

WHITE PAPER

Presented by
Partnership Group – Sponsorship Specialists™

Prospecting and Discovery Sessions Brent Barootes

FESTIVALS AND EVENTS ONTARIO ANNUAL CONFERENCE 2013

SPONSORSHIP DEVELOPMENT WORKSHOP

IN CONJUNCTION WITH THE
ECONOMIC IMPACT & STRATEGIC
ALLIANCE STUDIES

FINDING MORE SPONSORS
PROSPECTING AND DISCOVERY SESSIONS

The logo for Partnership Group consists of a square divided into four quadrants. The top-left and bottom-right quadrants are blue, while the top-right and bottom-left quadrants are green. The letters 'PG' are positioned in the center of the square.

PARTNERSHIPGROUP

Sponsorship Specialists

www.partnershipgroup.ca

PRESENTER

BRENT BAROOTES

President and CEO

Partnership Group

– Sponsorship Specialists™

Phone: 403-255-5074

Fax: 888-486-3407

Toll Free: 888-588-9550

Email: **brent@partnershipgroup.ca**



Sponsorship Specialists

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Session Development

- ✓ We reviewed all the studies from each of your festivals and events
- ✓ Custom built this presentation based on what we saw and learned
- ✓ Looked at demographics as well as sponsorship and strategic alliances and how those affect each or you individually and overall
- ✓ Determined what we should focus on for this session

Session Development

- ✓ Almost all the studies showed that 70% or more of indicated that sponsors enhanced their experience
- ✓ Food & beverage concessions were critical revenue channels and attendees are regular purchasers of soft drinks and beer
- ✓ For most of you, over 65% of your attendees are loyal to sponsors brands and products
- ✓ On average over 68% of your event-goers enjoyed learning about new products and services while visiting your events

Workshop Agenda

- ✓ **Industry Update and Trending**
- ✓ **Prospecting**
- ✓ **Discovery Sessions**
 - ✓ What are they? / Why are they important?
 - ✓ Getting a meeting
 - ✓ Determining what to ask based on the Economic Impact and Strategic Alliance Study
- ✓ **Wrap-Up**



Background Information

- ✓ Partnership Group – Sponsorship Specialists™
- ✓ SMCC One Day Workshops™ in Ottawa and Toronto
- ✓ Private Workshops and Educational Training
- ✓ SMCC Western Sponsorship Congress™



Industry Update and Trending

These are some key terms when discussing sponsorship:

- ✓ Property
- ✓ Assets or benefits
- ✓ Inventory
- ✓ Activation
- ✓ ROI



Industry Update and Trending

Our Definition:



A cash and/or in-kind fee paid to a property (typically in sports, arts, entertainment or causes) in return for the exploitable commercial potential associated with that property.

Industry Update and Trending

- ✓ Presently a \$1.59 billion industry in Canada
- ✓ Almost 22% of spends are on local sponsorships
- ✓ 65% was spent with “non profits and charities”
- ✓ 56% of Canadian corporations surveyed by IMAGINE Canada are in sponsorship



Industry Update and Trending

- ✓ 30% of brands marketing budgets last year were spent in sponsorship and experiential marketing – up by almost 1/3 over the 2011 study and up over 75% over the last 7 years
- ✓ Cause marketing and professional and amateur sport sponsorships have seen a declining trend over the past several years
- ✓ **Greatest continuous growth has been with fairs, festivals and annual events**
- ✓ Entertainment-Tours – Attractions and the Arts have also continued to see growth trending

Industry Update and Trending

- ✓ The 2012 report showed clearly that properties still are failing to provide resources for activation programs and this is a major issue for sponsors
- ✓ The report also showed that sponsors are not receiving a comprehensive wrap up report and this is critical for them

Industry Update and Trending

- ✓ Also sponsors noted that properties need to be better at providing sponsor recall statistics as well as audience loyalty statistics
- ✓ Because you invested in this Economic Impact and Strategic Alliance Study you have the data to be able to provide such feedback to sponsors
- ✓ Many “smaller” events and festivals would not have this advantage

Industry Update and Trending

- ✓ 20% of property sponsorship revenues come from financial institutions and 15% from crown corporations
- ✓ Food and Beverage sponsors account for 12.5% and oil and gas accounts for 9.5%
- ✓ Provincial lotteries account for about 8%
- ✓ The balance (35%) comes from auto, professionals organizations like law firms, communications, retail, travel, agriculture

Consumer Sponsorship Rankings (CSR) 2012



Consumer Sponsorship Rankings 2012

- ✓ This research was done by Enigma Research
- ✓ 1000 respondents in the 2012 study, all telephone conversations from random Canadians
- ✓ On average 12-15 minutes with each interview (French and English)
- ✓ Cross section from every region of Canada
- ✓ The 2012 study also has four detailed supplementary studies available for subscription purchase on the financial industry, the telecoms, sport and charities

Consumer Sponsorship Rankings 2012

Canada's Most Supportive Industry Categories

1. Soft drink companies
2. Restaurants and fast food
3. Banks and financial institutions
4. Telecommunication companies
5. Breweries
6. Media companies
7. Auto Manufacturers
8. Large Retail
9. High Tech companies
10. Lottery corporations

CONSUMER SPONSORSHIP RANKINGS 2012

Canada's Most Supportive Sponsors by Industry Categories

1. McDonalds within the restaurant sector **and** highest scoring among all industries
2. Coca- Cola
3. Air Canada in airlines
4. Ford – Lincoln in auto category
5. Molson for brewery



CONSUMER SPONSORSHIP RANKINGS 2012

Canada's Most Supportive Sponsors by Industry Categories

6. TD/Canada Trust
7. Shell for energy or petroleum company
8. CN for railway
9. Apple for technology
10. WalMart for large retailer

38% of Quebec felt BMO was the most supportive FI



CONSUMER SPONSORSHIP RANKINGS 2012

Canada's Most Important Annual Events / Properties

1. Carnaval du Quebec – (Winter festival)
2. Stanley Cup Playoffs (Annual sport event)
3. Montreal Canadiens (Sports team)
4. Montreal Jazz Festival (Music festival)
5. Cancer (Health causes)
6. Terry Fox Run (Run, Walk or Bike)
7. CNE (Exhibition or fair)
8. Terry Fox Run (Fundraising)

Getting in the Game... CSR 2012

Why do brands get involved in sponsorship according to Canadian consumers?

1. 92% of Canadians believe it is for people to see their brand name
2. Majority say it is to enhance their brand image as good corporate citizens
3. Canadians know it is to create brand loyalty

Others are:

- Support causes, athletes
- Sample product
- Entertain clients
- Obtain sales leads
- Differentiate themselves

Getting in the Game... CSR 2012

Who influences brand loyalty?

- 69% of Canadians said they would prefer to do business with a brand who supports their favorite causes
- 53% said the same for arts / cultural events
- 45% said the influence is there for sport

Interesting CSR Insight: Higher income Canadians are more likely to conduct business with sponsors of their favorite properties

Who influences brand loyalty?

- ✓ 35% of Canadians said they pay more for brands that supported their arts and cultural organization,
- ✓ 57% said the same when the sponsorship is related to a cause
- ✓ Only 32% would do so in regards to sports
- ✓ Interesting CSR Insight: More than 2/3 of higher income Canadians would pay more if a favorite cause is supported



CONSUMER SPONSORSHIP RANKINGS 2012

Consumers thoughts on sponsorship methods

- 2/3 of consumers felt donating prizes to a cause or sport was an appealing or very appealing approach
- Giving cash actually ranked second!
- Providing volunteers and staff was also important as was handing out samples and marketing of the event

Interesting CSR Insight: Signage at events ranked in bottom of top ten and “naming of an event” ranked **last overall!**

Industry Update and Trending

- ✓ Sponsorship can involve many approaches
- ✓ **It is a form of marketing**
- ✓ Integrated into a multi-faceted plan – **not just a stand alone sign at an event**



Industry Update and Trending

- ✓ Sponsorship links emotion with outcomes to upgrade a marketing plan
- ✓ Without emotion, it is just advertising
- ✓ Sponsorship takes marketing and advertising to an experiential level



Industry Update and Trending

Why do companies sponsor properties?

- ✓ Differentiation from competition
- ✓ Client entertainment
- ✓ Merchandising opportunities
- ✓ Showcase new or existing products
- ✓ Combat larger budget competition
- ✓ Drive sales or leads



Industry Update and Trending

- ✓ Change in approach and striving to move to a sponsor focused model



Industry Update and Trending

- ✓ Change in approach and striving to move to a sponsor focused model



Questions



Prospecting

Who is “the” decision maker?

- ✓ Travel 60% - 70% Time
- ✓ Read / Return **25-40** emails daily
- ✓ Attend **6-10** meeting/teleconference weekly
- ✓ Uses **3,000-4,000** wireless minutes monthly
- ✓ Return approximately **10-20** phone calls daily
- ✓ Receive approximately **40** phone calls daily



Prospecting

Who is “the” decision maker?

- ✓ President / CEO / Owner
- ✓ Marketing Department
- ✓ Community Investment
- ✓ Donations Committee
- ✓ Advertising Manager
- ✓ Sponsorship Director
- ✓ Human Resources
- ✓ Sales VP
- ✓ Agencies – Sponsorship or Advertising or PR



Prospecting

Who is your competition?

- ✓ Local / Regional / National TV, Radio, Print, Outdoor, professional sports and entertainment
- ✓ Person sitting next to you
- ✓ Internet
- ✓ Direct mail
- ✓ Social Media



Prospecting

Supplier lists – the benefit if you grow

- ✓ Look at your check ledger – who do you spend with?
- ✓ Can you grow their business?
- ✓ Office supplies, electricity, food and beverage, office equipment, automobiles etc.



Prospecting

Volunteer lists – individuals work / own companies

- ✓ They already support you individually, can their companies benefit as well?
- ✓ If you are a member organization, what about member's companies?
- ✓ What about parents or family associated to the organization?



Prospecting

Industry related

- ✓ Do you have a property that is specific to an industry such as member association
- ✓ Can associated suppliers be targeted from competitive purposes
- ✓ **Jazz**
- ✓ **Carrots / Corn**
- ✓ **Fair and Exhibiiton**



Prospecting

- ✓ Know who your audience is before you call on prospects
- ✓ **You have the information from your Economic Impact Studies – you can say to them “hey, I have some information you may be interested in”**
- ✓ They may not know you can help them



WINNERS
Find Fabulous For Less

Prospecting

- ✓ In Canada, annual pet products sales exceed \$4.5 billion (as reported in The Business Edge) ...think there is a prospect category here?
- ✓ Do you have families involved with your event that includes pets as well...guess who has money to stand out and be noticed!!!



Prospecting

- ✓ Business contacts – who do you know...who do they know that can benefit from your organization
- ✓ Friends and Family – Ask your “mom” / “church pew companions” – you will be surprised
- ✓ Newspaper stories – Read the newspaper, watch / listen to the news...what about major announcements for namings / sponsorships...do they have more money... does their competition have money?



Prospecting

Internet

- ✓ Research through Google, company web sites, Facebook, LinkedIn
- ✓ Look at competition sites, similar events or properties elsewhere in the country / region / world
- ✓ Drill down for specific sectors you may be targeting at the time



Prospecting

Audience Surveys – Like the Economic Impact and Strategic Alliance Study – lots of good info there

- ✓ How many people buy airline tickets?
- ✓ How many buy fast food?
- ✓ How many are open to learning new ideas and opportunities?
- ✓ How much is spent on hotels?
- ✓ How much is spent on retail
- ✓ How far do they come from
- ✓ What is their age demographic

Prospecting

Other advertising formats

- ✓ Read magazines, watch TV, see billboards – who is advertising...do you deliver their audience...add them to the suspect list and research to determine if a prospect



Questions



Break

Discovery Sessions

What is a “Discovery Session”

- ✓ Introductory meeting
- ✓ Typical approach – *Pitch, Pitch Pitch!*
- ✓ This is a session to listen and learn
- ✓ – *not pitch!*
- ✓ Determine what **their** needs are



Discovery Sessions

What is a “Discovery Session”

- ✓ Determine what their needs are
- ✓ Where do they “hurt”?
- ✓ How can you take the “hurt” away in part or in whole?



Discovery Sessions

What is a “Discovery Session”

- ✓ This is where you learn it is about the sponsor and not your organization
- ✓ It is about what they “need”...not what you have to “sell” or “get rid of”
- ✓ Critical to have this meeting or meetings to ensure success – may be multiple meetings over time
- ✓ Process from prospect qualification to closing in Canada is about 18 months...sometimes quick, sometimes longer (Live Green Festival / Firewithin)

Discovery Sessions

What is a “Discovery Session”

- ✓ Sponsorship is about relationships... partnerships...both benefiting
- ✓ You need to come out with information to go back and build the proposal
- ✓ You want to custom build proposal “regurgitating” what they told you then applying it to your inventory of benefits to deliver results



Discovery Sessions

- ✓ How do you get the meeting?
 - ✓ Always make it convenient for the prospect
 - ✓ Their office, your office, coffee or lunch
 - ✓ Be flexible
 - ✓ Remember this is a “discussion” not a pitch
 - ✓ Put them at ease from start “I have nothing to pitch you...just want to learn more about your organization to see if there is a way we can assist you to reach your goals”

Discovery Sessions

- ✓ How do you get the meeting?
 - ✓ Bring up any linkage there may be when trying to set the meeting
 - ✓ **Make a connection**
 - ✓ They are a volunteer / past attendee
 - ✓ They are a parent / member
 - ✓ You see they sponsor “X” and you feel there may be a way for you to return even better



Discovery Sessions

How do you get the meeting?

- ✓ Friday morning meetings are excellent
- ✓ Usually in a great mood – weekend approaching
- ✓ Have the entire weekend to “think over your discussion”
- ✓ No weekday crisis to get in the way

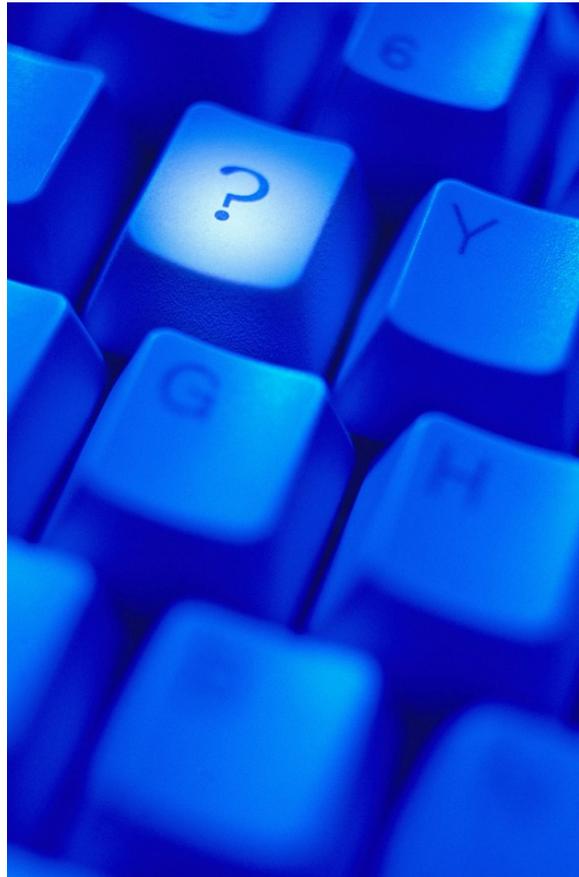


Discovery Sessions

How do you get the meeting?

- ✓ Ask for the meeting
- ✓ Suggest a date and time (focus then becomes the date and time and not the topic)
- ✓ “How about Thursday May 10 at 2 pm at your office?”
- ✓ If answer is no, suggest an other day and time
- ✓ Focus on getting the meeting...not pitching your organization

Questions



Discovery Sessions

✓ MOCK CALL TO GET MEETING

Group Activity

- ✓ I am the owner of a local Pizza Shop
- ✓ 10 stores in town
- ✓ Very busy, high profile
- ✓ In the yellow pages, TV, radio, newspaper, magazines
- ✓ I sponsor events and provide food it seems
- ✓ My banners are everywhere at events in town



Questions



Discovery Sessions

What are you looking to come away with?

- ✓ Thank them for the meeting
- ✓ Remind them you are there to learn and not pitch
- ✓ Don't talk about you until they ask
- ✓ Confirm it is OK if you take notes



Discovery Sessions

What are you looking to come away with?

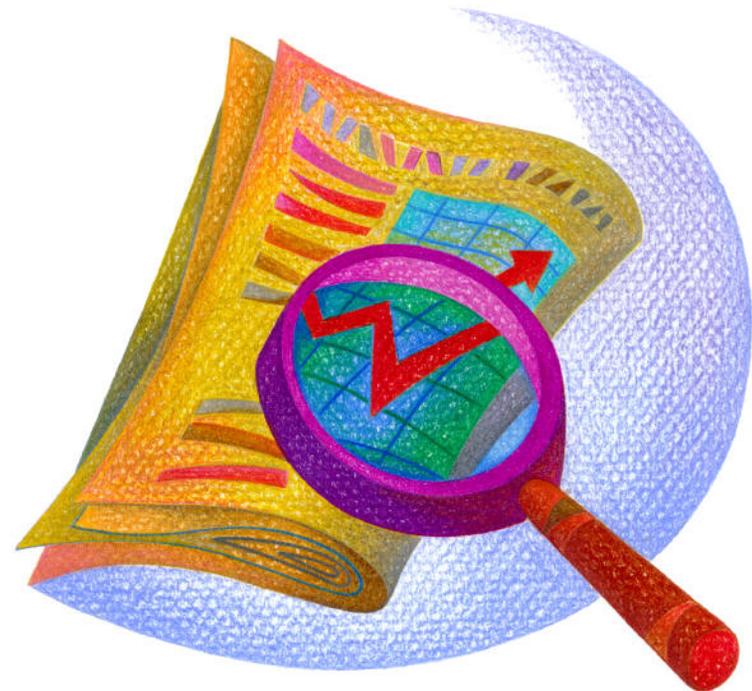
- ✓ Start off with the “connection” side
 - ✓ Was it you ate their pizza?
 - ✓ Was it you saw their signage at an event?
 - ✓ Is a Board member a friend of theirs?
 - ✓ Does one of your staff / volunteers also work here?



Discovery Sessions

What are you looking to come away with?

- ✓ Have a one pager about your organization / property (just one page) that you can leave behind at the end that offers information in general – not a pitch!!
- ✓ Ask them about their business (even though you have done research and may know some)



Discovery Sessions

What are you looking to come away with?

- ✓ Determine what their business is all about
 - ✓ Do they sell pizza?
 - ✓ You think delivery is most important
 - ✓ Possibly Group Sales to schools are?
 - ✓ Kodak – what is their business?
 - ✓ Coke and Pepsi want to sell product...not “brand awareness”



Discovery Sessions

What are you looking to come away with?

- ✓ Are they interested in rubber tire traffic of locals
- ✓ Are they interested in tourists?
- ✓ Are they seeking families or singles?



Discovery Sessions

What are you looking to come away with?

- ✓ If they do other sponsorships – what do they like best, hate
 - ✓ Ask about other commitments
 - ✓ Learn how they feel about them
 - ✓ Recently with an FI who stated how they wanted to get out of golf tournaments as they didn't really meet their goals...property there to do discovery to pitch them a golf tournament presenting sponsor

Discovery Sessions

What are you looking to come away with?

- ✓ In other sponsorships, if they could develop from ground up – what would they change
 - ✓ Let them create their ideal scenario
 - ✓ May need to prompt them with ideas
 - ✓ This will tell you a great deal

Discovery Sessions

What are you looking to come away with?

- ✓ Do they have set objectives for their sponsorships such as:
 - ✓ Need to generate leads
 - ✓ Need to drive store traffic
 - ✓ Need to engage staff with the cause
 - ✓ Need to bolster public image
 - ✓ Need to generate new recruitment leads
 - ✓ Need to build brand

FIND OUT WHERE THEY HURT!

Discovery Sessions

What are you looking to come away with?

- ✓ How do they measure success?
- ✓ Essential to determine
- ✓ If they track coupons, will your audience turn in coupons, if not and they still buy from the sponsor and his sales are up, he will deem the sponsorship a failure and increased sales “came from another medium”



Discovery Sessions

What are you looking to come away with?

- ✓ Find out where they make their margins / profit
 - ✓ Car dealer back of house versus car sales
 - ✓ Oil & Gas – land issues
 - ✓ Do they make more profit on group pizza sales versus Friday night delivery orders?



Discovery Sessions

What are you looking to come away with?

- ✓ Dig deeper with each question if you can
- ✓ Garner more detailed information
- ✓ You will be surprised how much information they will give you once they learn you are there to “help” them...not “sell them something”
- ✓ Focus on it being about them...they don't care about you...just themselves WIIFM

Discovery Sessions

Who are their competition?

- ✓ Is it just the obvious
- ✓ Coke and Pepsi consider milk competition as well as juices and water
- ✓ **Determine to help build your prospect list but also better understand their business**



Discovery Sessions

What are their competitive advantages?

- ✓ Ask them why a consumer / client would buy or should buy from them versus their competition
- ✓ Is it they offer better price / service/ locations / expertise?



Discovery Sessions

What are you looking to come away with?

- ✓ What do they consider the role of sponsorship to be...
 - ✓ A marketing tool
 - ✓ A way to support the community
 - ✓ A donation
 - ✓ A hosting opportunity
 - ✓ A place to showcase product



Questions



Discovery Sessions

Closing the meeting

- ✓ Ask if they would be willing to look at a proposal
- ✓ Review budget ranges
 - ✓ “So if I was to prepare a proposal, based on our discussions would I be correct in building something specific for you in the \$2,500 to \$5,000 range?”
 - ✓ “So if I was to prepare a proposal, based on our discussions would I be correct in building two options for your review with one based in the \$5,000 to \$10,000 range and a second at our category exclusivity level of \$15,000 to \$25,000 range?”

Questions



Wrap Up

1. Ensure you build a prospect and not a suspect list
2. Determine the “decision maker”
3. Get the appointment for a “Discovery Session”
 - ✓ Make the call
 - ✓ Focus on “not a pitch”
 - ✓ Ensure you put them in a comfort zone
 - ✓ Discuss why they should meet from a business perspective – why you are calling



Wrap Up

4. At the session focus on the prospect and find out what you can do for them... lend a helping hand... not about what you need
5. Determine as much information as you can from them



Wrap Up

6. Feel free (based on their approval) to follow up for further information
7. Set the next meeting before you leave



Wrap Up

You now have the tools and knowledge to:

- ✓ Build a prospect list
- ✓ Get a meeting
- ✓ Do a discovery session

Go for it... get the money!!

Questions



Thank You

