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Sponsorship Realities: 5 Predictions for 2011

By Gail S. Bower

If you've been operating at a frenetic pace, trying to outsmart the economy, you may not have stopped to look around and notice what's going on in the world around you, the sponsorship world, that is. Here are five observations I've made that absolutely will have an impact on organizations' abilities to generate revenue through partnerships with the corporate sector. Consider this insider intelligence to help you plan your 2011 sponsorship strategy.

- 1. Nonprofit organizations that make the paradigm shift from highly generic to high impact will see results.** The world of corporate giving has changed, and most corporations expect *quid pro quo*, but not in the form of a bigger logo on a brochure or more banners at your event. They want benefits that will move the needle for their businesses, not a menu of generic benefits providing recognition. The gold-silver-bronze model is dead.

Nonprofit leaders who make this paradigm shift in their approaches with corporate decision makers will be rewarded with:

- Better conversations with decision makers.
- Deals that generate new dollars for their organizations.
- New ideas about how to engage corporations.
- Having way more fun generating this revenue.
- And, with all this new energy and recognition of more possibilities, feeling increasingly committed to their missions and strategies.

A client I was coaching told me about a meeting she had with a bank president. Anticipating "the ask" at their first meeting, he asked her how much she was looking for. (Ugh. Can't you just feel the heaviness of this conversation?)

Because of our work together, she confidently shifted that energy and the whole conversation by asking if they could remain focused on his goals. It was like a breath of fresh air had just wafted into the room for him. She saw his body language change. Then he told her all about his goals.

For your consideration: Are you and your development staff members skillfully navigating conversations like this? Or are you mailing out generic menus, hoping for the big checks?

- 2. ROI will remain critical.** This is not new news; I (and others) have urged sponsorship seekers to focus on your partners' return on investment for years. This focus has been mandatory during the recession, and it will remain so as we slowly, cautiously move out of the economic doldrums.

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Gail Bower specializes in raising the visibility, revenue, and impact of non-profit organizations and festivals/events. She's a professional consultant, writer, and speaker with more than 20 years of experience managing some of the country's most important events, festivals, and sponsorships. Launched in 1987, today Bower & Co. provides marketing, event strategy, and corporate sponsorship counsel. Visit GailBower.com for more information.

In my coaching and consulting work with clients, one of the key challenges I see for sponsorship seekers is their recognizing the value they have to offer the corporate sector and translating that value into meaningful programs for partners. My work can assist you here.

For your consideration: Is your team asking the right questions to uncover what your partners need? How they will measure the success of your partnership?

3. **More nonprofits will miss opportunities to engage corporate partners and the public in their own causes.** As the recession heated up, unemployment rates rose, and bailouts were bestowed, the rhetoric and sound bites began, contributing to consumer fears and anxieties. Consumer trust in big institutions – in corporations, the government, and maybe even nonprofit organizations – has been on the decline.

To win back that trust, shine up their images, and align themselves with a more socially oriented consciousness and value system, more corporations have aligned themselves with causes. Think Pepsi Refresh, the countless organizations hawking pink products, and numerous retailers' self-congratulatory ad campaigns celebrating the millions of dollars they've contributed to their communities or causes.

While this all sounds great for causes and nonprofit organizations, I've noticed a trend that disturbs me for nonprofit organizations. Corporations are creating their own platforms around causes as ways to engage customers, especially through social media, and thereby controlling the storyline. The problem is that the nonprofits that should own these causes are absent (or buried many clicks away) from the stories.

In a conversation about my observation with colleague David Hessekiel, President of the Cause Marketing Forum, he said, "Oh yeah, we call it 'causeless cause marketing.'" Precisely!

Take Timberland, for example. Side-by-side with its shopping web site, "Shop," is Timberland's "Community" web site (www.community.timberland.com). Click on the "Earthkeeping" tab, and you'd think you were at the site of a global environmental group. Click on "Tree Planting," and you'd assume that Timberland is licking deforestation on its own.

Don't get me wrong. I love what Timberland is doing. It's a smart strategy. By creating a platform about environmentalism:

- their products are the stars of the show,
- their sustainability initiatives are highlighted with tremendous context, and
- they engage customers aligned with their values.

My concern: where are the environmental causes? They've been preempted.

While the recession has made necessary many changes, there are other changes upon us that have come about from other forces. Technology, for example.

For your consideration: Where's your platform? How are you engaging corporate leaders, their customers, and your community of donors through social messages and events? Are you thinking as globally and as big as you need to in order to compete? An outside perspective may jump-start that process.

4. **Corporate sincerity will be questioned.** While it's tremendous that so many corporations have jumped in to support causes and organizations so vital to our communities, undoubtedly there are businesses only on the cause bandwagon to further their own agendas and not so committed to the causes. (Similarly, I see some pretty questionable partnerships that make me wonder about some nonprofit commitments, too.)

As our culture's values have shifted to being socially concerned, we also run the risk of cause fatigue. Every cause is urgent, making nothing urgent because it all blends together. Social media, however, keeps people honest, increasing transparency about actions and messages.

And so, I predict that in 2011 we'll begin to hear rumblings about the opportunistic partnerships, those not designed with the integrity of each partner.

For your consideration: Is your organization acting in complete alignment with your vision for your future and in honor of your mission? Are you attracting partners truly committed to your mission? How do you know?

5. More people will be competing for corporate dollars, raising the bar for everyone.

Besides national and regional sports teams, fairs, festivals, rodeos, conferences, attractions, concerts, tours, associations, universities, nonprofit organizations, arts organizations, and causes competing for corporate sponsorship dollars, there are some newer players:

- **Destinations and convention and visitors bureaus** which face major state funding cuts since most states in the country have hit a wall of insolvency.
- **Media outlets**, including newspapers, magazines, radio stations, and new online news/entertainment sites, have begun producing events, recognizing the value of experiential marketing.
- **Government entities** including subway stations (AT&T Station in Philadelphia), parks, city-run events, and much more.

Some of these organizations have pretty sophisticated offerings and sales processes, not to mention entire sales teams to sell.

Feeling defeated? Don't. Every organization has a unique offering, and I bet yours does, too. However, what it also means is that businesses are increasingly sophisticated about what's out there, what they want, and what they're willing to invest. Translation: you need to make sure that your operation keeps pace with the change.

For your consideration: How sophisticated is your sponsorship operation? How are your staff skills? As the leader over this operation, how are yours?

Take a few moments to think through what these predictions mean for your organization. Do you have a strategy outlined for 2011? Is your staff ready and eager? Here's to your success and great results this year.

If you'd like to confidentially discuss the challenges you face and how having an outside resource may assist you, please call Gail Bower directly at 215/922-6937 or email her at Gail@GailBower.com.