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Sponsorship Tip Sheet

The Canadian Coalition Committed to Growing Small Business has been created to help big and small business work together better. Four times a year we gather entrepreneurs and executives from corporations to talk about a specific topic, looking for ideas and common ground to create stronger collaboration opportunities between big and small business.

In March of 2009 we held a Conversation on Sponsorship. It became clear that as small businesses were trying to approach big business for sponsorship there were a number of challenges that resulted in the low success rate entrepreneurs have in acquiring sponsorship dollars for their initiatives from big businesses. The following is a list of tips from the corporations to help small businesses increase their success rates.

- 1. Speak their language.** As entrepreneurs, we need to understand that we speak a really different language than our potential partners working in large corporations. Every person in a large corporation works in that mode, not our mode. Entrepreneurs are used to speed, nimble flexibility, big ideas and risk. Large corporations can move slowly, have huge processes and procedures they have to abide by, put months into strategies before they can get approved and spend significant time calculating risk to protect their brand. While there may be many entrepreneurial thinkers inside an organization, they still have to operate within the realities of their organization- so you must learn to understand that language and work within it. As one of our corporate partners said "Think of this like travel. Before you go visit this new city, do your research, learn the culture and then go visit".
- 2. Do your research.** Google and corporate information on the company's website is a huge tool for you. Every company has their corporate information posted on their website. You can learn what the company's mandates are, you can see who their executive team is and what their backgrounds are and you can read all of the press releases that have been issued by the company. This is key information because it tells you what is important to them and how they think. They also typically have information on what types of events or causes they support so that you know what they are looking for in their partnerships. The press releases will give you insight into what markets they are focusing on, any new products or services that they have launched and any key roles that have recently changed. If you see that they have a new product they are launching, this is a clear indication of key areas the company is focused on and you can think about what you can offer that ties into that product or that launch. If you see that a new executive has just come in or there has been a shift in personnel, it might be a great time to go in and pitch as this person starts to build their team and a name for themselves in the company. You also need to Google the company and see what comes up. Understanding how they view themselves, and what kind of coverage they are already getting, is key to helping you formulate your pitch. Also, don't forget to visit the investor relations part of their website and review the most recent annual report. This will help you understand culture and priorities.

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3. **Understand what you are asking for.** As entrepreneurs we view going to a corporation and asking for funds as “sponsorship” and we use it as a blanket term. What became very clear is that large businesses do not define this as broadly as we do. There are 3 distinctive types of ask that you can make.
 - i. Media/Brand Opportunity- you have an opportunity (event, campaign or something else) that will bring exposure for their brand. This could include a large number of brand impressions through a media campaign, potential viral marketing buzz or something else that will build their brand into the markets that are important to them. You are bringing brand awareness and goodwill to the picture.
 - ii. Partnership- you are looking to partner with the company to create a project together or to engage in some sort of venture that builds both of your businesses. The Canadian Coalition Committed to Growing Small Business is a perfect example of this. Silver Lining went to each company to propose a partnership relationship where we all committed to working on this larger vision in a partnership format that is ongoing. You are bringing an opportunity to generate revenue to the table.
 - iii. Sponsorship- you have a specific opportunity available for sponsorship. This is an event or some sort of an initiative that you have a traditional sponsorship model built for. (ie- you have a tiered sponsorship model and are looking to fill the different sponsor spots). You are bringing an opportunity for the company to support a cause or initiative that the company fundamentally aligns with.

4. **Keep it precise and to the point.** Many of the corporations talked about how they saw a real lack of enunciation and clarity from entrepreneurs who came in and pitched them on Media, Partnership and Sponsorship requests. The proposals that typically come to them are haphazard, not clear and not concise. You should be able to articulate exactly what you are looking for and exactly what you can offer in 2 pages or less. Remember that they get a ton of these proposals - you have the chance to win them over in your first paragraph. If you don't, you will not get what you are asking for. So, once you have done your research you should know what their sweet spots are - you need to address how you can support what they are doing and then explain how as quickly as possible. Your proposal does not have to sell your idea- it has to get you a meeting. Once you have the meeting you then have to sell again. The same principles apply- go in prepared, keep it simple, talk less rather than more and make sure you are precise, to the point and know your stuff.

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5. **Demonstrate your credibility.** The primary fear big businesses feel when partnering with a small business is that we won't prove credible. The major responsibility of an employee in a large company is to do initiatives that build the brand- any type of high risk scenario that could bring the brand bad PR with their customers or publicly is something that corporations run away from. So, what you lack in number of employees you have to make up in how you demonstrate your credibility. Listing any of your management team with strong backgrounds is key. Listing any associations you are a part of or alliances you have that show credibility is another way to make up for your small size.
6. **Find a champion.** When we talked about any of the big/small business partnerships that did come to fruition and worked, the entrepreneur had always found a champion within the organization. Someone who believed in the entrepreneur, the cause, or at the very least, really liked the proposal. At the end of the day, we only have an initial proposal and a couple of meetings to convince a huge organization to partner with us. The number of meetings and approvals that need to happen in house in order to get your proposal approved are immense- so someone inside of that company has to decide that this is worth it for them to push it through. When you realize that, you have to think strategically about how to build relationships internally. What matters to the person who can choose to champion your proposal? They are wanting to do things that could give them success in their role- so understand what each person you are talking to is ultimately responsible to accomplish and craft your proposal to show that this can support it. Build a relationship with them. Take care of them. Give them what they need on time, every time. Do good work. If they are backing you internally and you let them down, they subsequently look bad in their own company. At the point that you find your champion, you have a partner and it is really important to back them, as they are backing you.
7. **Make them feel special.** When you are talking to a large corporation, show that you know and support their brand. Show that you use their product or service. Explain why you think they are a good fit for you what you are doing. Also, promise things like category exclusivity- anything to help them understand you are invested in this and they are the partner you want.
8. **Show them that it is turn key.** The person who ultimately might say yes to your proposal is always juggling a busy workload- as we all have. So if they read your proposal and all they can think is "this is going to be a lot of work for me" they might throw it away even if it is a great idea. Everyone is facing capacity issues and lots simply feel that they can't take on a ton of more work. What you should be bringing to the table is part of a solution to the work they are doing and an exceptionally easy relationship. Make it really easy for them to give you money by helping them understand that in exchange you will be doing all of the work to bring them exposure, brand loyalty, sales or whatever else you have identified they need and you are bringing to the table.

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- 9. Understand their financial sign offs.** Every corporation has a certain level of financial sign off freedom before having to go up another layer in the organization for approvals. If you can figure out what that number is and what level the approval sits with, then you can tailor your proposal to be at a price point that is easy to sign off and requires less layers of approvals. Sometimes you need to start smaller with a company, at a price point that your champion can sign off on. Once you have demonstrated success then you can increase the amount you are asking for future projects because you are building a track record of success within the organization.
- 10. Follow up.** As much as we would like to believe that every amazing opportunity that we bring to big businesses are life changing and amazing – they see a ton of proposals like ours all the time. They are typically overwhelmed with requests- so you have to figure out how to set yourself apart. Don't just send an email- follow up with a phone call. Or send something to their office special delivery so they have to sign for it. After a meeting, send a thank you note. Always follow up in a conscious and smart way. The ongoing follow up, done with tact, shows that you really care, you are reliable, you are determined and it keeps your idea top of mind.

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