



Sports Career Consulting - Unit 8: Understanding Sponsorship

Using this lesson guide, students will learn to:

- Define and offer examples of sponsorship
- List three ways a company might implement sponsorship programs
- Identify three factors that have impacted the growth of sponsorship
- Understand why a company would engage in sponsorship
- Explain what criteria must be met for a sponsorship to be effective
- Understand the concept of a rate card (pricing sponsorships)

Resources	Questions
<p>1 Discussion Prompts Discuss these questions with your classmates or with a partner.</p>	<p style="text-align: right;"><i>Estimated time: 5 mins</i></p> <ol style="list-style-type: none"> 1. What is sponsorship? Sponsorship is a form of marketing in which companies attach their name, brand, or logo to an event for the purpose of achieving future profits 2. What are some examples of sponsorship that you have seen? STUDENT ANSWERS WILL VARY 3. What makes sponsorship work? STUDENT ANSWERS WILL VARY 4. Define Target market. Refers to people with a defining set of characteristics that set them apart as a group
<p>EXPERT KNOWLEDGE</p> <p>2</p>	<p><i>For the activity, they should 1) recognize that the cars are covered in sponsor logos and 2) explain why they included certain brands on the car and who those brands are trying to reach (target market) through the sponsorship. It is important to point out that, in the case of NASCAR, when you see a logo on a car or the driver's suit, that brand is sponsoring that particular team and driver, not necessarily NASCAR as a "league" sponsor.</i></p> <p><i>Also, the placement of the logos on the race car and size of the decal is important, both for sponsor visibility and determining a "rate card" (how much brands pay for that advertising space). The team's primary sponsor will have the biggest logo, prominently featured on the hood of the car. The primary sponsor also chooses the car's paint scheme and the team colors. This is why a car's paint scheme is typically aligned with the primary sponsor's brand. For example, Kurt Busch is sponsored by Monster Energy, which is why the car is black and the hood is adorned with a large Monster logo. Denny Hamlin's car is white with orange and blue numbering, consistent with the color scheme of the FedEx brand which is plastered on the hood of his car. Same goes for the driver's suit/uniform.</i></p> <p><i>After the hood of the car, the quarter panels are the most expensive place (right in front of or right behind the rear wheel) to place a logo. That area could cost between \$1 million and \$1.5 million for a full season. "In-kind" sponsorship opportunities also exist. With an in-kind sponsorship, a brand provides a product or service in exchange for advertising space (or sometimes tickets, hospitality at the events etc). In other words, AutoZone might provide all the tools and parts for a NASCAR team in exchange for the rights to put their logo on a team's car, driver's hat or suit/uniform.</i></p>

3

Reference the following lessons from SCC's textbook:

[LESSON 8.1](#)

[LESSON 8.2](#)

[LESSON 8.3](#)

[LESSON 8.5](#)

STUDENT ANSWERS VARY

1. What is media awareness?
2. Refers to the number of people you reach within an audience of a specific segment
3. What is the focus of media awareness?
4. Focus is on impressions and impressions refer to the number of people exposed to the promotion
5. How is sponsorship different from traditional mediums of advertising such as television, radio and print?
 [Student answers will vary]
 Allows a company to tap emotional and intimate appeals of customers
 Integrates the positive feelings of sports and entertainment events with company products, services and staff
 Sponsorships help reach segmented targets that mass media typically proves ineffective
 Showcases a company's products and services in an environment representative of a consumer's particular lifestyle
6. Why do companies engage in sponsorship?
 [Student answers will vary]
 Increase brand loyalty
 Create awareness and visibility
 Change or reinforce image
 Drive retail traffic
 Drive sales
 Showcase community responsibility
 Distinguish from the competition
 Introduce new products or services to a large audience
 Enter new markets
7. What criteria must be met for a sponsorship to be effective?
 Student Answers will vary
 Property and company image compatibility
 Audience
 Working with retailers
 Media impact
 Exclusivity
 Increase in consumer sales
8. What is a rate card? A rate card is a printed list of sponsorship fees charged by a sports or entertainment property for association right

4

Design a Race Car:

[Race Car Design Project PPT](#)

STUDENT ANSWERS WILL VARY

This activity explores the concept of sports and entertainment sponsorship. You will gain an understanding of why companies make the decision to engage in sponsorship as a promotional opportunity for their business, as well as the decisions required to ensure their sponsorship program is a sound investment. In addition, you will begin to understand the significance of sponsorship and its impact on the financial viability of sports, entertainment and event properties.

Things to consider when organizing your design:

1. Who is your target market?
2. Will your race car include logos of your sponsors?
3. If your car does include logos, how will you determine the placement of such logos and the size of each logo? How will you determine the placement of a logo?
4. Determine how you will charge a potential sponsor for logo placement on your race car (rate card).
5. How or by what means can a sponsor secure logo space?
6. What color scheme did you choose? Why?
7. How did you decide on a number for the race car?

Estimated time: 5 mins

5 CHECK COMPREHENSION

8. TRUE or FALSE. Sponsorship is considered the same as advertising.
9. TRUE or FALSE. Companies typically use sponsorship as a vehicle to increase brand loyalty toward its products and/or services.
10. TRUE or FALSE. To be effective, sponsorship programs must meet the needs of the sponsoring party.
11. Sponsorship packages often include _____.
 - a. Right to use team or event marks, logos, names, or trademarks
 - b. Product and merchandise (game tickets, licensed merchandise)
 - c. Right to conduct promotional activities
 - d. All of the above