

FEBRUARY 2014 GLOBAL COMMUNITY INVESTMENT EDITION "The Retail Industry"

Welcome to the latest SPONSORIUM Report. Here you'll find real Knowledge Transfer, published monthly, in the form of insights and trend analysis delivered to the Sponsorship and Corporate Responsibility industries on a consistent basis.

The content is exclusively the figures and fees that are extracted directly from the cloud-based *PerforMind* Management software that hundreds of brands around the world use to track their activities (e.g. projects, events, campaigns) and investments (all shown in US dollars). **The data is not pulled from surveys or research, and amounted to over 50,000 opportunities and partnerships that brands formed through the end of last year.**

This month, the Report drills down into data only from the Retail industry. It is split into two reports, one focusing on more traditional Sponsorship and the other delving into Community Investment. These two disciplines are in some ways closely related but are most regularly controlled by separate corporate budgets and managed by completely different staff, with different objectives. This separation is subscriber/reader driven and will allow for both more content from each area, as well as ensuring reader efficiency.

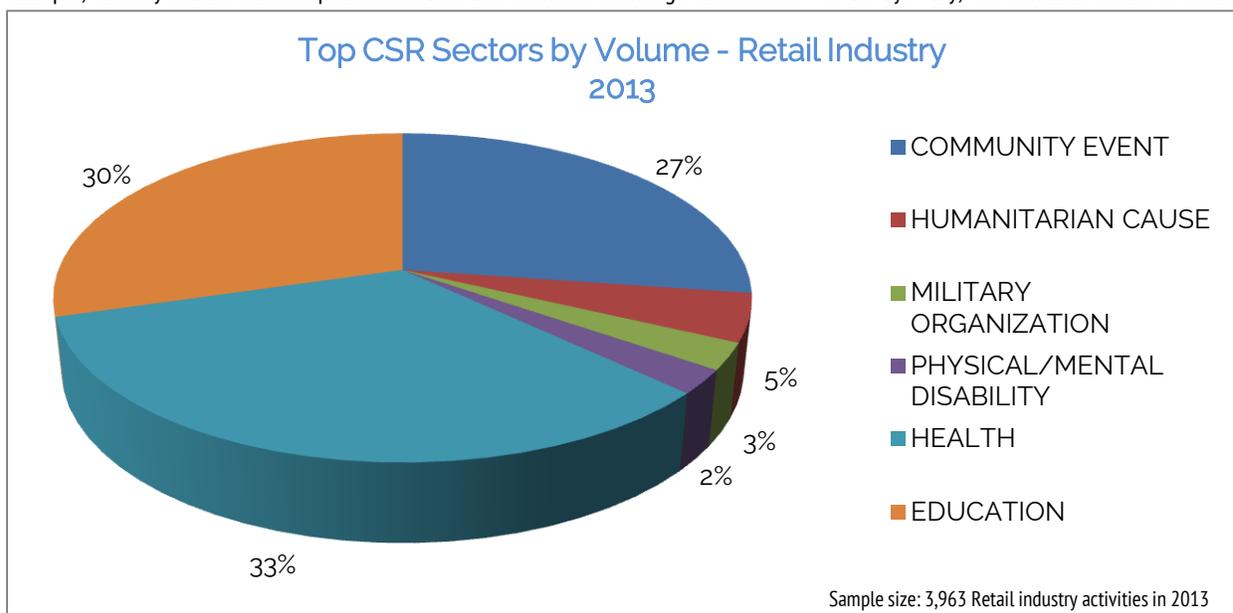
SPONSORIUM provides the key analysis and cross-referencing so that companies and foundations, their agencies, and the groups they support can benchmark their own performance and improve their business intelligence, all with an eye on truly understanding impact.

Contact Seth Leeds, Editor (seth@sponsor.com), for additional information or for data specific to your industry.

Both versions, as well as past editions of the SPONSORIUM Report are available for free download at www.SponsoriumReport.com

COMMUNITY INVESTMENT BENCHMARKING 'The Retail Industry'

The below chart, which shares the breakdown of activities within the Retail industry, is glaringly different from that of the gross data (all industries combined). Retail brands show a strong tendency to support an array of causes that their business thrives on. For example, Grocery brands tend to promote health and nutrition. Although the Sectors will always vary, the common theme is locale.

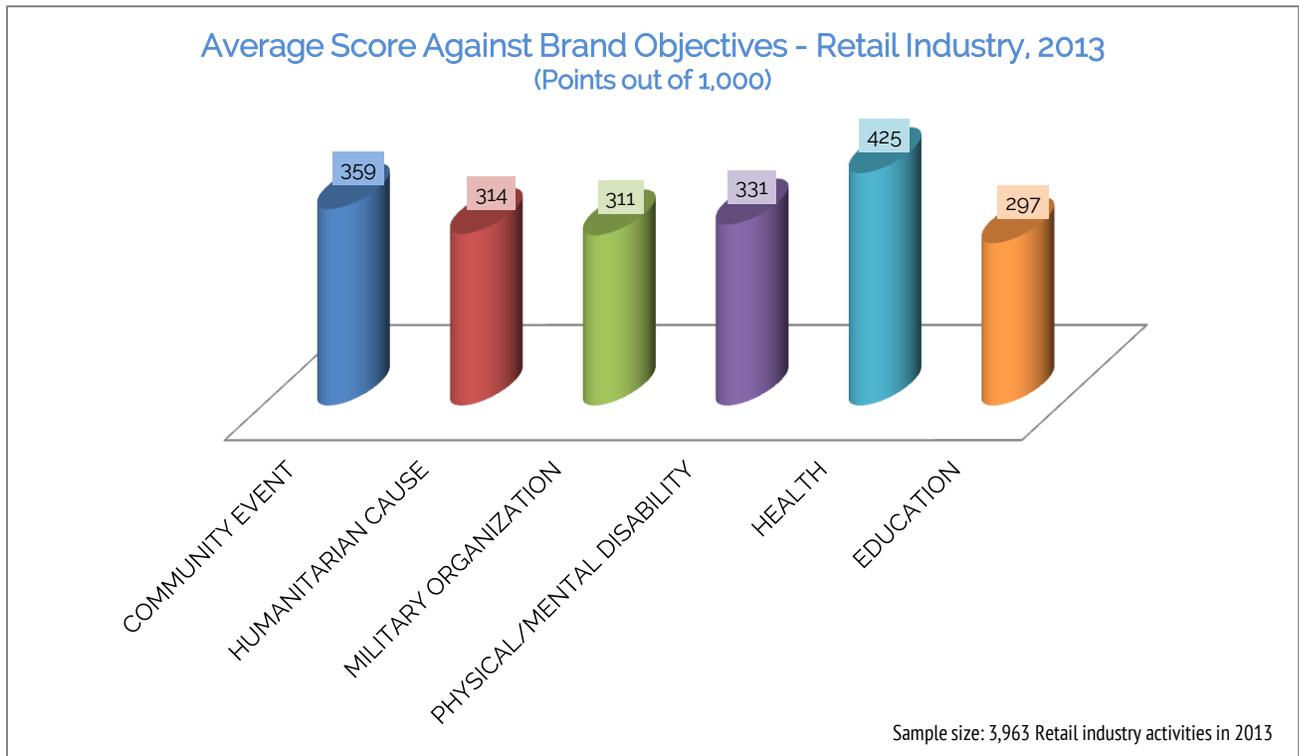


COMMUNITY INVESTMENT BENCHMARKING 'The Retail Industry' (continued)

As it relates to the chart on page 1, Health (+12%), is one of the sectors with a large difference compared to that of the overall data. Others are Education (-13%) and Community Event (+7%). These changes are directly related to the ability to of the partnership to be created on a local level. Retail brands act when they can involve the surrounding community, and potentially impact local areas, in turn promoting store traffic and offers, which brings us to examine the chart below.

As brands may be looking to Community Investment activities for different reasons, those that do it best are evaluating and measuring based on the goals they have for each initiative. One example is with the U.S.-based home improvement retailer *The Home Depot*, whom at one point had a partnership with *Kaboom!*, a group that built or rebuilt local playgrounds. Some materials were supplied by the store and employees participated. These were just a few of many key objectives that could be evaluated to track and potentially improve the Score (measured on 1,000pts), or performance against objectives.

The graph below displays how, on average, the Retail industry meets its Community Investment objectives. Scores are typically lower for CSR related projects, as detailed evaluation is relatively new to the industry. We can learn from this exercise though, that Retailers could integrate more of their objectives into philanthropic, sustainability, and employee engagement work.



COMMUNITY INVESTMENT FORECAST

The Retail industry and the continued increase of online retail operations may actually be changing the types of CSR activities that Retailers engage in. While brick and mortar stores will always look to impact their local market, and therefore drive traffic, the true opportunity may lie in exploiting online and social based activism, grants, and etc. Criteria driven measurement remains the key.

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