

Cathy Mann: Welcome to It Doesn't Hurt to Ask! A podcast where we talk about fundraising. This season we'll be talking to shift disturbers in philanthropy people who are shaking up traditional philanthropy practices. In this episode we're talking with Chris Baylis. Chris is the president and CEO of the Sponsorship Collective and in his own words, he's a Sponsorship Geek. Chris, welcome to, It Doesn't Hurt to Ask podcast.

Chris Baylis: Thanks for having me. Very exciting.

Cathy Mann: Yeah. Well we're pleased that you're able to join us and that you're gonna share your, your words of wisdom with us.

Chris Baylis: I'll do my best.

Cathy Mann: I set the bar to have words of wisdom. So this season's theme is shift disturbers I have to say, Chris, when I first caught wind of view I thought well he's being a little bit disruptive.

Cathy Mann: I remember it well cause I asked you for a job. I asked to teach at your program and you immediately turned me down.

Cathy Mann: I was polite though, wasn't I?

Chris Baylis: You were polite. You immediately turned me down and then said, but I have a client for you. And so it was, it was the next best thing I suppose.

Cathy Mann: Well, there you go. Yeah. Now, just to be fair, I didn't turn you down because I didn't, uh, believe in the message you were delivering. It was because you didn't meet the minimum requirements of teaching. All right. So you are referred to these days as a sponsorship guru and you have completely changed the way that I think about sponsorship. I always knew I didn't know what I was doing, but I didn't know how to find out what to do.

Chris Baylis: Love it.

Cathy Mann: And having, I have worked with sponsorship people before and it felt like this big mystical, secretive world. Yeah. And you have a totally turned that on its head.

Chris Baylis: Cool.

Cathy Mann: Tell us about that.

Cathy Mann: So I think that's actually a really good way to describe the landscape that I found when I entered the, the sponsorship world. So I will say, I will happily be deemed a guru by people such as yourself. I take that as a great compliment,

but given what I actually do, which is sitting in in my office building giant spreadsheets, it's probably more appropriate to call me a Sponsorship Geek.

Cathy Mann: Uh, and so I like nerds and geeks.

Chris Baylis: Yeah, we have our place. So I actually used to be a sponsor, uh, the one with the money, except nobody called me a sponsor because my job wasn't really to sponsor anything. It was to sell widgets or actually to sell questionable, uh, business products. And so I did that with, I won't say who I worked for. I did that, uh, in many ways. And one of which was by sponsoring industry events. And so, uh, so I was a sponsor, I heard all kinds of pitches and then I decided I was gonna move over to the charitable sector and make a real difference and also maybe not work as many hours and I'd have this wonderful life. And so it, as it turns out, I worked twice as many hours I ever did in the private sector.

Cathy Mann: Oh, but you felt satisfied?

Chris Baylis: I wish I could say that, but, but as many fundraisers will attest, I, and, and us as a group, we can sometimes be really disconnected or removed from the mission. And so that was always my battle. So it definitely was more interesting work, but the hours were way worse. And my wife was far less happy. And so, so finding, uh, finding my freedom as an entrepreneur and working only a hundred hours a week gives me a nice break from fundraise. So anyway, I moved into the charitable sector. My focus was entirely on cause marketing and sponsorship and corporate fundraising. And just as you described, it was this mystical place where no one really had the answers. No one was really sharing the answers. And reflecting back on this as a sponsor, I realized this is a really silly way for us to act and to be as a profession. And so I decided that I was going to start a blog and I just started writing stuff and saying stuff and sharing my, my opinions.

Cathy Mann: And this was before you started the sponsorship collective?

Chris Baylis: Yeah. And so I was listening to Seth Goden podcast with, with Seth, and he said, you know, if you really want to test your ideas, just start saying them publicly. Speak, do webinars, podcasts, and start a blog and see what people have to say with your ideas. And if a tribe forms, then you probably have something. And if they don't, then, then you probably have a really terrible idea or a good hobby. So anyway, I just started sharing, I gather what were considered industry secrets, uh, but we really just kinda how I did sponsorship and, and cause marketing. Uh, and so after I think around six months of doing this, I had the sponsorshipcollective.ca where I was doing my thing. And like 60% of my traffic was US. So I, yeah. So I rebranded as a.com and I just kept on, kept on writing. And after about a, probably about a year, maybe a year and a half of blogging, and I started speaking, so I still wasn't a consultant, XYZ started to reach out to me and say, will you do Xyz for me? Will you provide this service for me? And so I just sort of listened to that for a little while and that's how I, I built the service offering of my business.

Cathy Mann: Sounds so easy.

Chris Baylis: It was a breeze. It was two years of 120 hours a week. Yeah, it was. I, when I really kicked things off, I'd wake up at four four 30 in the morning. Then I do like maybe four hours of work and then I'd drive to my day job, which required actually quite a lot of travel at the time and a, and then I come home, have dinner with my wife and then work until midnight.

Cathy Mann: So that does explain it because when I first became aware of you, it was like you are everywhere all at once.

Chris Baylis: Yeah. And so when I sort of, I guess broke out, it was actually after around a year plus of building my message, writing blog posts, building my social media following and just really sharing my ideas. And so then it seemed like overnight after maybe 5,000 hours of work overnight, suddenly people were asking me to come and speak at their events and asking me to come and help them solve their problems within their organizations. And so and so from the musings of a frustrated sponsorship guy in the charitable sector to what it is today, which is pretty exciting.

Cathy Mann: So what are you doing so differently? What are you telling us to do so differently?

Cathy Mann: So I don't know. I don't know. I wish I could say it was that contrived and that I like, I know what it takes to sort of to build a disruptive business and take it to market. I don't, I just thought I have a particular view of how things are being conducted and, and in the sector and talking to sponsors and brands and talking to my colleagues, I see common threads and common assumptions that that people are making. So I'd say honestly I took a, an honesty at all costs approach and I just sort of, I just shared my stories and shared my approach. And you know, we were talking before we kicked things off then I've written a five or 6,000 word blog post on how to value your sponsorship opportunities. I've written a 4,000 word blog post on how to write a sponsorship proposal. I give all this stuff away for free and I give away the templates on how to do it. So I suppose what I'm, I don't know if I'm doing it differently from others, but it's what I'm doing. It's basically just sharing information and giving people resources to be able to be better fundraisers.

Cathy Mann: So we now have the opportunity to work on a number of clients together and I've seen you work through from beginning to end with them and it's totally different than anything that I ever saw before I met you. So I used to do sponsorship badly the way that we all do sponsorships, you know, gold, silver, bronze. And I always thought, I feels like it's missing something, but I didn't know, what it was missing and I couldn't easily find. I just sort of kept muddling along and doing what I was doing. Like you have an entirely different view and approach.

Chris Baylis: Yeah. So, well thank you for saying that. So like you, when I moved from world of sponsor handing out the cash to sponsorship seeker overnight, I became a gold, silver bronze jockey. Right. It was my job working for a charity to fire as many sponsorship packages out the door as I possibly could. Yeah. Yet when I was the one with the money, I wouldn't even look at those documents. They were foolish. They were at best guessing at my business outcomes at worst telling me why this particular charity was a good cause, as if to say all other charities are a terrible cause and only theirs deserves my support.

Cathy Mann: Right.

Chris Baylis: At the end of the day as being measured by how many widgets I sold. So cause-related matter. But then when I joined the cause side, I, I drank the Koolaid and I started sending out sponsorship packages. And very quickly I learned that that absolutely wasn't working. And so I, I changed my process back to the one that I preferred when I was like sponsorship side. And so if you fast forward after kind of 10 years of, of cause sponsorship seeking the process that really, that I focus on that, that we focus on at the sponsorship collective is, uh, centered around, out of valuation. So we look at sponsorship opportunities and ask the question, what is this actually worth? What's the fair market value for this opportunity? What should a sponsor actually pay? And so when I first started consulting, that's all I did. It was, uh, not to say that that isn't a colossal effort, but it began, it started and ended with valuation. And I held the belief that once a charity knew that they had a \$20,000 or \$1 million opportunity, they could budget appropriately and then justify the investment to a sponsor appropriately. And as I moved my way through this process, I realized that that actually there was another key piece missing and that was, uh, an understanding of audience and which is ultimately who sponsors or after they're not interested in mission, they are interested in getting in front of their target market. And my clients really didn't know who their target market was. Some might have had, uh, a simple understanding or a baseline understand, but didn't really know enough to trigger a sponsorship investment. And then I realized that once audience data is established and developed, uh, and obtained valuation is done, then there's a transition that has to happen internally for the organizations to change their mindset and how they sell sponsorship and emphasis is on sell sponsorship. This is, it happens in the fundraising function, but it is not in fact fundraising. This is a transactional marketing sales process.

Cathy Mann: And I think that is such an important distinction, right? Because it's always the fundraisers who are tasked with overseeing sponsorship. And we don't necessarily know what we're doing. I mean...

Chris Baylis: You know, sponsorship kind of gets pulled into the, the annual giving kind of corporate philanthropy grant writing world. And I think in part because it shares a lot of the relationship building techniques with those styles of fundraising. Right? The problem is once you then get a seat across from the chief marketing officer for a major bank in Canada, and you then say the words, our mission is to help dot dot, dot. They're sending you to their foundation. Right. And then

when you get to the foundation and say, we'll put your logo on some stuff, then they say, well that's marketing. That's not actually our CSR, Corporate Social Responsibility Focus. So you actually have to go talk to marketing and then back you go to the chief marketing officer who happily sends you back to the, to the foundation. So I think it's important to note that it is without question, a sales function, a business to business sales opportunity. And so as I worked my way through this process over a number of years now, I use valuation as a transformational tool. So the problem that we solve for our clients is devalue their sponsorship opportunities and tell them what they can really make in the, in a fair market. Yeah. But then we use that process to transform the organization to understand how to actually sell sponsorship. And it is a, you can attest to this, but it can be a long and painful process for, for our clients. Um, uh, but it's, it's a worthwhile process.

Cathy Mann: So tell me about that. I mean, you know, that sounds so Pollyanna, almost like, you know, if we just give you the tools, yeah. Then everything's going to shift. And those of us who worked in the sector for a while, no, that isn't necessarily how things work.

Chris Baylis: And so this is it, right. So, so, and that was my approach initially. Like, oh, all we really need in the sector are the tools. Once we have the tools jackpot, the money will rain down upon us, but that's not actually how it works. And so we typically kick off our process by inviting everyone to the table within the organization to look at what sponsors are actually spending money on right now and to talk about the power of audience data and connecting a sponsor to your audience. And actually I've, I've probably written, I don't know, a half dozen blog posts about this process, like how to properly build, how to do this stuff on your own because again, how you opened this was that all of this was was mystical and behind closed doors. And I've really shared this process with folks and really just took it as my business, my business philosophy that if your clients are hiring you because they think you have secrets, then I actually think that's an inherently unethical, inappropriate relationship. Right? You know, no one goes to see a magician because they believe that the lady was really cut in half. You could go, go for the show. Right? And so I thought if I just tell everyone exactly what to do, those who want help will reach out to me. But those who who want to do it in house, we'll actually do better sponsorship. And actually that improves our sector. We're seeing sponsors walking away from cause sponsorship and moving into other types like sport because charities just aren't speaking their language. And so if we keep doing that, we're gonna continue to cause damage in the sponsorship space and there just won't be any sponsorship to obtain.

Cathy Mann: So wait, you're saying that sponsors are actively leaving the charitable sector?

Chris Baylis: Yeah, without question. And so when we look at the data, there's some really good stuff put out through the Canadian sponsorship landscape study in Canada obviously. And then IEG out of the US they do some interesting work surveying sponsors. And the data's clear that there are some real challenges in the cause

sponsorship space in particular, 2013 many people will probably remember the headlines of, I think busker fest was the canary, I call them the canary in the coal mine when Scotia Bank pulled sponsorship from that event. And then they in particular continue to pull sponsorship from multiple charitable events. And at the same time that we see a spike in the spending in amateur sport, not amateur, like OHL and CF well I guess CFL is probably professional. I don't know. Yeah. Um, so, so when we look at the data, we actually see the shift into amateur sport, ie kids playing hockey on Sunday and practicing.

Cathy Mann: And so forgive me though, do you think that those sporting groups are doing a good job attracting sponsors?

Chris Baylis: Yes. Yes I do. Yeah. And so, and here's the magic ingredient. Uh, you ask, ask 10 charities, who's your audience? And nine at a 10, we'll say, well, the general public or people who care about our mission, you ask, um, the Montreal Canadians who buys their VIP boxes, uh, and they will be able to describe in great detail who these people are. And when a sponsor wants to get in front of a 40 year old, high net worth mom who lives in the suburbs, has three kids, those kids play hockey. Uh, and, and those moms drive Lexus. They know that a skating rink in Vaughan a skating rink and can add a skating rink in, in Calgary. Attract that audience.

Cathy Mann: Sorry. Do the sponsors know that therefore they're going after those teams or those teams are being proactive and saying, hey, sponsor

Chris Baylis: The latter. Yeah. So Yeah. Yeah. So, uh, and you know, it's interesting, a friend of mine, someone who used to work for me, Joel, uh, moved from being consultant with me into the sports space. And, uh, and one of the things that he and I talked about is really just access to audience data, uh, to be able to describe, not necessarily Joel, but, but for my colleagues on the sports side, on the like professional event, conference side, uh, they're able to describe in great detail who's coming to their event, the decision making ability, the how long they've been in position. And so we, you know, we're, we're member longstanding members, maybe you longer than me, longstanding members of AFP and, uh, for a few years, for a couple of years. And I think we can say pretty clearly, uh, uh, with great definition who goes to AFP, Congress. And that attracts sponsors. That is not true of most charities. They simply don't know who their audience is beyond quote families or women or, uh, the middle class. These are not actually audience segments, but, but sport and, and those that charities are competing with, uh, without question, know their audience quite well or willing to engage and activate with their audience and get the sponsors connected to their audience versus just putting a logo on a sign with the word gold above it. And so when I go to Cineplex and Ottawa and I, I'll play in the Mattamy rink and a walk up the stairs and each of the risers are branded Mattamy homes. Why? Because the people who are taking their kids to play hockey in the suburbs in Ottawa, uh, we buy cookie cutter homes and, uh, and I happen to live in a Mattamy home. So, and I'm moving to a Mento home, but, but they're sponsoring these local things that are run by municipalities or that

are run by private groups. And so all of those same people who bring their kids to play hockey are our donors, except when they become our donors. They're just quote the general public. But when they bring their kids to play hockey, they buy particular cars, they apply for mortgages, they have credit cards, they're consumers, right? So they're still consumers when they're our donors and our members and our event attendees. But, but charities forget that and struggle to define who these, who these individuals are.

Cathy Mann: Well, it's been really interesting to me to be part of some of the sessions that you've led and to watch light bulbs go off when you start to talk about donors as consumers and how they can begin to extend their thinking beyond just donors as I'm supporting their mission. And as you said, identifying them as consumers of the kinds of things that sponsors might want to reach out to.

Chris Baylis: That's right. Yeah. And so one of the big projects that I've worked on recently is a multimillion dollar naming, right? For A, for a major national peer-to-peer event, uh, in Canada. And, uh, and when we sat down to negotiate with the sponsor, if we spent, I dunno, 50 hours negotiating with the sponsor, 49 of them were spent talking about audience and activation. Engaging that audience in interesting ways. And one hour was spent talking about the money and this is uh, over a \$2 million naming rights deal. In the absence of audience data, there was no deal, right? And this audience data, while there are certainly tools that can harvest audience data, this audience data was achieved through a survey and it could only have been achieved through a survey. And so I think that was a real wake up call for the folks who were in the room that, that the sponsor really only cared about their audience and turning their audience into consumers. But the way you turn an audience into consumers is by giving them value, not by standing in front of them and hard selling them. And so the sponsor does not want to put their logo in front of people. They don't want to stand up and talk for 40 minutes. They want to give your audience things that your audience cares about.

Cathy Mann: And so are you finding charities resistant to that notion that they're somehow turning their donors into commodities?

Chris Baylis: 100%. Yeah. And so there's a widespread belief in the charitable sector that, uh, it's, it's somehow dirty or inappropriate to talk to a company about selling more of their products. But we forget that we're all donors. We're also all consumers, right? And so we prefer certain brands. We buy certain products. Uh, just because your relationship with someone is a, be at a donation or attending one of your events doesn't mean that, that they also don't buy products and consume things. So in my experience, there's a lot of, uh, you know, we can never let this bank sponsor and come and talk to our audience. Uh, and then we'll do a survey and ask people who they bank with. And overwhelmingly we'll see that they bank with one bank over another, so the audience is voting with their dollar and bringing their, their business somewhere. And if you can engage that bank or that bank's competitor at your event, that you can engage your

audience in meaningful ways around products that they're already planning to buy.

Cathy Mann: So, I mean, it does strike me that we in the charitable sector sometimes feel uncomfortable about the notion of promoting anything to our donors, even even ourselves sometimes. Yet we watch TV and listen to the radio and hear commercials. We're on social media and having ads at us. But somehow we don't feel comfortable having those ads be in support of the great work that we're doing to change the world.

Chris Baylis: Yes, it's a very strange reality, I suppose that we've created because I as a consumer, maybe I'm in the market for a, I don't know, a Honda civic or a Toyota Yaris, I dunno, whatever the Toyota equivalent of a VW Golf. So I'm thinking of either buying a civic or a golf, but I'm also really passionate about animal rights. I want to know if Honda is also passionate about animal rights. And the charity that I, uh, support them not telling me is actually I think them missing a real opportunity as something that's important to me.

Cathy Mann: and in fact doing a a disservice to the animals,

Chris Baylis: To the animals and to me as a donor by deciding what messaging I should hear. It's not, in fact we're, we're somewhat paternalistic about it. So, so making these assumptions, the plot thickens, making these assumptions on behalf of our audience I think is inappropriate. I think if TD bank or CIBC is willing to support the work we do in a big way that our donors want to hear that. And when I go to apply for a new mortgage for my new home in the suburbs, I actually want to know who is supporting the causes I care about and I want to bring my dollars to them.

Chris Baylis: And so to find out later that actually a bank supports a cause that I actually don't like or don't support. And another bank supports a cause that I do care about to find out after the fact is frustrating.

Cathy Mann: Well, and let's be clear, it's not like we are giving our donor data to the sponsors.

Chris Baylis: Yeah, that's right. You shouldn't do that. I'm not even sure you can do that. Based on the new laws in the US we work with Canada in the U S so there are new laws in the u s that put CASL to shame, I think.

Cathy Mann: And CASL being the Canadian.

Chris Baylis: Anti-spam. Yeah, that's right. Privacy. Um, yeah. So No, you can't give, you can't and shouldn't give the data of your donors to your sponsors, but that, that's actually just a really bad business plan. If you give a sponsor an email address and they email that individual, you've lost all the brand power of partnering with the charity, it has to come from you. You want it to come through you. So,

so there really isn't a whole lot of value in giving away your, your contact information to sponsors. And most sponsors don't want that. But I think most clients, most charities that I work with are deeply afraid of that reality. Yet it's not really occurring. It's not really happening. They want to speak to your audience in partnership with you. And that's what makes cause sponsorship so incredibly valuable is that it has this amplification of each other's message versus just another ad on TV.

Cathy Mann: Is part of the resistance if there is any resistance, the notion of being a bit afraid of going into partnership with a big corporation and later finding out that the corporation has done something you know on.

Chris Baylis: Yeah. So I think that is a fear. And I think if your organization has that concern that you should build a policy that protects you. I think building a policy in anticipation of a company wanting to give you money in the absence of a company who actually wants to give you money is a bit silly and probably not so productive. So often I'll hear from people, should I have a policy about who I shouldn't take money from? I asked the question, well how many companies are lined up to give you money now? And the answer is always none. So I think it's prudent to have a policy, but I think that policy also has to apply to your major donors if you're going that route. If a major donor gives you money but they hold significant stocks in something you're ethically not okay with, that's the same thing. They're giving you money. So I'm not a major gifts guy, but I've had, I have done major gifts and I've had these conversations in particular in the human rights and international development space where it's, okay, well where did this person make their fortune? If we don't take money from extractives, can we take money from the CEO of an oil company? Most would say no. Can we take money from someone who 62% of their holdings are in the extractive space? That's an interesting question, and so to say, will we take money from a company just in case they do something wrong? Maybe you aren't actually meant to do sponsorship and you maybe your organization isn't in a good position to be doing this. You should stick to major individual giving and be very clear about who you will take money from. Invest that money in ethical investments and live off the interest perhaps, but sponsorship probably isn't for you cause there's really no way for you to guarantee that a company doesn't get busted for some sort of unethical activity.

Cathy Mann: So I was taken aback that you might want to question what a major donors holdings are. Yeah, I've never thought of that. That's pretty awesome. You know, of course, no, maybe no donors getting tell you that,

Chris Baylis: Of course not. And I don't, I'm not sure we would even consider that level of intrusion acceptable, but when it's a company, we think that level of intrusion is, is okay.

Cathy Mann: Well it's public knowledge. I mean, yeah.

Chris Baylis: The problem is it is public knowledge. If they've been busted for something, for sure.

Cathy Mann: And I don't want to paint a picture that charities are pious. I think it's just prudent. If organizations want to make sure that they're still philanthropy aligns with their values, they may also want to make sure that their sponsorship aligns with their values. For sure. So to your point, maybe sponsorship isn't right for them, but I think it's worth investigating. You know, if you're a health charity, maybe you want to make sure that you're steering clear of tobacco products.

Chris Baylis: Yeah, I think that's fair. And I think that it's pretty rare for a tobacco company to seek out a healthcare company to give them money to tell the world that, that tobacco is acceptable or alcohol, et Cetera, et cetera. So I actually happened to meet at a, an event last week, uh, a purveyor of alcohol. And they said to me at the end of the event actually about sort of this ethical conversation, which I don't tend to engage in very often. Most of the people who come to me have had these conversations and they want sponsorship. Uh, so, uh, but anyway, so she said to me, you know, it's interesting because there's this belief that we're, we're out there to, to market inappropriately, but the, the rules that we have internally and through the government are so significant that it prevents us from doing that anyway. Not to mention the fact that people aren't stupid, right? If you see, I don't know, well, a tobacco company sponsoring a lung event, that will not end well for either organization. So the market pretty much the filters, those relationships out in most companies want to sell good products to people who want to consume their products, right? And in Canada we have a system in place that deems what's illegal and what's ethical. And so if Becel wants to sponsor the ride for heart because they make a good product, people want to know what's appropriate for them to consume if, if they're interested in protecting their heart. And at the time, research said that margarine was the answer. And uh, I don't, I actually don't. My wife is a nutritionist and so I have to say I'm thoroughly confused as to what I should actually eat at this point in my life.

Cathy Mann: Whatever she feeds you.

Chris Baylis: That's true. Yeah, that's right. So all that to say, this conversation that we're having is a pretty common conversation among charities. And I actually think an unnecessary conversation to have because for the most part, you're gonna want to work with financial institutions. You're going to want to want to work with insurance companies. You're gonna want to work with cars, automotive products that we all buy aggressively. And in large quantities.

Cathy Mann: And that the charities are using, they've got insurance.

Chris Baylis: So it's unlikely that there are charities who have a problem in general banking. Yeah. Oh, I'm sure there are probably some who take an anticapitalist approach, but generally most are okay with banking and transportation. And so I was actually working with a client, um, speaking of shift disturbers who, uh, who

refuse to take money from extractives. So oil, gas, yeah. Mining, uh, wildly inappropriate. They, they decided, so I said just by show of hands, there's like 80 people in the room. It was a big, big, big room for a client that's pretty large for an onboarding, including the CEO, a number of board members that just by show of hands, how many people drove a car in here today. And every single hand went up. And I said, okay, so just to be clear, we're not okay with extractives, but we all consume them. And so I'm not suggesting you take money from extractives, but I think it's important to note that as an organization, if you want to change behavior, having a centralized office where you give people free bus passes might actually be better than a policy saying that an oil company shouldn't give you money. Because let me tell you that oil company is investing their money in other ways that are more effective to clean up their image. And so we're not really seeing dastardly sponsorship, it's just not happening. We're seeing CIBC do amazing stuff with breast cancer. A recent campaign are women on their mastectomy sites getting like cool tattoos not to get implants, but to say, instead, I'm proud of this battle wound that I have. That's the story CIBC wants to tell not you should bank with us because we're tricksters Like so that we're just not seeing this sort of like dastardly approach to sponsorship. We're trying to trick consumers. We're getting sponsors who want to amplify the cause message in order to appeal to their target audience.

Cathy Mann:

Well and to be fair, I mean on the other side, if they sponsor was trying to do dastardly sponsorship, that charity has some say in how dastardly. But it does speak to the level of skill and sophistication that you need to have to engage in the kinds of negotiations with companies for sure that you're talking about. And I think that we shouldn't necessarily assume as much goodwill as you have been talking about because yeah, they're, they're a business. We often come into this kind of relationship with a belief that there is a lot of goodwill and faith and well that's true that they're, you know, I've experienced relationships where the marketing people on the other side, we're just trying to get the best bang for their bucks. Right. And that didn't necessarily align with our values.

Chris Baylis:

That's right. So, you know, I, I would have people come to me when I was a sponsor and say, look, we're doing this thing and it's going to be great. We're going to help so many kids. And I would say, well, I personally think that's great. So I'll give you \$50. Yeah. But I can't get fired and risk my family because I'm not trying to achieve my business objectives, which is to get in front of this very specific audience in one of three ways that we know delivers the ROI we're looking for. And so the end of the day, the way that I had to make decisions were guided entirely by our brand policy. It wasn't just this seemed good. So we did it. It was very much these types of activities lead to conversions in our sales pipeline. And if you're a car company, the way you get people to buy cars to go on a test drive. So if I were a sponsor in a car sales place, a car dealer, I would be interested in any way you can get my target market to sit in my car and test drive it. And while they being the business owner might personally care about these sort of local causes, they may give as major donors, but, but they can't justify that marketing spend to their shareholders or to cra if it's not actually delivering some sort of return on investment.

Cathy Mann: So it's a real shift for the sector to be able to have the kind of business to business conversations and understand this notion of business objectives and how the relationship between the two can help the business achieve their objectives. Yeah, it's a totally different mindset.

Chris Baylis: Yeah, totally different. And this is the challenge that we as a sector are tasked with. If we want a piece of that \$2 billion a year sponsorship action, right. And in Canada, that's what we have to do. And the way I recommend people do that is to sit down with their contacts on the brand side. So the people we want to become our sponsors and asked them, who's your target market? How do you typically get them to make a purchase?

Cathy Mann: Would they have those conversations with you?

Chris Baylis: Oh yeah, yeah, yeah, for sure.

Cathy Mann: So if we are saying that we as fundraisers don't have the skills around sponsorship the way that you're talking about it. And we are working with senior leadership and volunteers who maybe know more about corporate stuff than we do. We have, we often have corporate board members. So are they the kind of people who we should be bringing into these conversations to help leverage the kind of relationships they have?

Chris Baylis: Yeah, so the, the perfect role in my view for a board member on the sponsorship side is that of introducer, that of door opener, not that of sales person. My preferred model is not to have a board member making a sale. In fact, I do. I just had a client of mine send me a note saying board member promised this company that they could have x, y, z. And so now I have to sell it for one eighth of what it's actually valued at. What do I do? So the problem is if you're willing to sell something at less than market rate, then you've just reset your market rate and actually have reduced your overall sponsorship program.

Cathy Mann: And you've reset everybody else's market rate too.

Chris Baylis: It's not good, it's not great. So from an altruistic perspective, it's not good from a straight up just making budget, uh, perspective and, and achieving your mission. It's not a good strategy. So a good, really an important part of the sponsorship sales process is training board members that their contribution is not like major gifts. They're not actually coming with you to make an ask in a highly, I don't want to say control because that sounds negative, but but a really structured way on the sponsorship side, it's Dave, I'd like to talk to the marketing person at CIBC. I noticed you're connected to them on linkedin. Could you make an introduction please so that they'll take my call and then when you have the conversation, it's very, very important to be clear that you want to talk about their marketing objectives. Yes, you're a charity, but you're not actually looking for a philanthropic gift so they won't pass you off on the foundation. So interestingly, I found on the sponsorship side, the sales process is can be

significantly shorter because you're talking about target market. You can talk about budget, you can talk about ways to activate and then you then you can submit a proposal after you've had two meetings with your sponsor, not before, and you can get to a yes or no pretty quickly. That process is shortened significantly when a board member makes an introduction versus goes to that person on your behalf and tries to make a sale.

Cathy Mann:

So now what do you do though? Cause I can think of a lot of times when you've come in, you've shared your wisdom with clients and the volunteers are still saying, give me a sponsorship package. Because my buddy owes me. Yeah. And I want to put something in front of them.

Chris Baylis:

Yeah. So if you're practicing what I call boomerang philanthropy, right? Like your board member gave to their costs and now they have to give to your cause and you're going to slap a logo on something. We call that sponsorship. That's not sponsorship. So if you're gonna get the money, and that's the only way to do it, that money is just as green or blue or per whatever color our money is. Now, you can't build a strategy that way. So one way that I like to help people rescue their sponsorship program from well meaning, but perhaps poorly delivered sponsorship programs through board members is the business case. So don't make a sponsorship package with gold, silver, bronze with a bunch of values that you've just completely invented in hopes that you'll get some free money. Instead, build a business case document that clearly and thoroughly outlined who your audiences like 30 plus data points talks about some of the ways that your current partners engage with your audience that talks about ways that you would like a sponsor to engage in your audience based on audience feedback from your events. Ask Your audience after every event you run, the one thing they loved and want more of and the one thing they hated and wish you didn't do anymore and you will have an endless number of things called activations that you can offer sponsors. If you build that document, give that to your board members so that they can hand that out if they so choose. It prevents them from making the ask. It prevents them from forcing someone into some bronze category and then the day that board member leaves is the last day you get that money. Instead, it focuses on the right thing, which is your audience and activation ideas. Board members can hand that out freely. And the call to action is a cutout for you to fill in your credit card information. Yeah. We spent a lot of time converting sponsorship into direct mail. Right. I mean, that's really the practice. Yeah. Here's some thing I created with a cutout and a booster. Right. And if you're lucky, a half a percent will reply favorably. Right. That's direct mail. There's, there's all kinds of great reasons to do direct mail. Yeah. Sponsorship is not one of them. So instead of a cutout for people to send you this money that they can't wait to send you, you have a strong call to action that gets people to phone you or email you the fundraiser. Yeah. The sponsorship proposal does not make the sale. The professional salesperson does. So you want to get people to call you so you can talk to them about their goals and make a sale if it's appropriate to do so.

Cathy Mann: I love that though, because I can think of so many occasions where the volunteers are in fact salespeople in their day job. And think they can just go and sell this. Uh, but if they have, what is the business case is you call it as, so initially I was thinking, oh, it's just a case statement for sponsorship. Then it, it doesn't allow them to close a deal, but it does allow them to, as you said, make the introduction right and warm up the prospect.

Chris Baylis: That's right. And so, you know, a case for support document might spend 30 pages talking about impact and mission and the things you're going to achieve. Right. And you sit down with your major donor and you let them go through it and they stop on page four and you make a mental note. They care about this project. Instead of doing that, you focus on what sponsors really want, which is audience and activation. And you use the same approach. Yeah. Ask them what really stood out at them. Ask them the types of sponsorship deals they've engaged in in the past that worked really well and that didn't work. So I, I would argue that major gift fundraisers have all of the soft skills and tools needed to be good at sponsorship. Right. So long as they can make a shift from asking questions about impact and uh, giving history and giving interest to audience, uh, marketing and trust, business goals. The exact same process applies in terms of meeting with people, asking lots of questions. Uh, so long as you have the supporting material and tools, which is audience data and evaluation, those two are essential to do sponsorship at a level really above \$10,000.

Cathy Mann: Well, I mean this, this is so interesting. You know, every time I work with you Chris, I learn something new and, and this has been an interesting new thing that I'm, that I'm picking up. Cause I'm also, as you're saying all of this, I'm thinking fundraising is complex and we, we talk about fundraising as if it's a monolith and yet in fact it is many different disciplines. Yeah. And I would say that sponsorship is a very distinct discipline within the fundraising umbrella. Yeah. And especially in some of the smaller organizations where there's maybe a of, you know, five fundraisers. Yeah. And they have a comprehensive fundraising program that includes sponsorship. So you're expecting them to have the skills that that would be required to manage, say a dozen or 15 different distinct disciplines. So darn, we have a hard job, especially those of us who are more generalists than specialists. Right.

Chris Baylis: What makes it even, I suppose more challenging I think is that most boards, I would say barring like most hospital foundations, university foundations, most boards think fundraising is asking corporations for money. And when we know that that's not the model, right? Like 80% comes from individuals and then the rest is sort of carved up and comes from various other places. So we're constantly being pushed towards corporate fundraising. We're constantly being pushed towards corporate philanthropy as a sector and very few people have a solid understanding of what sponsorship really is. But to go to complicate things, I would say sponsorship and maybe direct mail pretty much the last place you're going to find unrestricted funding. Right. And I guess event revenue. Yeah. So sponsorship, it's a marketing spend in marketing investment. You get that money, you can spend it on core funding on salaries. So while it may represent a

really small chunk of any organization's revenue mix, it can have the most significant impact because it's generally unrestricted. So unless you do corporate philanthropy, in which case it's highly restricted and uh, not quite as valuable, I would argue. So there's this drive from our boards to do it, but it doesn't come with an understanding of the sponsorship space. But also we as a sector are really struggling to find that core funding. So there's all kinds of demand to do sponsorship. But on the brand side, they're understanding the nuance on the brand side, the, the level of sophistication is significant. And they, as in the brands, the sponsors have budgets to bring in consultants like me to build them sponsorship strategies to value things that they should spend money on, to build structure, to get ROI and negotiate their partners down so that they get a higher return on investment. So on the sponsorship seekers side, I think we're still perhaps wrongly focused on putting logos under on a sign and calling them a gold sponsor to get 50 k. But on the sponsor side, they are a million miles ahead and doing such fascinating things and measuring ROI in ways that as a sector we just haven't caught up to yet. And so, you know, we're still rubbing two sticks together and they, they're, they have a Zippo, you know, so it's, it is a very, right now it's a very complicated space.

Cathy Mann: So what do we do to even the playing field or to bridge that gap a little bit?

Chris Baylis: We have to build the infrastructure within our organizations and that's that, you know, I think valuation, obviously I have a strong bias because that's, that is the business I run. So, uh, I think valuation is essential. You have to know what your stuff is worth to know what your position is in negotiating valuation depends on audience data. You really have to have a good handle on your audience and whether or not you can even influence a buying decision. If you can't influence a buying decision. If you have an audience who are deeply uncomfortable with sponsorship, then you obviously can not engage. You can't engage in sponsorship, but we need to build the infrastructure. We need to do our evaluations, we need to build activations for our audience, for our donors, for our attendees that give them a better experience at our events and stop thinking of sponsorship as this logo placement game where we just put logos on everything we can and by shifting the infrastructure, by shifting our focuses in organizations, brands will react very differently to us. In the absence of that, what we have is wishful thinking and it is not going to deliver the results we want and sponsors are getting more and more demanding. By and large, most companies are using a two to one or a three to one ROI metric where they're demanding three times return on investment to the spend when they're spending money on the sponsorship side and they have tools to measure that ROI. And so we really need to be developing the tools to measure that on, on our end.

Cathy Mann: Yeah. So you said something really interesting there about activation and we haven't talked about activation yet, but I think that's one of the other amazing benefits of partnering with sponsors and that is delivering really amazing experiences at events and potentially other things too.

Chris Baylis: Yeah. So, you know, an interesting example of activation, and I should back up and define or my version of a definition of activation, which is really about engaging your audience in an activity that adds value to them and to their experience at your event or with your organization and using sponsors to provide that. So, uh, one interesting example, uh, close to home for those of you in the GTA, uh, the CIBC free carts at the airport activation. Right now, if you just drove by the airport, you'd see the big CIBC logo, I think off the 427. And you would believe that sponsorship, right? They paid to put a logo in front of a bunch of people. But actually the, the sponsorship deal is, uh, giving people free carts to move their luggage throughout the airport, which really links up with their idea, their notion of convenience among their target audience. And so for people who are experiencing that sponsorship benefit, they're getting free carts and they're really happy about it. And so, you know, the way I think about activation is about providing value to your audience, giving them an experience that they will remember or alleviating an annoyance and doing that through sponsorship intervention and connecting your sponsors to their target audience in meaningful ways instead of just putting logos and another 30 second speech before your rubber chicken dinner at your gala, actually give your gala attendees something exciting.

Cathy Mann: I mean, you have lots of ideas about activation, but one of my favorite ones was at the Toronto Pride parade, which is typically 90 degrees. So I don't know why I'm using Fahrenheit, but 30 degrees Celsius. And um, there is a misting station. That is branded by whoever. Yeah. Whoever wants to brands yet. Perfect example. Oh, people just love it. They're boiling hot. They walk through the misting station. Yeah, happy campers.

Chris Baylis: And so the, the typical and incorrect view of sponsorship is we want to have a misting station. So let's go get a misting station company to give us the station for free and we'll call them the misting station sponsor. That is not a good example of sponsorship activation. Instead you find the company who is looking to connect with that particular audience, however you define them. And that company pays for the missing station. Plus because you've done a valuation, you know what it's actually worth in terms of market value. Uh, if you're gonna do your e-blasts and your logo placement, all the things that come along with the misting station, uh, you value all of those things and you charge that company cash for the right to sponsor the misting station, right? And so you've achieved the goal of giving your audience a really great experience and putting cash in your pocket so that you can achieve your mission. Uh, and so they really, the challenge to you, the listener is to think about what is that missing station for your event, right? Or, or your organization. What is the thing that you know, when you describe it as really hot out of court, that missing station, it's so obvious that that adds value. What's your thing? What is the thing that drives your audience nuts that they don't enjoy? What's the thing that they want more of? And I'll, and I'll tell you, you can't say the cause, right? Has to be something about their experience that's unique to your event and to enter your organization.

Cathy Mann: Chris, this was such a great conversation. Thank you so much. As I often do when I talk with you, learn some stuff. Thank you for sharing your pearls of wisdom. I raise the bar high at the beginning I said you're going to have to share pearls of wisdom and you did so thank you so much.

Chris Baylis: Well, it is a pleasure. Thanks for having me.

Cathy Mann: It seems to me that Chris has shaken things up by helping many of us in the charitable sector. We think or maybe learn for the first time how we do sponsorship and he's made sponsorship tools accessible. If you like what you heard and want to hear others talk shifts, go on over to it doesn't hurt to ask a [podcast.com](https://www.podcast.com) subscribe on iTunes or Stitcher. This was produced by Poodle Party Productions and Cathy Mann and associates with the ever patient podcast producer Anne Lemesiur working her magic in music you heard was dog days by Isaac Joel and remember in fundraising as in life, it doesn't hurt to ask.

Show Notes

Organizations Mentioned

[Sponsorship Collective](#)

[AFP - Association of Fundraising Professionals](#)

[Toronto Pride](#)

People Mentioned

[Chris Baylis](#)

[Seth Goden](#)

Terms

ROI – Return on Investment

[Corporate Social Responsibility](#)

[CASL](#) – Canadian Anti Spam Legislation