



# 1. Setting the foundations of a sponsorship programme



# What's covered in this guide

This guide details the foundations for sponsorship at your club.

Whether you already have sponsors on board or are starting afresh, this guide will take you through what a sponsorship structure can look like, and the different 'levels' of sponsorship.

It will signpost the club 'assets' you have available at your club, these will form the basis of the sponsorship package.

From there, understanding what your sponsor is trying to achieve through understanding their target audience, their objectives and over what timescale.

We then look at how to deliver the sponsorship and what resourcing that will take from your club's perspective.

Finally, we review the four main types of sponsorship – cash sponsor, value-in-kind sponsor, marketing partner and supplier. We tell you what they mean, how they differ and most importantly, how they can offer value to your club.

**By the end of this guide, you should have a good base knowledge of sponsorship in order to begin to develop sponsor conversations.**



# Is sponsorship right for your club?

Sponsorship isn't right for every club.

For sponsorship to be successful for both parties, it requires commitment, in terms of resources – staff time and some of your own budget, in order to deliver the service required by the sponsor.

Sponsorship is not free money – the club will be required to work closely with the sponsor, and/or their agencies to deliver the agreed rights, to a schedule. This will take time and resources from the club side.

Some questions to ask before you enter into sponsorship:

- Do you need additional revenue right now?
- Can you find that from other revenue streams?
- Do you have sufficient assets and value to offer a sponsor?
- Do you have the resources (staff, knowledge and budget) to manage sponsorships at your club?
- How much will the sponsorship package cost you as a club in terms of time and actual costs?





# What sponsors are looking for

When you begin sponsorship discussions with a potential sponsor, you need to find out as much about them as a company, who they are, what they do, and what they want to get out of a sponsorship with your club.

This is the time to establish if there is a good fit between you as a club and the potential sponsor.

**The best sponsorships are built on shared values between the club and sponsor, shared audience and shared objectives.**

When beginning sponsorship discussions with a brand, you can assume they want to communicate with your memberships (and or fans), they may also want to use your club and the assets that you have to communicate outside of your fan base.

These are their target audiences. Understanding how important each audience is will help plan effectively to ensure the sponsor is happy.

**The sponsor will expect you to be able to tell them about the audience make-up of your club. The better quality information you have on your audience base, the better.**

From the outset, you will need to be organised and clear in your sponsor discussions.

The right structure for your club is a key part of this, which we go on to detail on the next page.



# Structuring your sponsorship programme

If you haven't already, you will need a plan to structure your sponsor relationships – that is the 'hierarchy' of where each sponsor sits in relation to others.

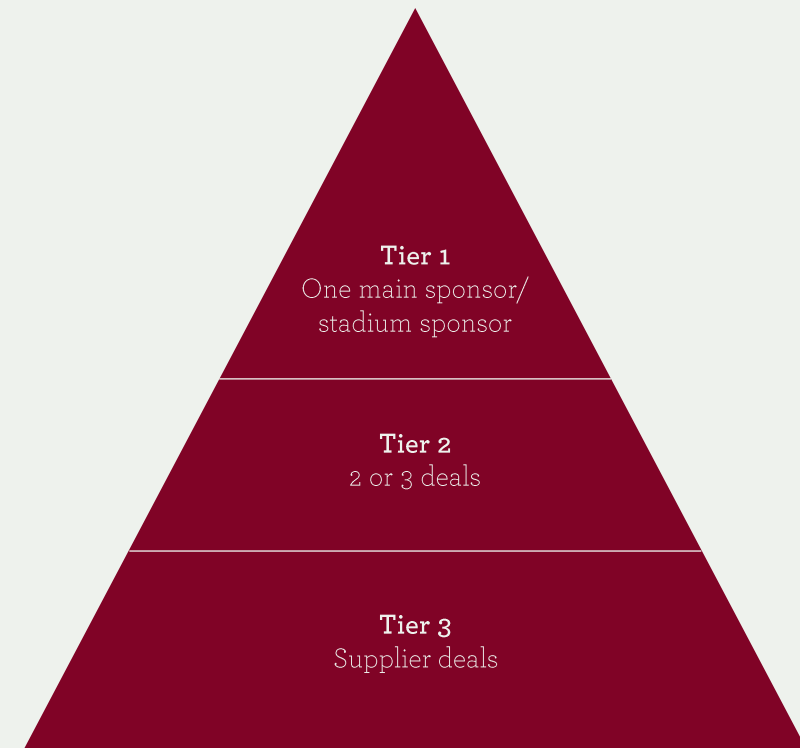
Many sports bodies use a pyramid structure (see diagram) for their sponsorships – with one main sponsor at the top, a small number at Tier 2 and then some supplier deals at Tier 3.

**The key here is that fewer, quality relationships are better than too many, this way you offer sponsors more value, and a smaller number means you can focus your staff resource on managing them.**

A good rule of thumb is to aim for a maximum of 5 or 6 core partnerships across your pyramid.

We want to avoid sponsorship clutter, which would look like 15 or 20 brands on the rugby shirt, which results in confusion for all.

Your team should be clear in agreeing a suite of rights/assets for use across each tier of the pyramid so that there are enough assets to share around and enough to satisfy sponsors who agree deals later in the season.





# What to offer a sponsor

**Each club needs to be clear on what they have to offer a sponsor – these are your sponsorship assets.**

Assets are everything from, the rights you own, branding, events and event tickets, access to players etc.

There is a list of potential sponsorship assets on the next page, which you can replicate for your club, and build an asset list, which can act almost like a menu to choose from when building a sponsorship package for a new sponsor.

Don't fall into the trap of overly focusing on branding assets when creating a sponsorship package.

Selecting assets from different 'areas' of the asset list will create a more valuable sponsorship package than selling off individual assets such as Player of the Match, Match Ball etc..

Each sponsor is likely to be looking for something different from a sponsorship, there is more on this later in the Defining the Objectives guide. Remember to ensure the assets you include in the sponsorship package for Sponsor A are related to their objectives.

And finally always think how much money it will actually cost you as the club to activate the sponsorship and make sure you give sponsors good value for money



# Example asset register

## Potential asset list

### Rights:

Official partner of xx club

### Category exclusivity:

Ensuring that the club cannot sign two competitor brands from the same category

### Branding:

Both on-site physical branding and digital branding on your website /e-marketing and social channels

### Power of association:

Association with your sport's/club's values and what that represents

### Access to tickets/hospitality:

Allocation of x number of season tickets/hospitality tickets per season

### Use of players/club experts:

For the sponsor's own marketing or appearances at their head office etc

### Content:

For sponsor's own promotional use through their marketing/social channels

### Data:

Access to your membership/fan data for their promotions (subject to GDPR)

### Use of your club intellectual property:

Use of your logo, imagery for their marketing/promotional use – to be mutually agreed

### Live streaming rights

### Sampling/activation rights

### Community programme support

### Supply rights to the stadium:

For food/beverage partners

### Venue access rights:

Use of facilities for meetings/conferences

An Asset Register Template is available here:  
<https://www.englandrugby.com/participation/running-your-club/funding/sponsorship>



# Defining the objectives

“Clarity on sponsorship objectives means the sponsorship is more likely to be successful, and therefore, renewed.”

Ideally the sponsor will have very clear objectives for the sponsorship – that is what they want to achieve from association with your club.

Clarity on sponsorship objectives for both the sponsor and the club means the sponsorship is much more likely to succeed, and be renewed in the longer term.

Is the objective to raise awareness of the sponsor’s brand?

Is the objective to raise awareness of a new product the sponsor is about to launch?

Is the objective to demonstrate that the sponsor are a community-focused local company who are supporting the rugby club?

Does the sponsor want to share values which the club already has?

Once both parties are clear on the objectives of the sponsorship, that will inform which rights or assets to include in the sponsorship package to the brand.

For instance if the sponsor has an objective to raise awareness of their brand name, then it makes sense to offer good branding opportunities in their package.

If they are more keen to show that they are a community-focused company, then promotional opportunities around the grassroots/juniors team might be more applicable.

Once all agreed ensure you have an agreement or contract in place to ensure both parties are aware of what was agreed and to avoid any confusion. A simple draft agreement can be found [here](#).





# Defining the timescale

Sponsorship is an effective part of the marketing mix when set up correctly and managed over time. However, it isn't a quick fix and usually generates better results over a longer period.

For these reasons, the timescale of the sponsorship should be discussed at the outset to understand what the sponsor expects to see and when, so that expectations can be managed.

Typically, sponsorship contracts are written for a one-year term, but it is worth stating to your new sponsor, that you would ideally like a three-year term, which will strengthen in effectiveness over time.





# Delivery of a sponsorship/ agreeing ways of working

Great news! You've signed a new sponsor to your club.

## What's next?

It is important that both the club and the sponsor are clear on what is expected from them in order for the sponsorship to be successful and therefore be renewed next season.

The club will have to provide a certain level of support and servicing to the sponsor (and/or their agencies) on a very regular basis.

The club need to assign a person or a team of people (depending on the size of the sponsorship) to liaise with the sponsor/sponsor's agencies on a monthly, weekly and sometimes a daily basis. The club liaison will be answering questions, ensuring sponsorship assets are delivered to schedule and producing reports demonstrating delivery of those assets.

Make sponsors feel valued and important - ensure that they are recognised in a wide variety of ways if possible - i.e. inside the clubs entrance, website, social media etc - low cost, but high effect

In addition to planning delivery of your sponsorship, budgeting for that sponsorship is also key.

The club will need to put budget aside to deliver the sponsorship, some examples of costs include:

- Travel costs to get a player to an athlete/team appearance
- The cost of tickets given to the sponsor, which you now can't sell



# Sponsorship types

There are four main types of types of sponsorship:

## Cash

Where the sponsor pays a fee for assets and association with the club.

## Value in Kind (VIK)

Where a sponsor agrees to provide a service or product to the club free of charge in return for assets and association with the club.

## Marketing Partnerships

A partner who supplies access and awareness opportunities through their marketing/media channels

## Suppliers

A partner who provides it's products to be sold by the club through concession points, e.g. beer brands





# Sponsorship types continued

## Some examples of VIK sponsorship are:

- Hotel partner who provides free hotel rooms for club players and senior staff whilst on club business
- IT software partner who supports the club's IT requirements
- Electronic partner who supplies the AV equipment to the club

## Some considerations for VIK partnerships:

- As with other sponsorships, it is detrimental to take on more partners than you need, as you will need resource (time and staff) to provide them with their sponsorship assets throughout the term of the sponsorship
- VIK sponsorships are really beneficial when the club already spends money in these areas, e.g. health nutrition/ sports drink. These partnerships can save the club money and therefore are invaluable





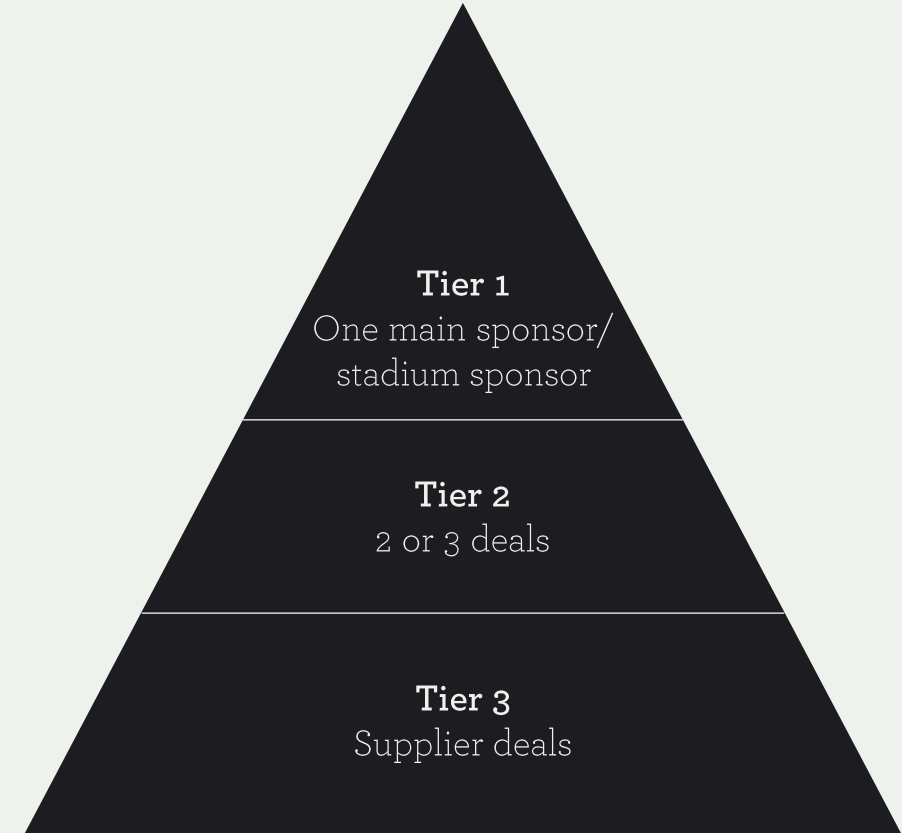
# Task: Put any existing sponsors into a sponsorship hierarchy

Using the pyramid structure from earlier on in this guide, put your existing sponsors or partners into a structure based on the size/importance of their relationship to the club.

## Things to consider:

Consider revenue but also any marketing rights they provide to the club or any value-in-kind they bring to the club such as kit/product

Think about what assets each partner has access to rather than the level of partner they are referred to, or think of themselves as. It might be interesting to realise that most of your partners exist on the same tier of the pyramid



# Key takeaways

This guide details the groundwork which you need to do as a sports rights holder before entering into sponsorship discussions with a potential sponsor.

## We have covered:

Is sponsorship right for our club? Some considerations before you begin sponsorship discussions:

<p><b>What sponsors are looking for.</b> The rule of thumb here is to only continue sponsorship discussions with a brand who share your values, your audience and your objectives. If you don't have these in common, the sponsorship will be very difficult to maintain successfully for both parties</p>	<p><b>Structuring your sponsorships</b> to ensure you have sponsors at different levels, that you can keep them happy and resource them effectively</p>
<p><b>What to offer a sponsor</b> what assets you have as a club which are of value to a sponsor. Communicate regularly with your sponsors and prospective sponsors. Invite them to any appropriate events to keep them engaged and interested in the club.</p>	<p><b>Ensure you and the sponsor are very clear on the sponsorship objectives and the timescale</b> confusion here will cause problems down the line</p>
<p><b>What it will take to deliver the sponsorship</b> is the club ready to deliver what you have agreed?</p>	<p><b>Different types of sponsorship, and what they can bring to the club</b></p>

