offered. This is based around the key issue of exclusivity and share of voice at events. Brands don't find cluttered environments attractive and certainly look favourably on 'less is more' partner environments.

A benefit that is often overlooked is the amount of **advertising and PR support** that the property offers as well as how many opportunities for **activation** exist. For some rights owners, the view is that it is left to the brands to use their own network and resources. This should change moving forward. Not only have activation budgets suffered during the recession but in some cases the high level of rights fees reduces the ability for the brands to have sufficient resources to activate effectively. A well thought out plan and demonstration of support from properties is certainly an area that the rights owners should consider and will prove attractive to brands.

Growing in brands consciousness and now a key ingredient in almost all brands kpi's for sponsorship is the need to harness community, **corporate citizenship**, **grassroots or environmental concerns**.

This is now a very valuable part of an inventory that rights owners have to offer to sponsors, particularly as some brand sectors look to rebuild reputation and others look to connect directly and be involved with communities in a meaningful way.

Linked to this is knowledge of, and access to, a developed **CRM or fanbase**. Brands value the direct access to target groups and events need to understand that a high percentage of the value they possess is in their customer or fan base – knowing who they are and their lifestyle habits and choices is more attractive than claiming millions (or billions) of unknown, unaccessible ‘fans’.

One of the common mistakes made by sponsorship rights sellers is the **lack of lead time** in the recruitment of partners. Most brands will create marketing plans many months in advance. If rights owners are selling partnerships in a shorter period they will only be able to be considered as a tactical rather than a strategic opportunity that can be integrated into the brand plan. This is important for rights holders on many levels not least financial - a strategic partnership will attract much higher budget and marketing support than a tactical one.

Finally a sponsorship benefit that is growing in importance for brands is being able to use the **platform for internal engagement**. Sponsorships that provide opportunities for employee volunteering or staff benefits will be viewed very favourably by brands in the current climate.

In summary, brands are looking beyond the traditionally accepted benefits of sponsorship and want partnerships that offer them a broader range of opportunities and the ability to generate a greater return on a wider and more meaningful set of objectives.

The lesson for rights holders is refocus; understand that much of the real ‘value’ in your sponsorship opportunity lies not simply in your ability to deliver eyeballs.