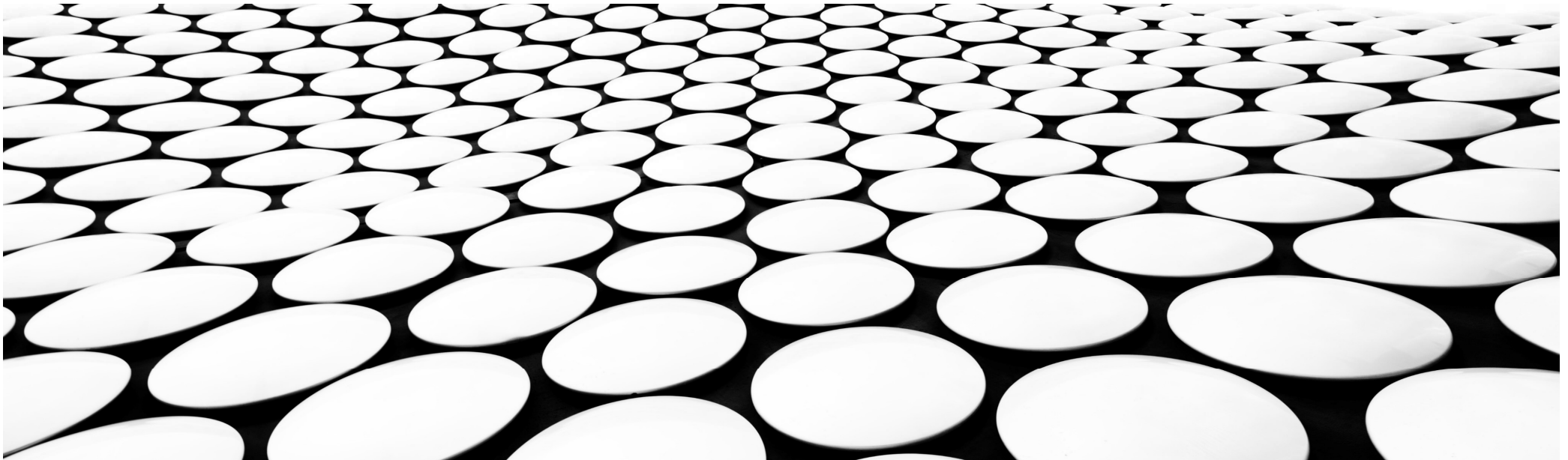

SETTING SPONSORSHIP EXPECTATIONS: THEORETICAL FOUNDATIONS AND PRACTICAL IMPLICATIONS

THORSTEN DUM



2021 CLUB AND FEDERATION MANAGEMENT
WEBINAR

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HELLO HANDBALL WORLD!

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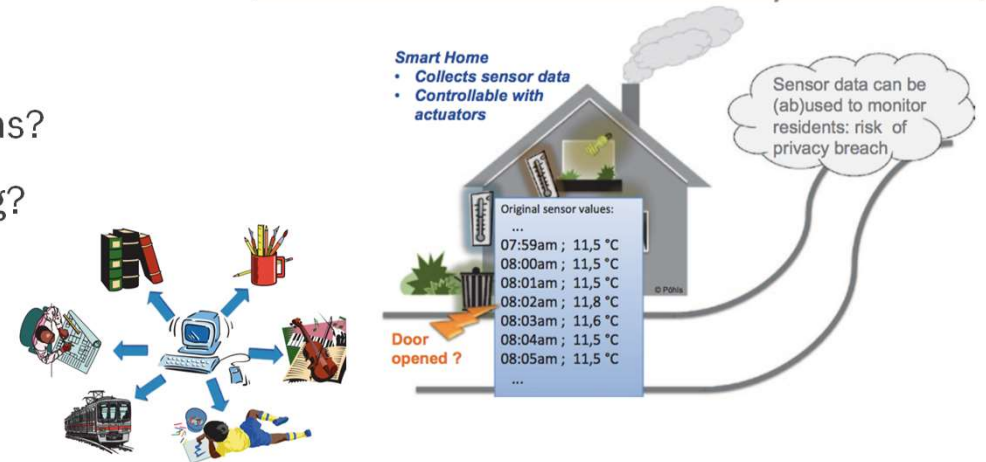


AGENDA

- Setting sponsorship expectations for 2021 – Tendencies and Trends
- Sponsor vs. Sponsee: Two parties, two perspectives
- Audiences, Objectives, Strategies
- Managing and activating sponsorship relations – and expectations?
- Conclusions and Implications

SETTING SPONSORSHIP EXPECTATIONS FOR 2021 – TENDENCIES AND TRENDS

- What level of sponsorship investments next year?
- How to design sponsorship contracts under a special lens?
- How to deal with technology based delivery and digital options?
- How to deal with influencers in sponsorship-linked marketing?
- How to integrate purpose in sponsorship-linked marketing?
- How to further contribute to sponsor value?



Sponsorship will not simply be revived along with sport in the coming year, it will be reinvented – for the better!

SPONSOR VS. SPONSEE: TWO PARTIES, TWO PERSPECTIVES I EXPECTATION GAP

“We see ourselves as an active sponsor sharing responsibility for providing constructive, critical support for the development of a club or an organization. This is what we did at [the club]: We set goals and formulated expectations that were disappointed unfortunately. On several occasions, there were riots and violent excesses in the stadium. So-called fans even applauded when fireworks were shot into the guest block. This is unacceptable to us. We are sorry for this traditional club that we can no longer support it”



SPONSOR VS. SPONSEE: TWO PARTIES, TWO PERSPECTIVES II

Generally, properties (sponsees) seek financing and sponsors seek communication purposes / brand building

Sponsor and sponsee naturally take distinctive views on their shared relationship

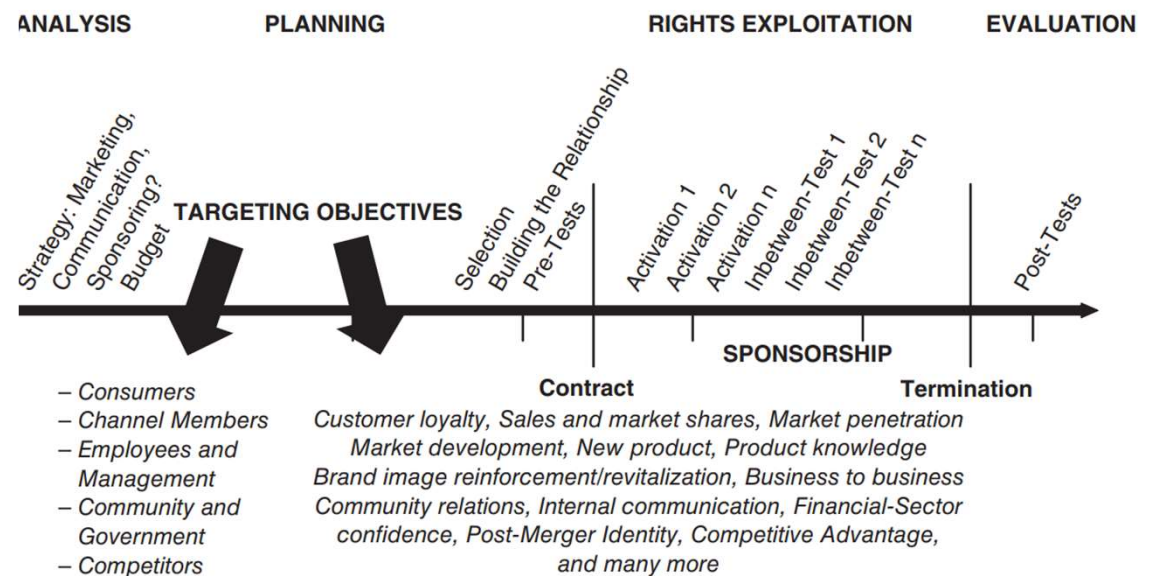
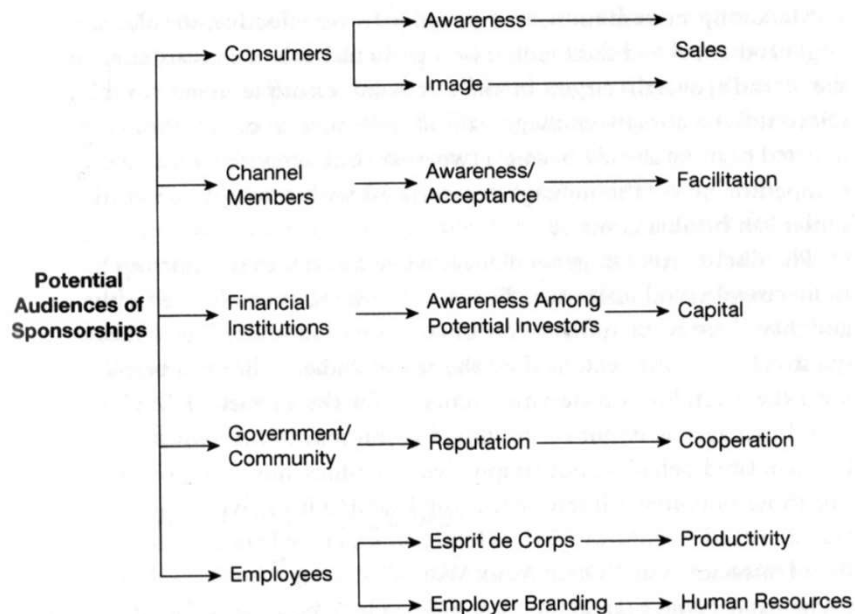
Contractual agreement = the „Sponsorship“(symbiotic relationship / beneficial co-marketing alliance)

Relational aspect: The extent to which each partner comes to know and understand the other, the more it serves the potential of the relationship

Proximity: Strong ties lead to closer relationships / networks

Congruence: Perceived fit / degree of similarity between sponsor and sponsee

AUDIENCES, OBJECTIVES, STRATEGIES



MANAGING AND ACTIVATING SPONSORSHIP RELATIONS – AND EXPECTATIONS?

Contextual audit / base for negotiation – assessing the needs of the individual organization

Involvement of third parties / professional service firms (PSF)

Active management involvement

- Corporate sponsorship policy (audiences, objectives, strategies)
- Formalized sponsorship evaluation method
- Knowledge assimilation and transfer
- Legitimacy of fans and supporters
- Stakeholder / Competitor analysis
- ...

MANAGING AND ACTIVATING SPONSORSHIP RELATIONS – AND EXPECTATIONS II – EXPECTATION OBSTACLES (PREDICTED/UNPREDICTED)

Negative Events in sponsorships: Drug abuse, poor performance, obnoxious/toxic behaviour, riots, racism, etc.

Sponsorship-contract-related: lack of exclusivity; contrasting levels of commitment; discrepancies in the strategic intent of the partners; objectives, roles, and contributions are not clearly formulated and formally recorded prior to the contract; insufficient time to establish goal convergence; prior sponsors, etc.

Sponsor-related: ROO (qualitative brand custodian approach) vs. ROI (quantitative measurement approach) dilemma

Sponsee-related: Lack of marketing/sponsoring know-how

External factors: Pandemic, public policy, corporate social responsibility, crises, controversial products (e.g. gambling, alcohol, tobacco), ambush marketing, etc.

CONCLUSIONS AND IMPLICATIONS

Long-term sponsorship relationships have an advantage since they allow time for partners to develop insight to the other side of the relationship

Disregarding expectation obstacles in sponsorships might lead to ending contracts

Sponsor commitment, measured by additional spending on sponsorship investments (leverage/activation), is a key determinant of economic and social/psychological satisfaction

Trust, Mutual understanding, Long-term commitment, Communication, and Collaboration

- Developing early warning indicators (predictors, big data, business intelligence)
- Risk management and / or compliance systems
- Sponsorship knowledge management systems (tendencies and trends, understanding fans and supporters)
- People's Business → Making sponsorship tangible!

THANK YOU FOR YOUR ATTENTION

Any questions or comments?

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