



# Sponsorship Policy

Being able to secure and generate funding and revenue through sources other than registration fees is critical to the health and long term survival of the club. Refer to the club's organisational strategic plan in the context of the following guidance notes.

## Guidance Notes: Foundation

Before seeking to generate commercial revenue, it is important to ensure there is a solid foundation, including a clear understanding of why clubs exist and what they want to achieve.

### Step 1: Purpose Statement

There is a basic and common reason for existence shared by all sporting clubs. Each club however, has its own distinct reason for being, and own specific goals for its version of success.

Having a clearly defined purpose enhances decision making and shapes your club's identity. It articulates why you matter to people and why you do what you do.

Your purpose statement should be simple, concise and clear and central to your strategic planning and decision-making.

The first step in developing your commercial capabilities is ensuring you have in place a clear purpose statement; understanding this will form an important part of your value proposition.

### Step 2: Value Statement

Values are the core beliefs of your club. They encapsulate what is important to your club and guide the actions and behaviours of your members, all of which will form part of your value proposition.

Being a value-based club is important. It builds and defines a culture that shines through to any potential partner considering a formal commercial partnership.

Before continuing, ensure that your club has in place a value statement that captures what is most important to your club.

### Step 3: Aligned Commercial and Strategic Objectives

Having in place effective structures, systems and behaviours that support good leadership and decision-making are critical to generating commercial revenue.

Clubs lacking a defined approach towards their commercial sustainability are unable to deliver consistent value propositions.

It is important therefore that you include as part of your strategic planning, clear commercial objectives and initiatives.

#### Checklist:

1. *Do we have a clearly defined purpose articulated in our strategic plan, and do we reflect upon it when making strategic decisions?*
2. *Do we have clearly outlined values and refer to them when making important decisions?*
3. *Do we have a clearly defined commercial objectives and initiatives in our strategic plan?*



## Guidance Notes: Value Proposition

Your value proposition is what you can offer to a potential commercial partner that is unique to your club.

Your value proposition is a mixture of your sport's profile and perceptions both within and outside of your community. This culminates as your unique value proposition and tells a story about who you are, what you stand for and what your story is. This is what makes you, you.

Understanding your value proposition will change the language around seeking commercial partnerships. When you realise your true value the balance changes, you can then seek meaningful, sustainable partnerships.

### Checklist:

1. *Do we understand and communicate our value proposition effectively when speaking with potential partners or exploring commercial opportunities?*
2. *When talking about our club, can we clearly articulate our story, who we are and what we stand for?*

The sporting landscape is rapidly evolving and clubs must constantly evaluate their position within the market to ensure they too continue to innovate and evolve and remain sustainable.

Understanding and sourcing new commercial opportunities within the market can be shaped by four key questions:

- Why have we been successful/unsuccessful in our previous approaches?
- How can we improve on what we are already doing?
- Where are we looking to focus our effort, time and resources?
- Who are we looking to target?

Clubs that constantly evaluate these questions place themselves in the best position to be innovative and progressive and break away from the status-quo or improve upon their existing commercial capabilities.



# Sponsorship: Securing and Retaining Commercial Partners

**Note:** Those engaged in the sponsorship process are to ensure conflict of interest declarations are up to date and appropriately managed by the Committee.

## Checklist:

- Do we target partners based on alignment to our value proposition?
- Have we researched the business goals, objectives and values of the potential partner?
- Have we thought about the many different ways our club can help them achieve their business goals?
- Have we identified the right person within the business to speak to?
- Do we use their language when engaging with them?
- Can we tailor a proposal to meet their business goals and present this to the right person within the organisation?

## Step 1: Develop Sponsorship Package

- a) A sponsorship manager is to be appointed by the Committee to manage the process set out in this policy.
- b) The sponsorship manager is to develop a sponsorship package for the endorsement of the Committee. The package is to include:
  - a. Overview of the club's values and priorities
  - b. Overview of different sponsorship options and packages and associated inclusions
  - c. Description of the benefits, opportunities and costs of each option
  - d. Outline of the term of the package,
  - e. Relevant terms and conditions, and
  - f. An execution letter.
- c) The sponsorship package should consider the annual fluctuations in the club's operating costs and be adjusted on an annual basis, unless otherwise agreed to in a separate term set out in the package.
- d) Any increases across the package should be proportionate to all items to maintain fairness and equity to all prospective sponsors.
- e) The final sponsorship package is to be signed by the Treasurer.
- f) The endorsement of the sponsorship package is to be completed as part of a general meeting and minuted accordingly.

## Step 2: Expression of Interest

- a) The sponsorship manager is to advertise the sponsorship package for a period of 14 calendar days, once endorsed by the Committee.
- b) All correspondence is to include the Treasurer and Secretary for reporting purposes.
- c) The process of appointing new sponsors for the period specified in the package is to follow an expression of interest (EOI) process, where the club provides an opportunity for sponsors to provide a value offer on the package for the Committee's consideration.
- d) The EOI is to provide a written response to the package and is to include:
  - a. A statement outlining the alignment between the club's values and priorities against



- the submitting organisation's values and priorities.
  - b. A response to the identified assessment criteria.
  - c. A description of the value offering and nominated package(s).
  - d. A completed conflict of interest declaration, and
  - e. Any other matters requested by the Committee.
- e) If the sponsor was a sponsor in the previous year, they are to be offered the opportunity to submit an expression of interest prior to the package being opened to a broader audience.
- f) Prior sponsors will be given priority over other candidates in the assessment process.

### **Step 3: Assessment Process**

- a) The club's executive committee will assess all applications based on the criteria outlined in the sponsorship package.
- b) Applications are to be reviewed within 28 calendar days of the EOI process being closed.
- c) Applications are to be ranked against the criteria and reported to the next General Committee Meeting for endorsement and action.
- d) A recommendation report is to be prepared by the sponsorship manager for the consideration of the Treasurer and Committee.

### **Step 4: Committee Endorsement**

- a) The Committee is to endorse the agreed application(s) following the advice of the executive committee and as signed by the Treasurer.

### **Step 5: Contract Execution**

- a) Once endorsed by the Committee, the sponsorship manager is to prepare and execute relevant contracts with the successful sponsors.
- b) Sponsors are to sign and complete the agreement within 14 calendar days of the issued contract. This includes completing necessary financial arrangements.
- c) An acknowledgement letter is to be provided to the successful sponsor, thanking them for their contribution, reaffirming the terms of the agreement and confirming appropriate next steps.

### **Step 6: Relationship Management**

- a) Once the contracts have been executed, the sponsorship manager is to manage the relationship with the sponsors, ensuring all commitments have been adhered to.
- b) Recognition of sponsors are to be provided at the club's annual presentation day and through the form of a gift.
- c) The club's Publicity officer should provide relevant social media recognition and advertising for the sponsor as stipulated in the sponsorship package.

