

WE'RE BROKE. WANT TO SPONSOR US?

By Gail S. Bower

I can scarcely think of a worse sales pitch than, “We’re broke, and we need your money to pay our bills.”

Yet that is precisely the underlying pitch New Orleans officials are using to sell, or perhaps justify, corporate sponsorship rights to this year’s Mardi Gras, at least as reported nationally in the *Wall Street Journal* (December 7, 2005) and locally in *The Times-Picayune* (December 8, 2005).

For the record, I have had strong ties to New Orleans for nearly 20 years and continue to serve as a producer for the New Orleans Jazz & Heritage Festival and the Essence Music Festival. I work with hundreds of colleagues and friends, all touched in unimaginable ways by Hurricane Katrina. I want most of all for the city, its culture and its soul, to be preserved and for order and vibrancy to return to everyone’s lives there. This intention is at the heart of my discussion.

Historically, New Orleans’ Mardi Gras celebration has been among the last holdouts to embrace corporate sponsorship. Indeed, an ordinance forbids corporate sponsorship of parade floats, and many in the city fear that commercialization will change irreparably the nature of the event and its long-held traditions.

However, this year, after the devastation of Hurricane Katrina and the economic havoc the storm continues to wreak, the city decided to sell sponsorship rights to “cover the costs of police overtime, street cleaning and other city services that make Mardi Gras possible, as well as help pay for a national advertising campaign,” reported the *Wall Street Journal*.

While I have no doubt that sponsorship of Mardi Gras, which draws more than a million celebrants to New Orleans, would represent an excellent value for the right corporate partners, this sales pitch represents precisely the mindset non-profit leaders need to abandon. Corporations do not want to sponsor organizations’ events or programs to bail organizations out of deficits or

funding squeezes. Corporations want to sponsor successful events or programs that offer them high value, with strong returns on investment.

Corporate sponsorship dollars are not jackpot winnings from a slot machine. They are not quick bucks made to waylay cash flow problems or fend off some negative state. This income is derived after careful decision-making to develop a new market, the corporate market, for the non-profit organization’s business development.

Yes, this income will allow the non-profit organization to pay its bills. True also: the organization may need to develop this revenue urgently to diversify its income stream. But organizations will have a much greater chance of success with corporate sponsorship when coming from a position of strategic strength rather than from one of financial desperation.

5 Steps to Sponsorship Success

So, how can you enhance your organization’s success with corporate sponsorship and approach the marketing of this new service offering with strength? Here are the five key steps your organization needs to take to lay the important groundwork and prepare for corporate sponsorship.

Staffing. First, be clear that as an organization your operation is prepared to launch and sustain the initiative. Sponsorship development, like any endeavor, requires ongoing attention from staff members to create new opportunities; to cultivate relationships with potential partners; to share these ideas with and market them to prospective corporate partners; to negotiate these deals; and ultimately to fulfill the benefits and obligations of the partnership. Who on your staff will be responsible for developing sponsorship? How will this person or team be supported? How will these responsibilities fit in with overall responsibilities?

Assets. Next, in order to develop sponsorship opportunities, your team must conduct an audit of the assets that your organization offers the corporate market. What assets will you leverage to

provide value to corporate partners? How will you know that these assets are of value and will meet your customers' needs?

These assets take the form of access to your audiences through marketing efforts and through the value of your programs or events. Corporate sponsorship is distinct from other vehicles in the traditional marketing mix because it offers qualitative experiential benefits. Simply sticking a logo on a brochure is not corporate sponsorship. It is also of very little value to savvy corporate marketers. How does your organization enable experiential opportunities for corporate partners? How will these interactions showcase the sponsors' products or services before your customers?

Value. Conducting this audit will help your team become keenly conversant with your corporate sponsorship service and will help you recognize the value in your programs or events to meet the business and marketing goals of corporate partners. With this understanding, you will then be able to assign fees to this value. Here's where a little creativity comes into play. How can you package these benefits to ensure that you meet your partners' goals and so that you don't leave money on the table?

Marketing. The next step is to hit the streets and begin marketing your sponsorship opportunities. The name of the game in this sort

of marketing--or selling--is in cultivating and developing relationships. Be sure your team has adequate time and resources to research appropriate partners, cultivate relationships with these individuals, propose ideas, negotiate deals, and ultimately attract corporate partners for your organization's programs or events.

Fulfillment. The relationship just begins with the signing of an agreement. Next the team will fulfill your organization's obligations and help your new partners execute a meaningful collaboration. There are deadlines, artwork to develop, even more details to negotiate as the plans and ideas come to fruition.

And this process is ongoing. Just like the development and growth of any new product, service, or program.

Think of corporate sponsorship as a new service your organization offers. Take the time to ensure that you have the proper infrastructure, competence, resources, and cultural support to make this service a success. Postpone corporate sponsorship development until you are able to launch the program with a service that prospective partners need and want, no matter how urgently you may need the income.

If, as you read through these steps, you added a big checkmark beside each one, congratulations! You're all set to launch a corporate sponsorship program and a new revenue stream. Go for it!

Gail Bower, President, Bower & Co. Consulting LLC, specializes in raising the visibility, revenue, and impact of non-profit organizations. She's a professional consultant, author, and speaker, with 20 years of experience managing some of the country's most important events, festivals and sponsorships. (*Business Philadelphia* named Gail among the "100 People to Watch" in 1993.) Launched in Philadelphia in 1987, today Bower & Co. provides marketing and business development counsel and implements marketing programs. For more information, visit GailBower.com or contact her at 1-866/36-BOWER (1-866-362-6937). © 2006 Gail S. Bower. All rights reserved. Originally published in *BowerPower Papers*.