

A sponsorship game plan for tennis players

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ABSTRACT

Various factors are of importance to the ultimate success of a tennis player's career. Apart from technical, tactical, mental and physical abilities, athletes require access to certain resources to fulfil their potential. Entering sponsorship agreements is often essential in realising access to these resources. This article reviews some basic concepts that tennis coaches, supporting team members and players could use to realise successful sponsorship deals.

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INTRODUCTION

Sponsorship is a cash and/or in-kind fee paid to a property (e.g. tennis player) in return for access to the exploitable commercial potential associated with that property (IEG, 2015).

Sponsorship is thus a two-sided relationship and must be mutually beneficial. Both parties enter the agreement with the objective to gain something. Companies want a return on investment, which sports properties need to provide. This is in contrast to a donation, whereby sports properties are given money or other goods/services without necessarily providing a return on investment.

To set up sponsorship agreements several concepts need to be taken into account. Having a well-defined strategy increases the chance of a successful sponsorship proposal, agreement and subsequently successfully carrying out of that agreement.

MUTUALLY BENEFICIAL PARTNERSHIP

The athlete's perspective

The ultimate success of a tennis player's career, whether that is professional or not, is dependent on various factors. Technical, tactical, mental and physical abilities all contribute to the potential and ultimate success of an athlete. To fully develop these abilities athletes need access to certain resources. Entering sponsorship agreements is often required to gain adequate access to these resources.



Financial resources are an important reason for athletes to enter sponsorship agreements. The cost of developing as a tennis player and/or playing on the professional tour is high. Covering expenses from prize money alone is for many players on the professional tour unattainable.

The ITF (2014) concluded that in 2013 the average cost for playing professional tennis – including flights, accommodation, food, restringing, laundry, clothing, equipment and airport transfers, but excluding support team cost – was \$38,800 for men and \$40,180 for women (varies depending on ranking band and region). To break even (cost = prize money earnings) women needed to be ranked inside 253, while men needed to be ranked inside 336.

A high number of players on the professional tour and at amateur level thus have to invest money to develop as a player while not having adequate financial resources. Financial contributions by sponsors are therefore needed for these players to at least break even.

Another reason for athletes to enter sponsorship agreements is to gain access to non-financial resources, e.g. equipment, clothing, training facilities, accommodation or marketing services. These non-financial resources indirectly lower the financial burden. Therefore, athletes could agree on non-financial sponsorship agreements when financial sponsorship agreements are difficult to realise.

The sponsor's perspective

Companies enter sponsorship agreements as a strategic activity "for the purpose of achieving commercial objectives" (IEG, 2015). The returns on investment companies expect from sponsorship agreements vary and are numerous.

Common reasons for companies to pay "a cash and/or in-kind fee" to a property (e.g. athlete, team, event, National Association) are: increase brand loyalty, raise involvement with the local community, increase general public awareness of the company, reinforce company image, alter public perception, enhance employee relations and motivation, block competition, increase sales and/or market share and reach a target market (IEG, 2015; Colijn & Kok, 2009, p117-118; Irwin and Sutton, 1994).

Compatible partners

Establishing why both parties enter a sponsorship agreement is essential to the ultimate success of the partnership. Although it is not always within reach, one should aim for sponsorship partners that are compatible with the athlete's own brand. It is therefore required to have a well-defined personal brand (more about personal branding can be found in Van Dijk, 2015), an image to share with the external environment, about who one is as an athlete and as a person.

Image compatibility is a criterion sponsors take into account (IEG, 2015). Sponsors choose properties based on natural compatibility with the company, which also makes the partnership more credible to the public (Colijn & Kok, 2009, p21). The athlete's brand/image should be aligned with the imagery the sponsor wants to establish. Compatible factors such as values, character, interests and fan/ customer base, increases the chance of a mutually beneficial partnership. An athlete's personal brand is tied to what they can offer to potential partners. This is not limited to just the traits and preferences as a sports person. An athlete's interests outside sports can also be of interest to potential partners. It is "a lifestyle" with which the sponsor wants to be associated (IEG, 2015).

The market of potential sponsors should not be restricted to major (inter) national companies. Local and regional sponsors could potentially benefit far more from local coverage about the athlete and from the athlete's (local) fan base.

The role of new media

New media (social media and other digital channels) play an important role in offering sponsorship partners a return on investment. Sponsors "expect social media to be integrated into sponsorship packages" (Cornwell & Kwak, 2015).

Digital channels are popular sponsorship vehicles as they can offer immense value to sponsors. IEG (2015) found that 90% of their study respondents deem the use of social media (extremely) valuable in leveraging sponsorships.

Building an online presence – where one interacts with an audience and that simultaneously reflects one's brand – could thus be beneficial in negotiating sponsorship deals. The tools to create a social presence are easily accessible and require limited financial and time investments.

It is favourable to start young or as early as possible – even when the potential audience size is limited – as it takes time to build a digital fan base. By creating personal social media accounts (e.g. Twitter, Facebook, Snapchat, YouTube) and a website (including a weblog), athletes can keep fans informed about the latest career developments, show their personal brand/personality and interact with fans.

There are dangers to using social media (Lagae, 2013). Athletes should therefore be aware of the professional attitude that needs to be portrayed on digital channels. An athlete's online image will reflect on a (potential) sponsorship partner. Stupid, impulsive reactions and other blunders could lead to negative publicity, which could negatively impact a sponsor's image (Lagae, 2013).

A well-established digital presence offers the opportunity to showcase and introduce sponsorship partners.

It indirectly provides sponsorship partners with a target audience with specific demographics (e.g. age, geographic, gender). Audience composition is often provided by social media platforms. Having this knowledge could be an asset in establishing sponsorship agreements, as audience composition is a typical sponsorship criterion for companies (IEG, 2015).

Return on investment an athlete could offer:

- Publicity in media
- Access to a digital fan base
- Legal right to use athlete's image
- Cross-promotion with other sponsors
- Presentation or presence at a corporate event - Showcasing products by usage

- Give clinics



FROM PREPARATION TO SPONSORSHIP AGREEMENT

Defining the athlete's objectives, what can be offered and selecting potential partners are all part of preparing the sponsorship plan. Having a sponsorship plan makes it easier "to approach and contract potential sponsors as efficient and effective as possible" (Colijn & Kok, 2009).

As the acquisition phase begins, the sponsorship plan needs to be transformed into a sponsorship proposal. A proposal needs to include among others a value proposition, ways in which the athlete will activate the sponsorship and what it is the athlete wants from the sponsor. By addressing the proposal to the right people within companies – direct connections and people in charge – one increases (time) efficiency.

Sufficient time and other resources need to be invested to have any chance at a successful proposal. If financial resources permit, athletes could hire an intermediary (individual or agency) to set up sponsorship agreements.

Once a sponsorship agreement is in place – with measurable and reachable targets – both parties should invest in activating the deal. Periodic evaluation and feedback is needed to know whether the agreement or activation should be adjusted.

ALTERNATIVES

Financial sponsorship is often the goal for athletes. However, getting sponsorships that provide enough funds is difficult. Alternatives to traditional sponsorships are appearing. Recently crowdfunding has become a popular alternative to financial sponsorship. Crowdfunding is a method of collecting many small contributions, by means of an online funding platform, to finance or capitalize a popular enterprise (Freedman & Nutting, 2015). It is more aligned with donating than it is with sponsorship, yet it can be an effective way to raise funds.

Similarly to preparing sponsorship agreements, it is necessary for the athlete to set clearly defined goals that cover what (e.g. money) it is one wants from the other party (i.e. the public) and why.

Alternatives

- An alternative to a sponsorship proposal by an individual athlete is offering 'a team' (several tennis players together) as property to invest in.
- National Associations may need to get involved to realise larger sponsorship packages for groups of players.
- There are online market places where companies and athletes are brought together with the aim to broker sponsorship deals.
- Raising funds by offering tennis career related services, e.g. presentations about one's career or giving tennis lessons.

CONCLUSION

The concepts reviewed should give coaches, supporting team members and athletes a better understanding of the important

factors in realising successful sponsorship agreements. Establishing what it is both parties want from the partnership and what both can bring to the table is essential in creating a mutually beneficial agreement. Athletes and sponsors should be compatible based on factors such as values and target group to realise maximum benefits.

Although this article focused on sponsorships for individual tennis players, the concepts are also applicable to teams and tennis academies/clubs.

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