

# Corporate sponsorships and your business

 By [Tauriq Moosa](#)

18 Nov 2014

Brands and logos of companies are everywhere at entertainment events, and even feature at events that have the capacity to change the course of history...

One need only think of Red Bull's involvement with the [Stratos](#) Mission to the Edge of Space and Supersonic freefall, which saw the first human break the sound barrier while not occupying a vehicle, to get an idea of the far-reaching impact such events can have.

The question however, is what effect sponsorship of such monumental occasions has on a business.

According to [Jackie Fast](#), of UK-based Slingshot Sponsorship, one should always remember that sponsorship is a mutually beneficial arrangement.

## Don't always necessarily expect a direct return in cash

"While the rights owner usually benefits from goods, services or funding provided by the business, the funder can benefit in myriad ways... The return on investment won't always translate directly into [cash]. But while measuring increased sales is important, benefits such as brand awareness, showcasing opportunities, customer loyalty, lead generation and goodwill, all need to be considered too."

All this eventually funnels into increase or sustainable profits.



A company should be able to be meaningful in its endeavours, and the best way to do this is by being closely associated with activities people love. Reeds Tyger Valley dealers Aristide Lunardini (left) and Riko Geldenhuys outside the premises that promotes Chevrolet's sponsorship with English football giants Manchester United. (Image: Sergio Henriques/pickr)

After all, profits are not directly proportional to how much work you obtain, just as the amount of work you obtain is not proportional to how well you do your work. The most talented plumber, for example, won't necessarily be the richest, and the wealthiest plumbing businesses might have only mediocre plumbers at its disposal.

This is where sponsorship comes in.

No greater example of sponsorship on a colossal scale can be found than English football giants Manchester United's current deal with [Chevrolet](#). The deal is worth £47m (R831m) a year.

At airports from Tokyo to Cape Town, dealerships from Bahrain to Bloemfontein, giant billboards of the Red Devils emblazoned with the Chevrolet logo celebrate the

union.

## Global brands in a perfect marriage

Here, you have two global brands coming together to further entrench their visibility around the world. In many respects, it is the perfect marriage, and the response has already been overwhelming.

Mike Powell, digital marketing and customer relations manager at Unitrans Automotive, which owns Reeds Motor Group, the Western Cape's largest General Motors franchise group, said the sponsorship with Manchester United had been a windfall.

"I think what has been interesting to see is that it goes beyond just branding," Powell said.

"It has given us a far greater insight into the social behaviour of our customers, which in turn allows us to engage with them a lot more."

Yahoo! Finance recently reported that Chevrolet began its shirt deal with the club on July 7 by inviting fans around the world to upload photos of themselves wearing a digital version of the shirt at ChevroletFC.com.

The video campaign was supported by a video on the site featuring Manchester United players, legends and fans paying homage to the history of the club's shirts.

For months later, the video has attracted more than 10 million views.

It is not hard to see how this has had an enormous benefit to Chevrolet as a business.

## **People don't just buy a vehicle because it's 'good'**

It's no longer "just" a vehicle company; it is one that is indelibly linked to an entity that is beloved by people around the world. Its association is one of passion and love.

People don't just buy a vehicle because it's "good". What strikes them is what "feels" right, and for legions of Manchester United fans, theirs is a team that has always felt right.

"It [the deal] represents great exposure," Global Chevrolet Chief Marketing Officer Tim Mahoney said in August. "Manchester United provides us with a global stage."

It is now estimated that the motor giant's deal with the club will yield a quadruple return on investment.

It is thus apparent that sponsorship can heighten a business beyond the confines of the simple services or products it offers.

## **ABOUT TAURIQ MOOSA**

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