

HOW TO MAKE MONEY WITH SPONSORS

THE INSIDER SYSTEM TO PITCH AND
PRICE BRAND DEALS LIKE A PRO

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Northwest Registered Agent Service Inc
30 N Gould St, Ste N
Sheridan, WY 82801, USA

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CONTENTS

03

UNDERSTANDING SPONSORSHIP

This introductory segment helps you to understand sponsorship by getting into the mindset of a sponsor

08

THE IMPORTANCE OF YOUR AUDIENCE

Understand audience demographics and build a consumer profile with sponsor appeal

17

WHAT IS RETURN ON INVESTMENT (ROI)

Learn how to prove your value by correctly pricing and designing your sponsorship tiers

28

PREPARING A WINNING PROPOSAL

A checklist for creating a professional pitch deck that converts into sponsorship dollars

33

THE SPONSOR SALES PITCH

Tips to close the deal and manage your paying sponsor



CRACKING THE SPONSORSHIP CODE: MASTERING THE BASICS

EVERY YEAR, BRANDS SPEND BILLIONS OF DOLLARS ON SPONSORSHIPS BECAUSE IT'S ONE OF THE BEST WAYS TO CONNECT WITH PEOPLE THROUGH THINGS THEY LOVE—SPORTS, MUSIC, OR ENTERTAINMENT. FOR MOST COMPANIES, SPONSORSHIP IS THE SECOND-BIGGEST PART OF THEIR MARKETING BUDGET, USUALLY AROUND 11–12%, JUST BEHIND TRADITIONAL ADVERTISING.

With the influence of AI and geopolitical uncertainties reshaping marketing budgets, sponsors are now more discerning than ever, seeking creators and assets that guarantee a substantial return on investment.

Simultaneously, the creator economy is shifting economic power away from established institutions to artists, gamers, video creators, podcasters, musicians, and rights holders who reach global audiences and build communities. For many online creators, brand deals and sponsorships are the most important income source — with roughly 7 in 10 relying on them as their primary revenue stream — and this group is now seen as one of the fastest-growing types of small business.

At the time of writing this eBook, I'd worked with over 550 small business owners who have successfully leveraged sponsorships to boost their revenue. This eBook was created to provide creators with practical methods to pitch, price, and secure paying sponsors in a changing world.

By passing on as much knowledge as possible from over a decade of experience in sponsorship, sales, and marketing, I hope that creators and entrepreneurs can navigate the ever-tightening marketing budgets to maximize revenue potential.

WHAT IS SPONSORSHIP?



AT ITS SIMPLEST, SPONSORSHIP LETS A BRAND BE PART OF SOMETHING PEOPLE CARE ABOUT—LIKE A TEAM, EVENT, OR CREATOR. JUST SHOWING UP IS ONE THING, BUT WHAT REALLY COUNTS IS HOW THE BRAND USES THAT CHANCE TO CONNECT AND LEAVE A LASTING IMPRESSION.

A CONVENTIONAL SPONSORSHIP EXAMPLE

A local business funds a children's sports team, and in exchange, the logo appears prominently on team uniforms for the duration of the season. The deal includes a branded banner visible at all home and away games.

The business promotes the sponsorship on social media and creates a positive association between the brand and the local team. A press release is issued to local newspapers to gain publicity, awareness and encourage team support within the local community for the season.



A HIGH-LEVEL SPONSORSHIP EXAMPLE

PepsiCo's Starry soda continues as the official soft drink of the NBA, WNBA, and NBA G League, building on the brand's strategic effort to connect with younger basketball fans. Starry first took on this role in 2023 and has since been activated through major league moments and campaigns with top athletes like Giannis Antetokounmpo, Zion Williamson, A'ja Wilson and others.

The partnership kicked off during the 2023 NBA All-Star Weekend, where Starry was the title sponsor of the NBA 3-Point Contest and featured a custom "Starry Range" shot format and sampling of its regular and zero-sugar variants.

Since then, Starry has stayed active across basketball culture—signing marquee players to its roster, launching creative campaigns during NBA All-Star and Finals events, and using fan activations to bring the brand into courtside moments and campus partnerships.

WHO CAN BE CONSIDERED A POTENTIAL SPONSOR

5

Only companies with the right resources can be considered a potential sponsor. This will save you a lot of time, effort, and frustration. Often, a company may be interested in sponsoring your concept or event but may not be financially able to do so. A company needs to be both interested and eligible.

SPONSOR ELIGIBILITY CRITERIA

- Only companies with adequate budgets can cover costs and provide access to marketing resources that could potentially expand your audience and brand. Do your research to see if the company has been spending money on marketing activities, especially in paid media.
- Companies with a marketing department are more likely to have a marketing budget, of which sponsorship falls within.
- Companies with a digital product will allow sales to be tracked. This can help you prove the success of the sponsorship through data, which will make renewing the sponsorship much easier.
- Financial support doesn't always add the most value. Access to sponsor resources instead of cash could provide greater long-term value.

TYPES OF SPONSORSHIPS

Acknowledging sponsorship beyond its core purpose of offering financial aid is vital.

A company may not have a sponsorship budget but could be in a position to provide resources to assist in achieving your goals. Examples include promoting your asset or property to their audience, which would increase awareness and potentially grow your audience, or if the platform is newly established, trust could be built through a partnership with a more established company.

Depending on your varied objectives, value, and potential savings could arise from a mutually beneficial partnership.



CASH SPONSORS

Cash sponsors are businesses that, in return for certain benefits such as logo placement or usage rights, provide financial support to the cause or company. Sponsorship is a marketing expense, so there is usually a line item in yearly budgets for sponsorship. When approaching larger sponsors, it is always important to ask when the budget for the upcoming year will be confirmed so you can submit your project for consideration within the timeframe.



IN-KIND SPONSORS

In-kind Sponsors are companies that offer free products or services in exchange for branding rights or promotion.

Often, in-kind sponsorship can save you a lot of money and is also a low-risk sponsorship request. For instance, instead of paying to rent a venue for your event, you could request the venue sponsor the event. In exchange, the event you are hosting draws in hundreds of new customers to the venue, which can be capitalized on through bar sales, which the venue retains.

This could also include prize giveaways sponsored by a company that could increase your audience engagement and growth through a contest or sweepstakes.



MEDIA SPONSORS

Media partners can agree to promote your event, channel, or company in exchange for branding rights or a cross-promotional opportunity.

This could be a popular blogger or mainstream media publication that appeals to your target audience. As a non-monetary collaboration, this is a good starting point that can add value by establishing credibility while introducing your project to a broader audience before pitching it to financial sponsors.



PROMOTIONAL PARTNERS

Promotional partners can be similar to media sponsors, but they generally are a singular entity that will help you promote your event, company, or product.

Consider micro-influencers who lack a larger media company's extensive reach and resources. A promotional partner can also work as an affiliate, taking an agreed percentage of sales in exchange for promotion to their audience.

INSIDE THE MIND OF A SPONSOR



A sponsor only has two goals when evaluating whether to invest in your concept.

First, to connect with your audience to increase brand awareness, and second, to sell their product to your audience.

Therefore, it's vital to demonstrate early on that the potential sponsorship perfectly aligns with your audience and can effortlessly deliver measurable results and a positive return on the investment requested.



KEY CHAPTER INSIGHTS

You are providing access to your audience and the opportunity to promote a product or service that could ideally add value to their lives. In exchange, the sponsor hopes that paid marketing efforts through your channel, campaign, event, or podcast will move your audience to action by acquiring additional information or sales.

The sponsorship package should offer your potential sponsor superior value at a reduced price compared to other advertising forms that promise to reach the same audience.

- ★ The brand is purchasing access to an audience, highlighting the critical importance of understanding your audience's demographics.
- ★ Making sure that your audience closely matches the brand's target audience will make your pitch much easier.
- ★ Digital metrics create an opportunity to track and measure performance and prove your value against the return on investment.
- ★ Always think of ways a brand can seamlessly integrate into your content to increase value and engagement in the most entertaining or educational way.



DECODING THE TRUE WORTH OF YOUR AUDIENCE

SPONSORS AREN'T BUYING INTO A PLATFORM – THEY'RE BUYING ACCESS TO THE PEOPLE ON IT. AUDIENCE DATA ACTS LIKE A COMPASS FOR MARKETERS, SHOWING WHO THOSE PEOPLE ARE, HOW THEY BEHAVE, AND WHAT MOTIVATES THEM.

Analyzing audience data and segmenting it into groups with common characteristics, advertisers can fine-tune their strategy and communicate with an audience more likely to be interested, increasing chances of conversion or sales.

Understanding and effectively communicating the worth of your audience data is critical when seeking sponsorships. You must give your potential sponsor the correct data to make an informed decision. Not doing so and assuming your audience is the 'general public' will only lead to your proposal being ignored in favor of a competitor.

True power lies in recognizing the immense value that audience data holds - a rich source of insights into the preferences, behaviors, and characteristics of your audience.

UNDERSTANDING AUDIENCE DEMOGRAPHICS

Audience demographics refers to the statistical data that describes the characteristics of a specific audience or group of people. These characteristics typically include various socio-economic factors, such as age, gender, income, education level, marital status, occupation, and geographic location.

Demographic information helps businesses, advertisers, marketers, and content creators better understand and align their offerings with the preferences and needs of the intended audience.

COMMON CATEGORIES WITHIN AUDIENCE DEMOGRAPHICS



AGE

The age range is often categorized into groups such as children, teenagers, young adults, middle-aged adults, and seniors.



GENDER

The distribution of male and female audience members or consideration of other gender identities.



INCOME

The average income within the audience helps to understand their purchasing power.



EDUCATION LEVEL

The educational background and attainment of the audience members.



MARITAL STATUS

Whether the audience is predominantly single, married, divorced.



OCCUPATION

The types of jobs or professions in which the audience members are engaged.



GEOGRAPHIC LOCATION

The physical location or region where the audience resides.



INTERESTS AND HOBBIES

The activities, hobbies, and interests most likely to engage the audience.



FAMILY SIZE

The number of individuals in a household, providing insights into family structure.

WHAT IS A CONSUMER PROFILE

When building an audience, the goal should be building a community of like-minded people who share common ideologies.

Customer profiles are designed to help you understand your existing or ideal audience. The partially fictional character is meant to mirror the shared characteristics from data collected in a customer segment, including hobbies, preferences, and motivations.

Once common traits are identified, this will naturally lead you to sponsors who are an obvious fit or can solve a challenge or need, adding value to your audience and increasing the likelihood of positive action such as sales or brand awareness.

LET'S CREATE CONSUMER SEGMENTS AND PROFILES FOR A PODCAST TO GAIN INSIGHT INTO THE PROCESS.

Femme Founders is a podcast dedicated to fuelling the fire of female entrepreneurship at every stage of the journey. The podcast packages inspiration, insights, and advice for seasoned entrepreneurs, startup founders, and anyone dreaming of taking the plunge into business ownership.



CONSUMER SEGMENTS

THE ASPIRING TRAILBLAZERS

These women are in the early stages of their entrepreneurial journey or contemplating starting their own business. They seek guidance on ideation, business planning, and the initial steps to launch a successful venture.

THE SEASONED VISIONARIES

This segment comprises experienced female entrepreneurs looking to scale their businesses, overcome challenges, and stay updated on industry trends. They are interested in advanced topics such as leadership, strategic growth, and navigating complex business landscapes.



EMMA, THE INNOVATOR

Emma is a 28-year-old professional with a passion for innovation and a dream of launching her tech startup. She is seeking advice on securing funding, building a solid business plan, and finding mentorship to navigate the early challenges of entrepreneurship.



OLIVIA, THE CEO

Olivia is a 40-year-old founder and CEO of a successful e-commerce fashion brand focused on sustainability. She seeks insights into scaling her business, optimizing operations, and staying ahead in a competitive market.

NOW, LET'S ALIGN POTENTIAL SPONSORS WITH THE SPECIFIC NEEDS AND INTERESTS OF THE TWO CONSUMER PROFILES:

FINANCIAL SERVICES

Sponsors can provide financial resources, small business loans, and financial planning services tailored to aspiring entrepreneurs like Emma, who are in the early stages of launching startups.

Sponsors can offer financial solutions for scaling businesses, such as business expansion loans, investment strategies, and financial planning services tailored for established entrepreneurs like Olivia.

TECHNOLOGY AND SOFTWARE

Companies offering technology tools and software for project management, collaboration, and initial product development can support Emma in building a solid foundation for her tech startup.

Tech companies providing advanced business analytics, customer relationship management (CRM) software, and e-commerce optimization tools can support Olivia in streamlining and growing her successful e-commerce brand.

PROFESSIONAL DEVELOPMENT

Organizations focused on mentorship programs, startup incubators, and professional development courses can help Emma navigate the challenges of entrepreneurship and connect with experienced mentors.

Sponsorship from executive coaching programs, leadership summits, and advanced business education institutions can cater to Olivia's continuous growth and leadership excellence needs.

AUDIENCE ENGAGEMENT

Now that we have taken the first steps into delving deeper into your existing audience's motivations, interests, and challenges, the next step is to understand and enhance audience engagement.

Engagement is the extent to which your audience is interested or actively involved in your content. Engaged users are more likely to trust the brand or company they are engaging with and are more inclined to take a positive form of action like signing up for a newsletter, sharing posts on social media, and purchasing or promoting the products and experiences of your company and that of the sponsors.

While many fixate on high follower counts on social media platforms, this often leads to a misleading sense of success. A million followers may grab attention, but what matters to sponsors are the metrics that drive tangible results—engagement, conversion rates, and genuine impact.

UNDERSTANDING AUDIENCE METRICS

In the next section, we dive into key metrics marketers rely on to gauge an individual or brand's influence within their community. Hone in on these metrics to attract sponsors and optimize the value you bring to the table.

ENGAGEMENT RATE

Engagement rate measures the number of engagements (reactions, comments, and shares) your content gets as a percentage of your audience. A higher engagement rate indicates a more active and responsive audience, suggesting that the content resonates well and has a meaningful impact on the audience.

If calculating your account's total engagement, include information about all your posts. If you're calculating the engagement rate of a specific period, only include the details of the posts during that period.

SHARE AMPLIFICATION RATE

The amplification rate measures the rate at which your audience shares your content, extending its reach beyond your immediate followers. A higher amplification rate indicates that your audience actively shares and spreads your content, contributing to increased visibility and engagement.



VIRALITY RATE

Every time someone shares your content, it achieves a fresh set of impressions via their audience. The virality rate measures how your content is spreading exponentially. Similar to the amplification rate, the virality rate calculates shares as a percentage of impressions rather than as a percentage of followers.



REACH

Reach is simply the number of people who see your content. It represents the potential size of the audience exposed to a post, tweet, image, video, or any other form of content. Reach is a crucial metric as it provides insights into a social media campaign's (or individual posts) overall visibility and scope.

There are two main types of reach:

Organic Reach: This represents the number of users who see a post without paid promotion. It is influenced by factors such as the content's quality, relevance, and the algorithmic decisions of the social media platform.

Paid Reach: This includes the number of users who see a post due to paid promotion or advertising targeting specific demographics, interests, or behaviors.



IMPRESSIONS

In a social media context, impressions refer to the total number of times a particular piece of content is displayed on a user's screen. An impression is counted each time the content is fetched and appears on a user's device, regardless of whether a user interacts with the content.

It's important to distinguish between impressions and reach. While reach represents the total number of unique users who have seen a piece of content, impressions count every instance of that content being displayed, even if it's to the same user multiple times. Compared to reach, an exceptionally high level of impressions means people are looking at a post multiple times.



AUDIENCE GROWTH RATE

Audience growth rate measures how many new followers your brand gets on social media within a certain amount of time. It's more than a simple count of your new followers. Instead, it measures your new followers as a percentage of your total audience. A positive growth rate indicates a healthy and expanding audience.



CLICK THROUGH RATE

The click-through rate (CTR) measures the percentage of people who clicked on a specific link or call-to-action (CTA) within the content relative to the total number of people who viewed the content.

It is a key performance indicator that helps assess the effectiveness of a particular campaign, advertisement, or post in driving user engagement and directing traffic to a designated destination, such as a website, landing page, or product page.

WHAT TO DO IF YOU ARE A STARTUP AND DON'T HAVE AN EXISTING AUDIENCE

If you're in the early stages of your startup journey or have a niche audience that's gradually expanding you could seek financial support from sponsors in exchange for marketing and promotion.

When a sponsor partners with you to market your brand or event through paid channels, their logo or product could be included in all creative marketing material you produce while targeting a joint audience.

Product or service-based sponsorships can also be beneficial in terms of helping a startup to grow and develop. In this case, it is essential to understand the risk a sponsor undertakes, so you can mitigate this risk by creating value-added branding opportunities at a later stage once the audience, event, or company has been established.

AI TRACKS WHAT PEOPLE LIKE AND ENGAGE WITH



The Boston Red Sox has seamlessly integrated AI into their marketing campaigns to reinvent fan experiences at Fenway Park, allowing specific audience segments to be identified and custom content created.

With the help of AI-driven algorithms, brands can now pinpoint the most suitable athletes, events, and sports leagues to sponsor. AI analyzes historical data, audience preferences, and market trends to recommend optimal sponsorship choices. This goes beyond mere exposure, ensuring the brand aligns seamlessly with its target demographic.

AI delves into viewers' preferences, identifying their favorite sports, admired players, and preferred products or services. These recommendations, generated through data analysis, increase the likelihood of engaging viewers and pairing products.



Red Bull's 'Stratos' campaign was a world first, where Red Bull broke 3 world records while more than 8 million people on YouTube watched Felix Baumgartner jump out of a balloon more than 39km above Earth.

STRATEGY

Red Bull strategically sponsors events that align with its core target demographic—extreme sports enthusiasts, adventure seekers, and young adults. The brand leverages consumer profiling to identify events with high engagement potential.

OUTCOME

By sponsoring events like the Red Bull Stratos space jump and extreme sports competitions, Red Bull enhances brand visibility and strengthens its connection with the desired audience, leading to increased sales and brand loyalty.



As the ninth Women's World Cup commenced before record crowds in Australia and New Zealand. Nike, which has long sponsored U.S. Soccer, marked the occasion with a new "What The Football" ad campaign that brings to life the personalities—and playing styles—of some of the game's biggest stars from around the world.

STRATEGY

Nike segments its audience based on sports preferences, demographics, and lifestyle. The brand sponsors athletes whose image aligns with specific segments of their target audience.

OUTCOME

Nike's athlete endorsements, such as partnerships with basketball stars or soccer icons, help the brand resonate with diverse consumer groups. The targeted approach enhances the effectiveness of their sponsorship strategies and contributes to sales growth.



CONNECTING FANS TO MUSIC

Mastercard has been a steadfast supporter of British music culture for over a quarter of a century as the headline sponsor of The BRIT Awards. Through this partnership, Mastercard fosters connections with Britain's music-loving population, offering cardholders exclusive opportunities and experiences from securing coveted tickets to the awards ceremony to unlocking unique backstage access or VIP experiences.

STRATEGY

Mastercard sponsors major events and segments its audience based on spending habits, demographics, and geographic locations.

OUTCOME

Mastercard aims to increase brand affinity and drive usage by tailoring sponsorship activations to specific consumer segments. For instance, they may offer exclusive benefits to specific cardholders during major events, enhancing conversion and brand loyalty.

KEY CHAPTER INSIGHTS

Now that we have unraveled how to harness audience data, this knowledge should serve as a foundation driving informed decision-making in your sponsorship strategy, ensuring that your sponsorship initiatives align seamlessly with the preferences and expectations of your target audience.

- ★ By navigating the landscape of audience demographics and consumer profiling, you've gained the tools to present the most relevant information to potential sponsors strategically.
- ★ Remember, it's not just about the numbers but about genuine connection with your target audience and the ability to inspire positive action.
- ★ Your role involves establishing a vital link between products and the specific needs of your audience.
- ★ Your responsibility lies in discerning your audience's unique demands and preferences, ensuring a seamless connection between the products you offer and the solutions they seek.
- ★ Armed with these insights, you are now able to attract sponsors and cultivate lasting partnerships that bring genuine value to both parties.



RETURN ON INVESTMENT

WHAT IS RETURN ON INVESTMENT

Return on Investment (ROI) measures the tangible and intangible benefits that drive the profitability and effectiveness of a sponsorship initiative.



ROI is often evaluated by considering various factors, including increased brand visibility, enhanced brand perception, customer engagement, lead generation, and, ultimately, the impact on sales and revenue. ROI is used to gauge the success of sponsorship activities to justify marketing spend and budget allocation for ongoing or future initiatives.

By comprehending the anticipated returns upfront, you can tailor your pitch to align with sponsor expectations, paving the way for a mutually beneficial partnership. This chapter will help you to calculate and maximize ROI, empowering you to unlock the full potential of sponsorship as a revenue stream.

UNDERSTANDING RETURN ON INVESTMENT METRICS

KNOWING THE METRICS SPONSORS USE TO JUDGE A SPONSORSHIP'S SUCCESS OR FAILURE IS CRITICAL. IT HELPS YOU SHOWCASE YOUR VALUE AND SETS THE STAGE FOR REPEAT SPONSORSHIP SALES YEAR AFTER YEAR.

THE CONCEPT OF CONVERSION



Conversion refers to the desired actions taken by the audience as a result of the sponsorship initiative. These actions can vary depending on the goals set by the sponsor. They may include making a purchase, signing up for a newsletter, attending an event, or engaging with the brand on social media. The conversion metric is a crucial component of ROI assessment as it quantifies the success of sponsorship in terms of tangible outcomes.

For example, if a sponsor's goal is to increase product sales, the conversion metric would measure the number of products sold as a direct result of the sponsorship.

RETURN ON INVESTMENT METRICS



BRAND AWARENESS

Brand awareness measures the extent to which the target audience becomes familiar with and recognizes the sponsor's brand. The idea is that the sponsorship contributes to elevating the sponsor's brand profile and visibility with an intended audience.

Brand awareness can be assessed through various indicators, such as increased brand recall, social media mentions, website traffic, or surveys measuring audience recognition. Increased brand awareness ideally leads to trust, product consideration, or increased customer loyalty, impacting the sponsor's overall market position.

Securing naming rights for a music festival is an example of leveraging brand awareness. A strong association between the sponsor and the event is created when a company obtains naming rights for a festival. The sponsor's name, logo, and marketing collateral become an integral part of the festival's identity, increasing visibility among the festival attendees, participants, and media. This heightened visibility and shared experience of attendees can extend far beyond the festival's duration, contributing to a favorable brand image.



LEAD GENERATION

Lead generation focuses on the sponsorship's ability to generate potential customers or leads for the sponsor's products or services. The goal is to create opportunities for direct engagement with individuals who have shown interest in the sponsor's offerings due to the sponsorship initiative.

Lead generation can include collecting attendee information at sponsored events, encouraging signups for newsletters or exclusive offers, or driving traffic to specific landing pages.

A positive ROI in lead generation indicates that the sponsorship has successfully attracted individuals potentially interested in the sponsor's offerings. Sponsors can then nurture these leads through targeted marketing efforts to convert them into customers, ultimately contributing to the sponsor's revenue growth.

Sponsors can assess the tangible impact of the sponsorship on expanding their customer base and sales pipeline, providing a direct link between the sponsorship investment and potential business outcomes.



SALES

The ultimate goal for many sponsors is to drive sales of their products or services. The sales conversion metric measures the success of the sponsorship by quantifying the number of transactions or the monetary value of purchases attributed to the sponsorship effort.

By focusing on sales as a conversion metric, sponsors can directly tie the impact of the sponsorship to their bottom line, providing a clear and measurable indication of the financial success achieved through the investment.



SOCIAL SHARE OF VOICE

Social Share of Voice (SSoV) is a measure of a brand's visibility and presence on social media compared to its competitors as a direct result of the sponsorship or related marketing campaign. It measures how many people are talking about your brand on social media compared to competitors.

A higher Social Share of Voice indicates that a brand has gained more visibility, attention, and engagement than its competitors, positively impacting brand perception.



SOCIAL SENTIMENT

Social sentiment involves measuring the overall attitude and perception of the audience on social media platforms regarding the sponsored brand, event, or campaign. Social sentiment analysis considers the tone, emotions, and opinions the audience shares on social media channels.

Monitoring social sentiment as part of ROI provides sponsors with valuable qualitative insights into the success of their sponsorship in building brand affinity and engaging the target audience.

Positive social sentiment suggests that the sponsorship has resonated well with the audience, leading to favorable discussions, comments, and shares. Negative sentiment indicates challenges or issues that need to be addressed.



CUSTOMER RETENTION

Customer retention focuses on the ability of a sponsorship initiative to retain and strengthen relationships with existing customers. The metric considers the impact of sponsorship on customer loyalty, repeat business, and the overall longevity of customer relationships.

The underlying idea is that a successful sponsorship should attract new customers and reinforce the bond with current ones.

Customer retention may be measured by evaluating factors such as increased customer engagement, loyalty program participation, or repeat purchases from existing customers exposed to the sponsorship. Sponsors may also benefit from positive word-of-mouth referrals and recommendations from satisfied customers, further amplifying the impact of the sponsorship.

Motorsports often use sponsorship as a powerful tool for customer retention by leveraging the visibility and excitement associated with racing. Many motorsports events offer VIP experiences to sponsors, allowing them to bring clients, employees, or potential business partners to races. These experiences can include access to exclusive areas, pit tours, and meet-and-greet sessions with drivers, enhancing the relationship between sponsors and their key stakeholders.

RAY-BAN CASE STUDY



In 2018, Ray-Ban partnered with AEG, one of the world's largest entertainment companies, to engage consumers and showcase Ray-Ban's products through immersive experiences at live events.

Ray-Ban engaged with music fans by setting up an experiential space in the general admission area of the newly launched event 'All Points East' (now called 'Luno Presents All Points East'). Content promoted the event through social media and digital pre-event campaigns. Ray-Ban also produced the limited edition 'All Points East x Ray-Ban Sunglasses.'

The collaboration enabled Ray-Ban to engage with both musicians and festival attendees. AEG provided access to data on artists and their audiences through tours and ticketing databases, which allowed audience segmentation through geography, demographics, and audience profiling across social media platforms.

The success of the partnership was measured based on metrics such as celebrities and artists featured in social media posts wearing Ray-Ban sunglasses at the festival, engagement at the experiential space, and sales of limited edition 'All Points East Ray-Ban' sunglasses.

The sponsorship was successful, with over 2,000 consumers and 1,000 VIPs attending the event. By the end of the event, 78% of attendees were aware of the partnership between Ray-Ban and the festival. Sentiment tracking revealed a 30% increase in consideration, showing that the partnership effectively boosted Ray-Ban's brand awareness and perception.

Additionally, the activity surrounding the Summer Sessions generated more than 35 million media impressions and 47 million social impressions, further increasing Ray-Ban's reach and exposure. The All Points East 2022 app, which allowed sponsors to communicate their messages and offers with fans, saw 120,000 downloads.

Today, the partnership continues with intimate shows during the summer months coinciding with the launch of the Ray-Ban Color Block collection.

UNLOCK THE MARKET VALUE OF YOUR SPONSORSHIP DEAL

Understanding the actual market value of your creative assets or property empowers you in negotiations with potential sponsors and boosts your revenue. Whether it's logo placement on an event billboard or selling naming rights to a digital summit, each asset has a price tag, which is then bundled together in your sponsorship package.

PROVING YOUR VALUE

Every sponsorship opportunity will be evaluated with meticulous scrutiny in times of economic uncertainty. You must be prepared to comprehensively examine the proposed benefits, costs, and overall alignment with the sponsor's strategic objectives. As sponsors become increasingly discerning, the goal will be to maximize reach, boost ROI, and lower the risk associated with each sponsorship venture.

Typically, sponsors aim to secure all assets and outcomes at a cost lower than the market rate. Some sponsors are open about discussing the ROI they hope to achieve, but others are not. Many brands want a 3:1, 4:1, or even 5:1 ROI ratio.



A brand will not likely pay \$5,000 for a branding activity worth \$5,000. The ROI is \$0.

Based on a 3:1 ROI ratio, a \$15,000 return on a \$5,000 investment will be the standard marketing value expected to justify the spend.

SPONSORSHIP INVENTORY AND VALUATION

Before you engage potential sponsors, you need to know what your sponsorship inventory is worth. That means you need to perform a valuation on all of your assets and planned marketing activities.

A creative property consists of a unique collection of marketing assets that hold a specific brand value in the marketplace because of its ability to reach and engage various target audiences.

Sponsorship inventory is a list of all those assets and the market rate. This will help you estimate the value each asset brings to the deal. This value moves beyond brand awareness to concrete measurements like potential reach, engagement, email signups, or sales, clearly mitigating the risk of the sponsorship investment.

Always remember, today's sponsors don't merely want to break even. They want to significantly increase their return on marketing investments, especially if you want a sponsor to renew the partnership year after year.

SPONSORSHIP ASSETS

In financial accounting, an asset is any resource owned by a business or an economic entity that can be owned or controlled to produce a positive economic value. Speaking opportunities, VIP passes, naming rights, and logo placement on digital banners are all examples of assets.

A good starting point would be to group your assets by activation type, such as branding, experiential, traditional media, or social media opportunities across various platforms.

SPONSORSHIP PROPERTIES VS. SPONSORSHIP ASSETS

EXAMPLES OF SPONSORSHIP PROPERTIES

- An event series
- A sports team
- A virtual summit
- A podcast
- A YouTube channel

EXAMPLES OF SPONSORSHIP ASSETS

- Naming rights
- Branding Opportunities
- Exhibition space
- Speaking Opportunity
- Webpage (with significant traffic)
- Social Media Audience

- Newsletter Database
- Gift Bags
- A marketing campaign
- Paid media space
- Employee benefits
- Event tickets



The NBA has redesigned arenas to incorporate more sponsorship opportunities, such as sponsor logos on lower bowl seating tarps, LED signage around the court, and activation areas replacing lower-level seats to allow for things like auto sponsors' showcasing their latest models near the court. Teams manage the tarp signage as local inventory, while the league handles it for national broadcasts, featuring only team and league branding.

As someone seeking sponsorship, your brand functions as a marketing channel designed to engage a targeted audience. Therefore, assessing your sponsorship packages from a marketing perspective is essential.

Ask yourself if a sponsor could achieve comparable results with a similar target audience on a different media platform and at what cost. Then, consider how this might affect the likelihood of obtaining sponsorship.

The examples provided below will assist you on how to think about comparisons with other media channels before pitching to potential sponsors.

BRIEF 1



You are hosting a local event. An interested sponsor would like to receive general brand awareness in the region by placing the company logo on flyers. The sponsor is also launching a new product, which coincides with your event launch and would like to promote product giveaways on the event's social media channels.

Flyer distribution (2 weeks before the event, in the central business district) and social media promotion can be compared to a small local newspaper advertisement, reaching about 20,000 people.

STEP 1

Find out the cost of placing a similar ad in the local newspaper and the distribution. When you contact the publication, ask for the rate card and audience reach or distribution.

You find out the cost to reach 10,000 people is \$2,000 for a small advertisement on page 3. You are distributing 15,000 flyers and have a social media audience of 15,000.

STEP 2

Divide the ad cost (\$2,000) by the distribution (30,000) = \$ 0.2 cost per person reached

STEP 3

\$0.2 multiplied by your combined reach of 30,000 = \$6,000

The market value of your print and digital promotion for the event, which reaches 30,000 people, can be priced at \$6,000 or discounted to provide a competitive rate for the sponsor. You could also add four dedicated product posts to drive more sponsor value.

BRIEF 2



Your company operates in the online travel industry. A potential sponsor would like to generate email leads from your social media channels. You have a cumulative social media audience of 25,000.

The sponsor proposes a sweepstakes and fully sponsored prize, adding value from an audience engagement perspective. It would help if you estimated the average cost per email so the sponsor has an idea of the estimated costs should the campaign be approved.

STEP 1

Start by looking at the industry-related conversion rate. In the case of the online travel industry, this was 2.4% as of 2023.

STEP 2

Multiple 2.4% by your total social following of 25,000, which would equal 600 people who are most likely to enter the contest and hand over their emails.

STEP 3

Find out what the Cost Per Click (CPC) is in the industry. In 2025, the typical monthly cost-per-click (CPC) for Google Ads search advertising in the United States travel industry is \$2.12.

Multiply \$2.12 by 600, which equals the base cost of \$1,272.

From this point, you can build in additional value, like including a banner in your email newsletter or additional posts on social media. Remember, this is for a first-time sponsorship seeker. After an initial campaign, you will have a unique CPC, which can be measured against the industry standard, and you can include a case study when pitching to new sponsors.

USING INDUSTRY CONVERSION RATE ESTIMATES

Irrespective of your platform, you can gauge your audience's likely reaction to an advertisement by utilizing an industry-specific or channel conversion rate. This enables you to assess the results of a potential sponsorship effort against a standard.

The average conversion rate for YouTube ads in 2025 is around 0.3% for e-commerce campaigns, while top-performing campaigns can achieve higher rates depending on optimization. A conversion for video ads is measured when a viewer completes a view and later takes the desired action on your website.

If an average video on your YouTube channel is viewed 100,000 times, and the estimated conversion rate is 0.3%, you could assume 300 people would be driven to a website when the sponsor is incorporated into the content. Once on the website, using an average e-commerce conversion rate of 2.5%, this would yield about 8 signups or leads if that were the goal.

With every 1,000 individuals directed to the website, there would be a minimum of 25 signups, providing a benchmark for evaluating potential sponsorship performance.

In digital sponsorship, two key pricing models measure product sales and boosting brand awareness. Understanding these models is crucial to maximizing sponsorship opportunities, achieving financial gains, and increasing market visibility for sponsors.



CPM (COST PER THOUSAND/MILLE)

In digital marketing, CPM stands for "Cost Per Mille" or "Cost Per Thousand." It represents the cost advertisers pay for one thousand impressions or views of their advertisement. CPM is a standard pricing model in online advertising, especially for display ads and social media advertising. Advertisers pay a fixed rate for every thousand times their ad is displayed, regardless of whether users interact with the ad. It's a way for advertisers to measure the cost of reaching a large audience and increasing brand visibility.

HOW TO CALCULATE CPM:

Divide the cost by impressions, then multiply the number by 1,000



CPC (COST PER CLICK)

In digital marketing, CPC stands for "Cost Per Click." It is a pricing model where advertisers pay a fee each time a user clicks on their ad. CPC is commonly used in paid search, display, and social media advertising. Advertisers bid on keywords or target specific audiences and are charged only when someone clicks on their ad.



CPA (COST PER ACQUISITION)

In the CPA model, advertisers pay only if conversion happens. A goal is set up, which will be interpreted as a conversion before the campaign is set up, such as email signups or product purchases. Whenever a user achieves the goal, the advertiser pays the agreed rate.

These metrics apply to all digital channels, including website traffic, podcast downloads, and social media video views. Sponsors will use the number to agree on a price (e.g., I'll pay \$12 per 1,000 podcast downloads) and as a metric to assess the performance of their ad.

e.g. A podcast downloaded 15,000 times has a CPM of \$12 at a cost of \$180

CPA can be used to assess an ad a few weeks after the campaign, e.g., the sponsor paid \$180 using CPA as a metric and, as a result, had 30 signups: a CPA of \$6



A small, niche company or individual with a highly engaged audience should use CPA as their metric. This will usually result in a higher achievement of sales goals or revenue.

A large company with a mass audience that is less engaged can use CPM as a metric and would most likely get paid more based on brand awareness than sales goals.

BRAND VALUE

When a sponsor partners with their customer's favorite brand, this adds significant impact and value to the deal. Brand value is the additional benefit that your sponsors receive by reaching your audience through your property instead of any other form of media or marketing, impacting the overall brand perception and market position.

Ultimately, brand value in sponsorship is about leveraging association that, in turn, fosters stronger connections with an audience, leading to high customer loyalty and improved sales.

The value of a brand is distinctively tied to that brand alone and can be estimated by considering the factors outlined below:

- Brand loyalty
- Reputation
- Innovation
- Exclusivity
- Connection
- Alignment of values



Despite not winning an NBA championship in almost 50 years, the New York Knicks are the 2nd most valuable basketball franchise on Earth, now valued at \$9.75 billion.

The Knicks' iconic status, rooted in their legacy and massive market appeal, ensures their significance regardless of competitive record. Brand, history, and playing in Madison Square Garden (the largest media market in the U.S.) create an iconic status independent of wins.

If you are sure a sponsor is a good fit, suggest a higher price upfront. If you're less certain, start with a lower quote until you can prove your value over time.

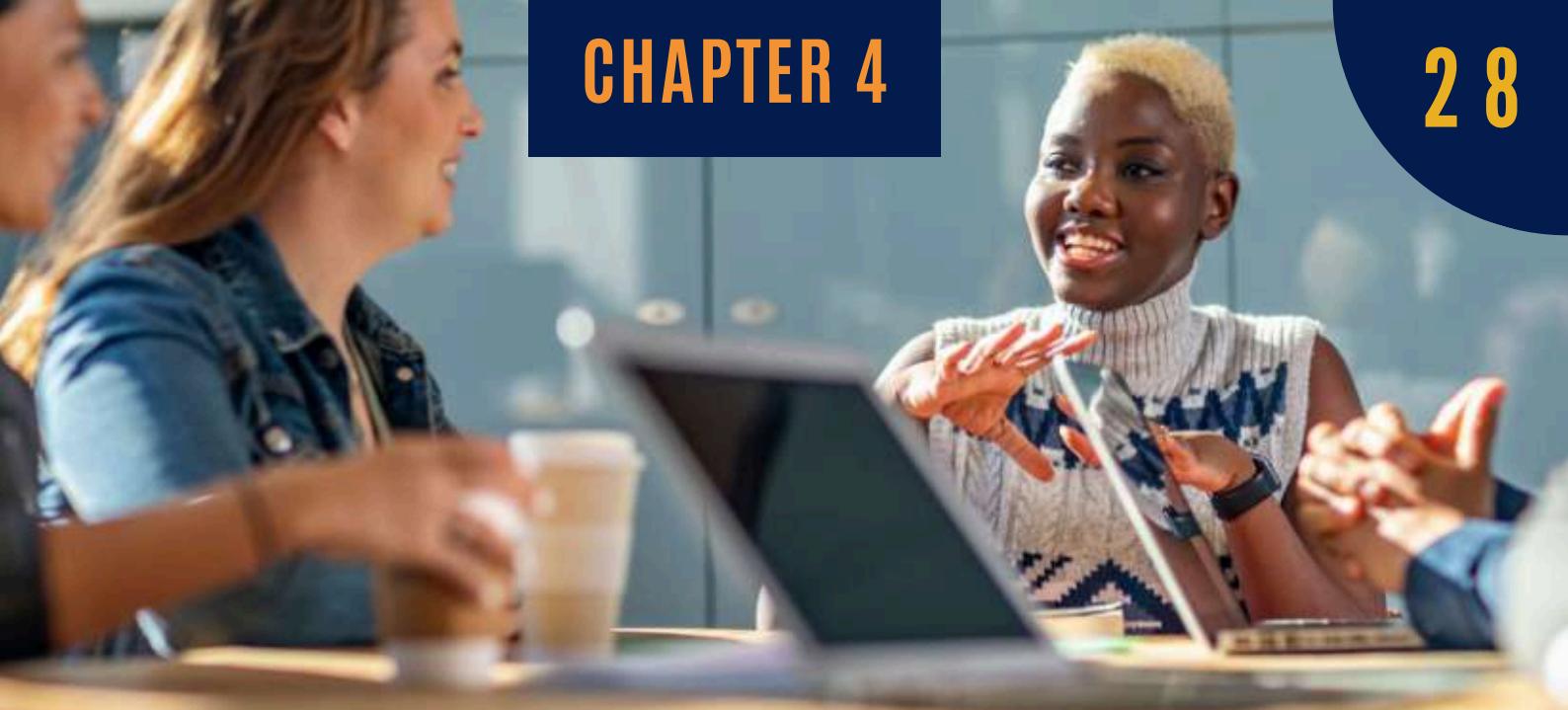
Remember, if the sponsorship works well, you can raise your prices next year once a stable foundation is in place. If the sponsorship falls short of the commitments made, it will negatively impact the relationship with the sponsor. Starting low, building a good track record, and gradually increasing your rates is safer.

For startups without past data, base your costs on the expected reach from the marketing plan using paid media distribution and exposure.

KEY CHAPTER INSIGHTS

This chapter aimed to demystify return on investment from a sponsor's viewpoint to understand the metrics that influence the decision-making process. Armed with this knowledge, you can tailor your approach to meet sponsor expectations and maximize return on investment.

- ★ Knowing how to assess the value of your creative assets and inventory is crucial when engaging with sponsors—it enables you to confidently understand your worth before entering the negotiation phase.
- ★ Comparing your assets against other paid marketing channels helps you assess if you're on the right track, especially since sponsors are considering different investment options.
- ★ Understanding return on investment from a sponsor's viewpoint gives you the confidence to sell sponsorships, preventing you from going in blindly or without a clear strategy.



CRAFTING A WINNING PITCH DECK

Embarking on the journey to secure sponsorship requires more than a proposal – it demands a compelling pitch deck that commands attention and sets you apart. As the initial gateway to funding, your pitch deck is pivotal in convincing decision-makers to allocate the budget you're seeking.

In the next section, invaluable tips are shared to help you craft a pitch deck that engages decision-makers and leaves a lasting impression that unlocks future discussions and budget approval.



- Study your potential sponsor and customize the deck to fit their specific needs, market, and context. Review their past marketing campaigns across media platforms to ensure your concept aligns seamlessly with their ongoing marketing efforts.
- Represent your company and concept in the most professional manner possible; having a logo, website, and a strong brand is vital. Remember, you must create trust before a sponsor is willing to hand over cash.
- The proposal must be sold to the rest of the marketing team and other stakeholders, so make sure all information is communicated.
- Ensure the deck is in PDF format or send a file-sharing link so it is easy to send to multiple stakeholders.

- Provide precise and concise information. Include all dates, hosts, venues, and media partners to build your credibility throughout the document.
- Offer exclusivity or added value that cannot be bought anywhere else.
- The slide deck is designed to create interest and get an introductory meeting, so keep it to 10 pages maximum.
- Remember to include all your contact information at the end of the document and suggest a meeting date in the introductory email.



Think of the presentation as a business résumé that can be adapted for each potential sponsor. This will demonstrate the value you can offer and get the best results on a case-by-case basis. You can save a master template and create separate versions for various sponsors.

As you write the proposal, remember to keep it simple. Avoid a long-winded history of your company, or a lengthy market overview. Keep the information concise and sharp with only the most important and value-highlighting facts about your event.

It is critical to always keep the sponsor's key objectives and marketing initiatives in mind. The value you provide needs to be demonstrated and aligned with the sponsor's goals.

ESSENTIAL SLIDES

Below is a checklist of essential components when drafting your proposal:

TITLE SLIDE

The logo and brand identity have been successfully established.

ABOUT

A clear company bio and mission statement, including any major highlights since inception.

CONCEPT OUTLINE

Include all creative details, including podcast hosts, event speakers, popular content, and audience overview. This can also include any key statistics across various social platforms.



MARKET RESEARCH

Show the reader that you have researched how your concept fills a market gap or, if related to a cause, why the sponsorship is needed based on current statistics.



TARGET MARKET

Tell the sponsor about the target market your company or brand currently reaches and why this is an essential segment for the sponsor to connect with. Be sure to include all demographics and buyer persona details.



MARKETING PLAN OVERVIEW

Include an overview of the marketing activities that will be undertaken in the next 6-12 months. This may include potential media partners, influencers, or paid media campaigns.



SPONSORSHIP OPPORTUNITIES

Introduce your sponsorship proposal along with the benefits and unique opportunities available to your potential sponsor, emphasizing possible return on investment.



PRICING, TIERS, AND RATES

Be sure to list and bundle all benefits into packages and tiers. You can also include that packages may be created according to budget.



TEAM SLIDE

Photos and bios of founders or key team members can be included here.



CONTACT SLIDE

Include contact details, website & social media accounts.

Crafting an introductory email for sponsors is crucial for grabbing their attention and convincing the sponsor to consider your proposal. You want to answer the questions the sponsor will likely ask when they open your email, "Who is this? What do they want? Why should I care?"

HELPFUL TIPS

INTRODUCING YOUR ORGANIZATION

Start by briefly introducing yourself or your organization. Provide a concise overview of who you are, what you do, and your mission or goals. This helps establish credibility and gives the sponsor context about the email's sender.

STATING YOUR PURPOSE

Clearly articulate the purpose of your email. Explain why you are reaching out and what you hope to achieve. Be specific and transparent about your intentions to avoid confusion.

HIGHLIGHTING BENEFITS

Emphasize the benefits of sponsoring your cause or project. What's in it for the sponsor? This could include brand visibility, access to your audience or network, potential for positive publicity, or alignment with their corporate social responsibility goals. Tailor your message to show how partnering can add value to their business.

CALL TO ACTION

End your email with a clear call to action. What do you want the sponsor to do next? Whether it's scheduling a meeting, reviewing your proposal, or providing feedback, make it easy for them to take the next step. Include contact information and any relevant links or attachments to facilitate their response.

HERE IS AN EXAMPLE



Hi,

Thank you for taking the time to consider our proposal for the 3rd annual Ride for Change Festival, taking place in Atlanta from September 14th to 16th, 2025.

Ride for Change is a non-profit organization dedicated to making cycling accessible and inspiring for underrepresented communities. Our mission is to promote health, empowerment, and community connection through the joy of cycling.

Our initiatives encourage both mental and physical well-being by promoting an active lifestyle. We also provide models and guidance for individuals seeking professional cycling careers or starting a cycling-related business, and we engage in community outreach and the development of new cyclists.

The event that holds a special place on every cyclist's calendar - participants can establish connections with the local community, interact with professional riders who share similar backgrounds, and participate in impactful discussions that advocate for diversity and equality.

We encourage you to partner with us as a sponsor and contribute to reshaping a once restrictive narrative within the cycling community and helping more individuals gain access to the joy and personal growth cycling offers - regardless of background or financial resources.

All possibilities and deliverables are outlined in greater detail in our sponsorship proposal, which you will find attached. Please let me know your soonest availability to discuss our proposal in greater detail.

ALWAYS REMEMBER TO

ENCOURAGE FEEDBACK

Always prompt feedback from your sponsor. Find out what they like or dislike about your proposal and any concerns in sponsoring your event, channel, or podcast.

CLEARLY COMMUNICATE THE DEADLINE

This will create the fear of missing out and encourage sponsors to respond proactively. Consider telling a sponsor about a time-sensitive discount on sponsorship fees or that you're discussing opportunities with a competitor to create a sense of urgency.

KEY CHAPTER INSIGHTS

We've learned that a well-structured pitch deck acts as a gateway, guiding potential sponsors toward understanding the value you offer and the opportunities for collaboration. Your goal is to create a pitch deck that converts, opening doors to lucrative sponsorship opportunities and propelling your ventures forward.

-  As you refine your pitch deck, remember that each element serves a purpose, from the visuals that capture attention to the metrics that demonstrate your impact.
-  Whether you can reach a niche audience, drive meaningful engagement, or provide innovative branding opportunities, clarity in conveying the value you bring is non-negotiable.
-  Embrace the opportunity to gather insights into what resonates most with sponsors and where adjustments may be needed.



THE SPONSOR SALES PITCH

FINDING, PITCHING, AND KEEPING SPONSORS

To close sponsorship deals, you must develop a sales mindset to persuade a potential sponsor of the commercial benefits investing in your brand will bring. Think of yourself as a hunter when sourcing and approaching potential leads. Good negotiation and listening skills are essential, along with matching sponsorship packages to the unique objectives of a sponsor.

A SPONSOR WISHLIST

You will need a list of a minimum of 30 potential sponsors to begin with. Below are questions to direct your thinking when compiling a list:

- What products and services does your target audience use?
- What business / social connections do you have to a potential sponsor?
- Who sponsors events and podcast channels similar to yours?
- Who are those sponsors' main competitors?
- What products and services would you recommend to someone else?
- Which brands are advertising on popular websites, forums, social media accounts, and magazines that your target audience frequents?

RESEARCHING TARGET SPONSORS

It's important to get a good understanding of what makes your potential sponsor tick. This will help you to assess your list of potential sponsors realistically. You can segment your list into three groups of ten to prioritize key sponsors to target first.

WHERE DO YOU GATHER INFORMATION ABOUT A POTENTIAL SPONSOR?



HOLDING COMPANY AND BRAND WEBSITES

Often, a company will have multiple brands supported by separate marketing and sponsorship staff. Make sure you research the key brands to find the best fit for your product or concept.



LINKEDIN PROFILE

Most large companies and their staff have LinkedIn profiles. This can be a great way of discovering who you need to speak to and opens up networking opportunities.



SOCIAL MEDIA

Social media gives you an idea of how the brand communicates with its existing consumers and the creative execution of recent campaigns or collaborations.

Search

GOOGLE SEARCH



Use Google search to look for any recent publicity the company or brand has received or press releases issued by the company. You can also use AI tools like ChatGPT, Bard, or AI-powered news aggregators to summarize recent announcements, social sentiment, and emerging trends related to the sponsor. This helps you quickly spot what's current, how the brand is being talked about, and what messaging they're emphasizing.

FINDING THE DECISION MAKER

Before you approach companies to sponsor your event, contact them to ask who makes the sponsorship decisions. It almost always lies with someone in the marketing department, either a marketing manager or a dedicated sponsorship manager, depending on the size of the company.

Now that you've built your list, organize your list of prospects into a spreadsheet, including the following columns to help track sponsor outreach efforts as you work through the list:

- Company
- Decision Maker
- Contact Made
- Meetings Booked
- Proposal Submitted
- Follow-up Meeting
- Outcome

**HELPFUL
TIPS****TIPS FOR COLD CALLING****GET OVER THE FEAR OF REJECTION**

Out of a list of 30 target sponsors, perhaps three sponsors will be interested. Remember, it's not about making an immediate sale but building trust and opening a dialogue with brands. Successful cold-calling is a skill and just like any skill, it takes time to master it.

SCRIPT YOUR OUTCOMES

Creating a script will set a direction and focus your call. It will also keep the conversation on track when you are nervous.

BE CONFIDENT

Stumbling and being underprepared will only seem like you are wasting the other person's time. Clearly state the common link between your company, audience, and sponsor. Even if the timing is wrong, confidence will leave a positive impression and open the door for future approaches.

FOCUS ONLY ON THE NEXT STEP

Most cold callers want to achieve an immediate goal quantified as a sale. Your focus should be on getting to the next step, which is landing a meeting and discussing the project in greater detail.

GIVE YOURSELF ENOUGH LEAD TIME

You might be surprised by how long it takes to sell sponsorship packages. Set yourself up for success by giving yourself a long enough lead time. The amount of time you'll need will vary, depending on how many people are helping to sell sponsorship and how aggressive your sponsorship goals are. As a general rule of thumb, give yourself at least three months to sell sponsorships.

If all else fails, you can always outsource the job to professionals who excel in the field.

MANAGING YOUR NEWLY CONFIRMED SPONSOR

Sponsorship is not about picking up a check and thinking your job is done. You must work hard to manage the sponsor's expectations and ensure everything is delivered as promised. Remember, failing to deliver or overpromising will only limit your ability to win future sponsorship. You must make sure you are holding up your end of the bargain at all times.

SECURED A SPONSOR? HERE'S WHAT COMES NEXT

CREATE A MEMORANDUM OF UNDERSTANDING

A memorandum of understanding (MOU) is a formal document that outlines an agreement between two or more parties. It serves as a preliminary step toward a more formal contract or agreement and typically lays out the terms of the sale. The MOU will communicate the mutually accepted expectations of all of the parties involved and protect you if there are future disputes.

A memorandum of understanding (MOU) can be legally binding under American law, but it depends on the specific language and intent of the document.

BILLING SPONSORS

When billing sponsors for services rendered or projects completed, it's paramount to streamline the payment process, ensuring convenience and efficiency for both parties involved.

Below are some guidelines to assist you in the process:

- Make use of invoicing software. You can send invoices by email or let clients log into a portal to view and approve estimates and pay invoices. You can also set up automatic payment reminders to help you get paid on time.
- Double-check all invoicing details are correct. If you miss out on something, this could be the difference between a payment reaching your account next week or two months later.
- Ensure the wording in your invoice matches the wording in your contract so there is no confusion.
- Clearly define your payment policy, including when and how a sponsor should pay you. You need to clarify whether partial payment or settling the full balance will be required.
- Don't do any work unless you are paid. Don't be so excited to begin that you assume you'll get your money.

WRAP UP & REPORT TRACKING

Here are some strategies to go above and beyond for a sponsor, ensuring their satisfaction and readiness to commit to another year of sponsorship:

EXCEED EXPECTATIONS

Deliver on promises and then some. Provide additional benefits or perks that weren't initially agreed upon to showcase your commitment to their success.

PERSONALIZE THE EXPERIENCE

Tailor your interactions and offerings to meet the specific needs and preferences of the sponsor. Show that you understand their goals.

PROVIDE REGULAR UPDATES

Keep the sponsor informed about the progress of the sponsorship, including any milestones achieved or noteworthy developments. Transparency builds trust and demonstrates accountability.

OFFER VALUE-ADDED OPPORTUNITIES

Look for additional exposure or promotional opportunities beyond what was originally discussed. This could include featuring the sponsor in special events or marketing campaigns.

COMMUNICATE ALL RESULTS ASAP

Within two weeks of the project completion, call a meeting with the sponsor to discuss the outcome and identify all wins and losses. It is important to understand the sponsor's feedback, including what they loved, what they disliked, and what you should do more of next time. You can also use the opportunity to discuss their goals and objectives for the following year.

Create a feedback report that will provide evidence of how each promise has been fulfilled and the measurable results.

The report should include the following:

- A recap of the objectives that were agreed to be achieved
- The actual return on investment provided in the form of all key statistics from engagement rates, event attendees, the value of publicity around the project
- Include all photos, screenshots, and video content

If you have delivered a great return on investment and the sponsor is happy, you have earned the right to ask the sponsor to reconfirm for next year. If you can prove a return on investment for multiple years, ask if they would be willing to sign for two or three years at a discounted rate.

Whether your sponsor opts to renew or not, it is always beneficial to maintain frequent contact with your sponsors. This is critical to building a healthy, lasting partnership and will ensure your project is on top of the sponsor's mind during their next budgeting process.

When a commercial entity receives corporate sponsorship as a source of revenue for advertising services rendered, the tax treatment can vary depending on several factors. Here's a general overview:

The sponsorship revenue is typically recognized as income for the commercial entity. It's considered part of the entity's gross income and is subject to taxation.

The expenses incurred in providing advertising services as part of the sponsorship agreement can usually be deducted as ordinary business expenses. This includes costs related to marketing, promotions, staff salaries, and any other expenses directly associated with fulfilling the sponsorship obligations.

After deducting allowable business expenses, the net income derived from the corporate sponsorship is subject to federal income tax and possibly state and local taxes.

Given the complexity of tax laws and regulations, especially regarding advertising income, it's advisable to consult with tax professionals or accountants knowledgeable about tax treatment for advertising revenue and corporate sponsorships.

TAX EXEMPTION FOR NON-PROFIT ENTITIES

Corporate sponsorship operates differently for non-profit entities, especially when the non-profit does not explicitly advertise. Sponsorships are often treated as donations rather than advertising expenses.

Non-profit organizations may receive sponsorship funds to support their mission or specific programs without providing significant promotional benefits in return.

The non-profit may provide acknowledgments or recognition to sponsors, but these should not constitute substantial advertising or promotional benefits to avoid jeopardizing the organization's tax-exempt status.

Beyond crafting compelling pitches and cultivating relationships, closing sponsorship deals demands a strategic approach similar to that of a seasoned sales professional. This means understanding the importance of contracts, ensuring timely billing once a deal is closed, providing valuable feedback upon completion, and staying on top of tax obligations.

- ★ Direct communication with the decision-maker streamlines the negotiation process and provides clarity and efficiency. A direct "no" from the decision maker, though it may initially sting, provides valuable closure and allows you to pivot your efforts toward other potential opportunities.
- ★ You demonstrate integrity and reliability by fulfilling your commitments, whether it's providing agreed-upon deliverables, meeting performance targets, or upholding brand values. This not only strengthens trust and loyalty but also positions you favorably for future collaborations.
- ★ Striving for renewal should be a fundamental goal in your sponsorship strategy, as it secures ongoing support and simplifies and streamlines your operations, creating more time and energy for innovating and enhancing your offering.

CLOSING THOUGHTS

Congratulations! You've taken the first step toward mastering sponsorships, and you now have the knowledge and tools to confidently navigate this exciting world.

From pricing strategies to crafting pitches that grab attention, this guide is designed to help you move with purpose and clarity — turning opportunities into real results.

Sponsorship success isn't just about strategy; it's about curiosity, determination, and showing up consistently. The skills you've learned here give you the edge, but your creativity and drive will take you even further.

**LET'S PLAN YOUR NEXT MOVE
IF YOU WANT EXPERT GUIDANCE ON YOUR SPONSORSHIP STRATEGY, LET'S TALK.
EMAIL: LOSH@FIGHTFUNDED.COM**

