17th ANNUAL

CSLS

CANADIAN SPONSORSHIP LANDSCAPE STUDY

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Special Thanks: **SMCC Education Committee**

ACKNOWLEDGEMENTS

CSLS Partners

IMI International’s unique brand of research and consulting focuses on ensuring clients maximize the financial outcome of their marketing expenditure.

The Sponsorship Marketing Council of Canada aims to help brand marketers, agency partners and sponsorship sales teams to drive advancement in the field of sponsorship marketing.

Born and raised in Toronto, **T1** takes a thinking first approach to everything we do. It’s how we deliver bold ideas that build brands, empower people, deliver results, and help shape the future.

ACKNOWLEDGEMENTS

RESPONDENTS & “SHARERS”

ÉICC
L'ÉTUDE SUR L'INDUSTRIE DE LA COMMANDITE AU CANADA

A big thank you to all who completed and/or shared the study.

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CSTA
ACTS

PETRO-CANADA
SPORT
LEADERSHIP
SPORTIF

We count on many organizations and individuals to help us to collect the data to help make our results stronger.

CSLS
CANADIAN SPONSORSHIP LANDSCAPE STUDY

SPONSORSHIP
MARKETING
COUNCIL CANADA

CONTENTS

CSLS HISTORY

2007

Toronto International Film Festival, Toronto

2008

2008
IIHF
WORLD CHAMPIONSHIP
CANADA
Halifax•Québec City

World Hockey Championships, Halifax

2009

Quebec Winter Carnival, Quebec

2010

Paralympics, Vancouver

2011

Formula 1, Montreal

2012

Just for laughs

Just for Laughs, Montreal

2013

MasterCard
MEMORIAL CUP
SASKATOON
2013

MasterCard Memorial Cup, Saskatoon

2014

RBC ROYAL BANK
BLUESFEST
1994 20 YEARS 2014
ANNIVERSARY EDITION
JULY 3-13
LEBRETON FLATS

RBC Bluesfest, Ottawa

2015

FIFA Women's World Cup, Edmonton

2016

NBA All-Star, Toronto

2017

JUNOS, Ottawa

2018

SPEAKER SERIES

T1 Speaker Series, Toronto

2019

SickKids®

SickKids Foundation, Toronto

2020

SPX
SPONSORSHIP MARKETING COUNCIL CANADA

SponsorshipX Virtual Series & SMCC

2021

SPX
SPONSORSHIP MARKETING COUNCIL CANADA

SponsorshipX Clubhouse & SMCC

2022

SPX
SPONSORSHIP MARKETING COUNCIL CANADA

SPX Montreal & SMCC

2023

SPX
SPONSORSHIP MARKETING COUNCIL CANADA

SPX Grey Cup & SMCC

And…

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ACTS

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PETRO-CANADA
SPORT
LEADERSHIP
SPORTIF

CSLS LANDMARKS & BREAKTHROUGHS

2007 Activation Ratio: 0.43	First ever validation that activation in Canadian sponsorship was significantly behind other major countries of the world.
2008–2010 Recession Proof	As the 'Great Recession' hit many countries, including Canada, CSLS results showed sponsorship kept growing.
2013 Festivalization	CSLS authors coined the term "festivalization" as the festival category took similar proportion of sponsorship investment in Canada from 2011 to 2013.
2014 & 2018 Pro Sport Renaissances	The proportion of sponsorship spend dedicated to pro sport spikes in 2014 and again in 2018.
2018 $3 Billion	Total sponsor spend (rights fees plus activation) exceeds $3 billion for the first time. More than double the first year of CSLS.
2021 Not Pandemic Proof	Although sponsorship may have been resilient during the economic recession, it was impacted heavily (50% reduction) during the pandemic.

RESULTS

17TH ANNUAL

THE STORY OF 2022

Sponsorship is returning but in a different – and smarter – way than before the pandemic.

SUMMARY

1. We are working our way back post-Pandemic.
2. Brands are getting MUCH smarter with sponsorship.
3. Properties are pitching in more than ever.
4. Agencies are driving high value sponsorships.
5. ROI, Satisfaction & Evaluation remain problematic.

1. The Study
Background

2. The Sample
Stakeholders

3. Industry Data
Size & Scope

4. Results #1
Strategy

5. Results #2
The Deal

6. Results #3
Activation

7. Results #4
Servicing

8. Results #5
Evaluation

9. Results #6
Property Reinvestment

10. Summary
Deep Dives & Conclusion

RESULTS

THE **STUDY**

01

Background

RESULTS

THE **SAMPLE**

02

Respondents

THE STUDY

CSLS 101

Origin	Perspective	Process	Analysis	Design
Need	Spend	Phone	Themes	Longitudinal
Share	Revenue	Online	Comparative	Triangulation
Bilingual	Billing	Attribution	Modelling	Deep Dives
Canadian				Trends

THE **STUDY**

01

Background

RESULTS

THE **SAMPLE**

02

Respondents

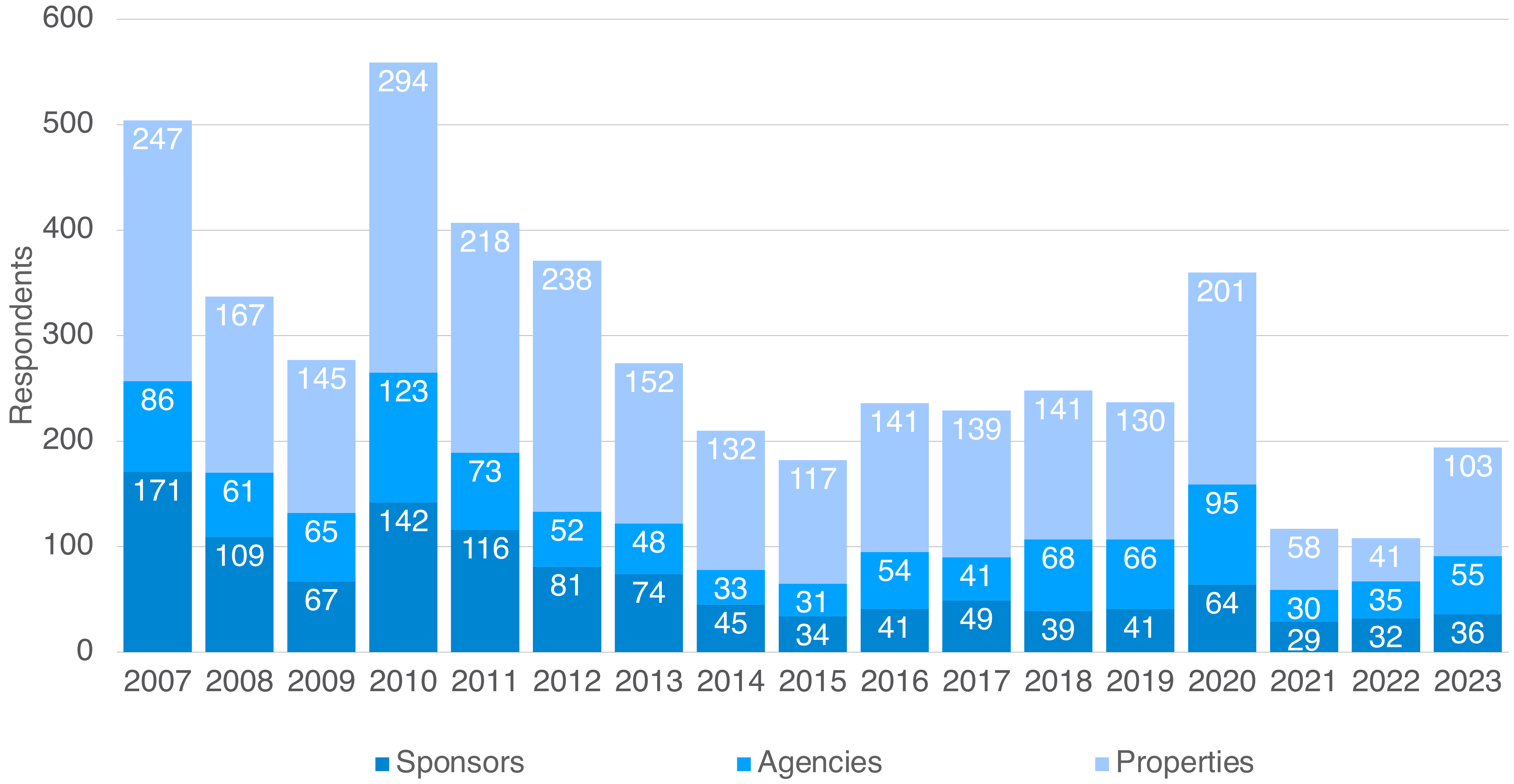
INDUSTRY DATA

03

Size & Scope

THE SAMPLE
RESPONDENTS

Historical CSLS Respondents by Type (n=194 this year)



DATA

4,854

Total Respondents

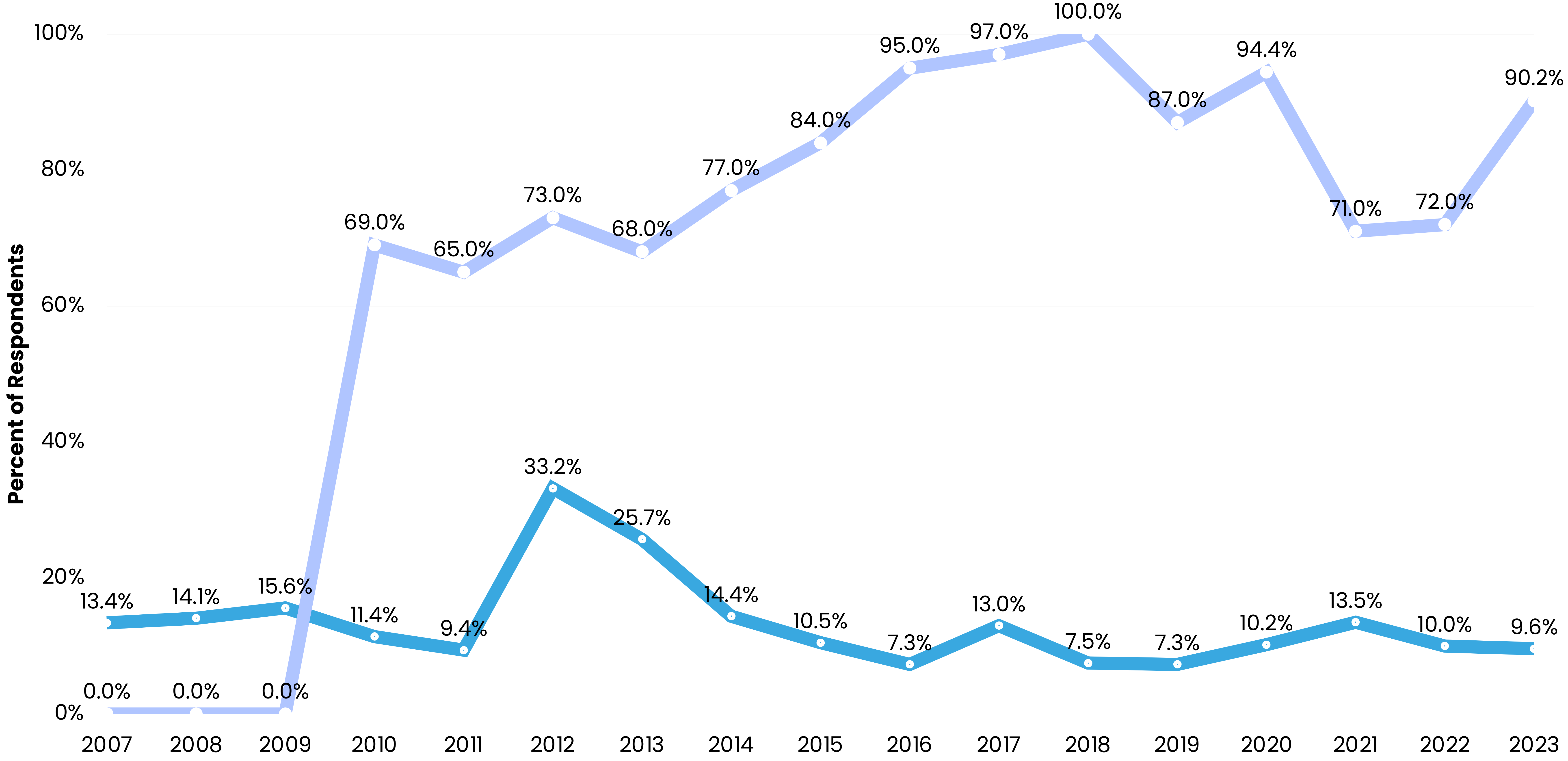
NOTES

- After going online in 2010, the number of respondents continually declined until a survey redesign in 2016 led to a recent high in 2020.
- COVID-19 years of 2021 and 2022 are the lowest responses to date, with an improvement in 2023.

THE SAMPLE

SURVEY PARTICULARS

Historical Language & Method Types



Legend:
Top Line: % Online
Bottom Line: % French

DATA

17 YEARS

Language & Method of Response

NOTES

- French rates rose around conference in Montreal; lower since.
- Online at 100% for first time in 2018, but some offline in the years since.

THE SAMPLE

02

Respondents

RESULTS

INDUSTRY DATA

03

Size & Scope

RESULTS #1

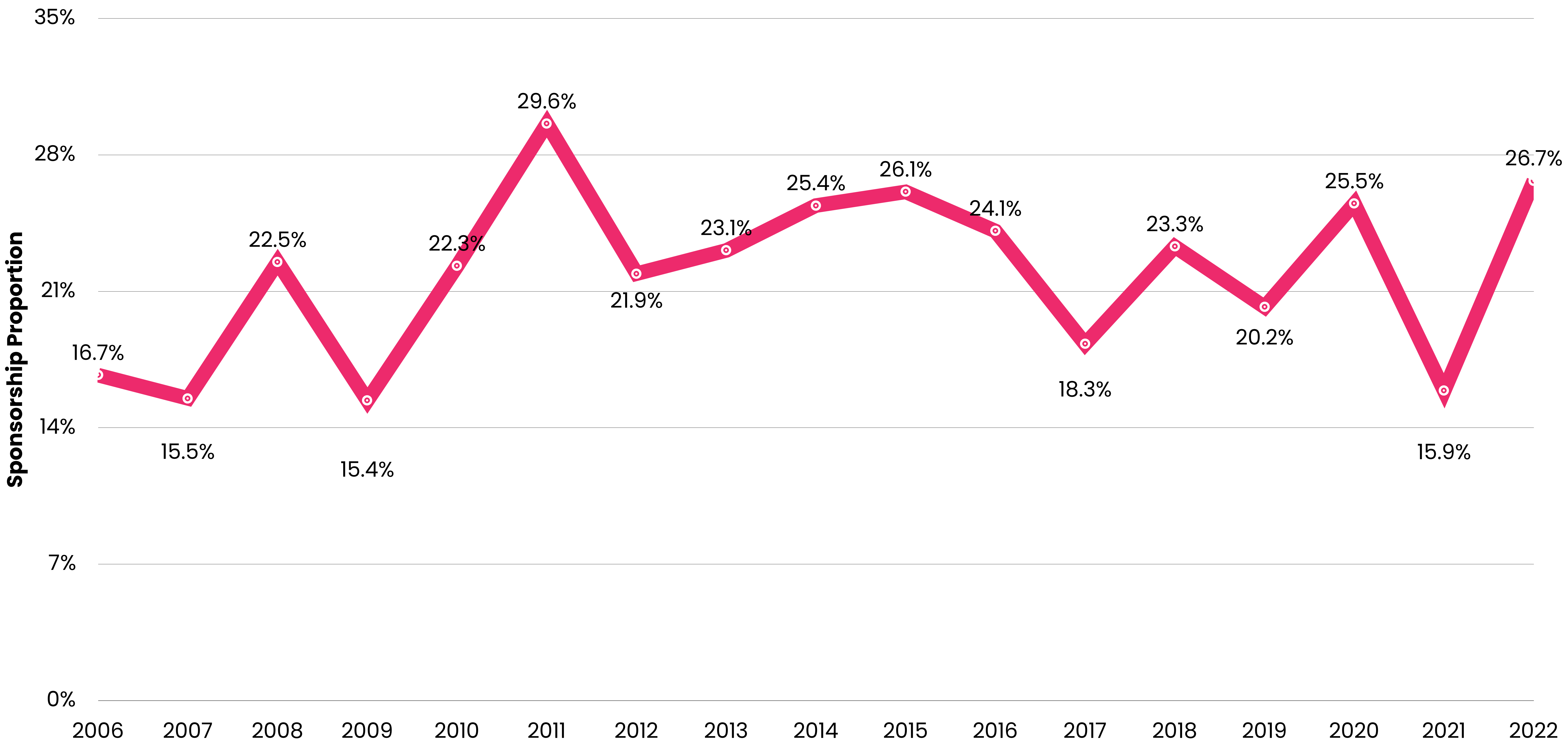
04

Strategy

INDUSTRY DATA

PROPORTION OF MARCOM BUDGET

Sponsorship as a Percentage of Marketing Communications Budget



DATA

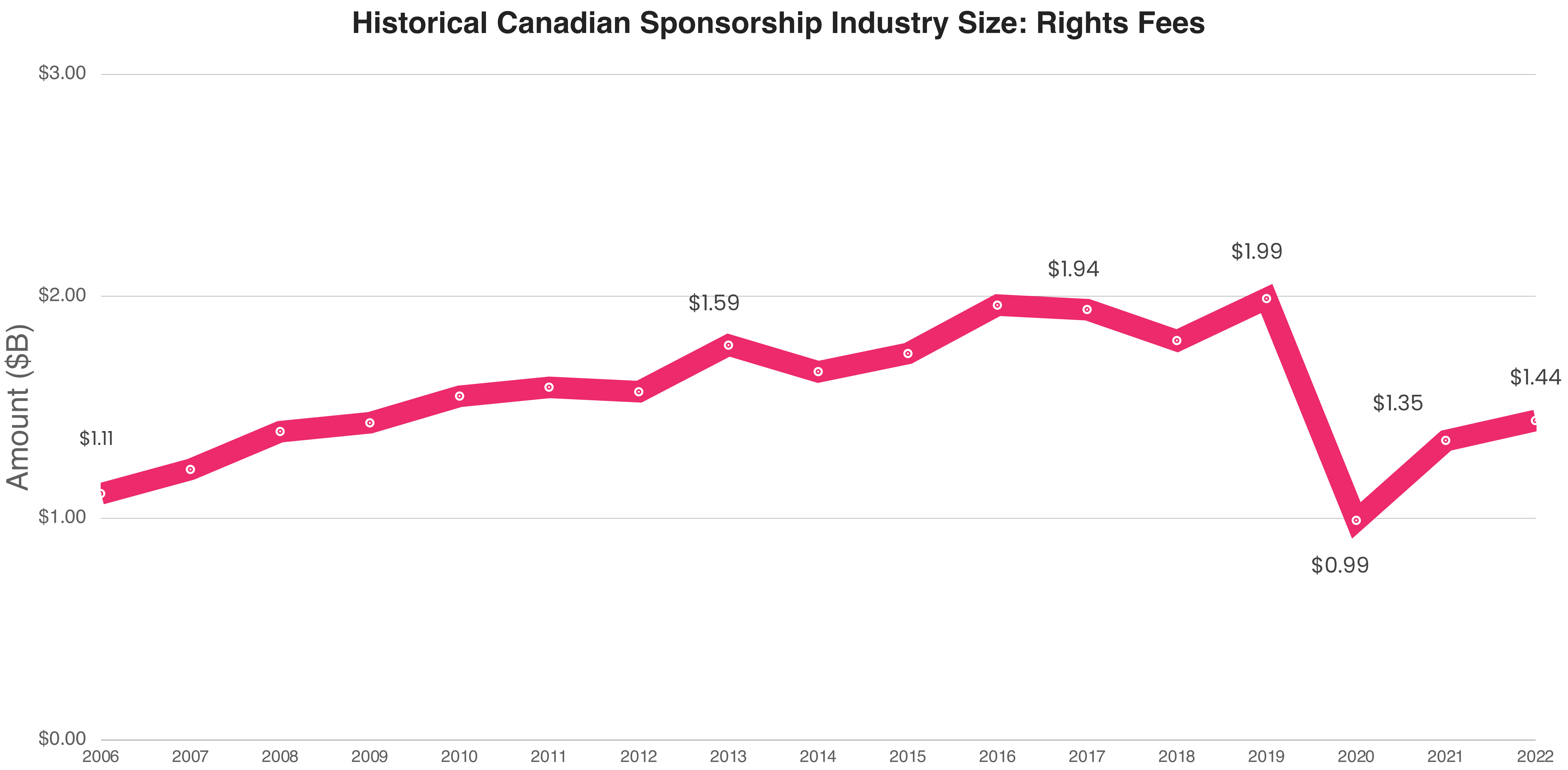
26.67%

2nd Highest ever

NOTES

Following a return to ‘normal’, sponsorship among those organizations that use sponsorship, it represents about **1 in 4 of the MarCom $’s** that they spend.

BIG PICTURE: CANADIAN INDUSTRY SPEND



INSIGHT

Evidence of a "COVID hangover" in rights fee spending. Are brands stuck with lower budgets or just more risk adverse with rights fees spending?

DATA

$1.44B

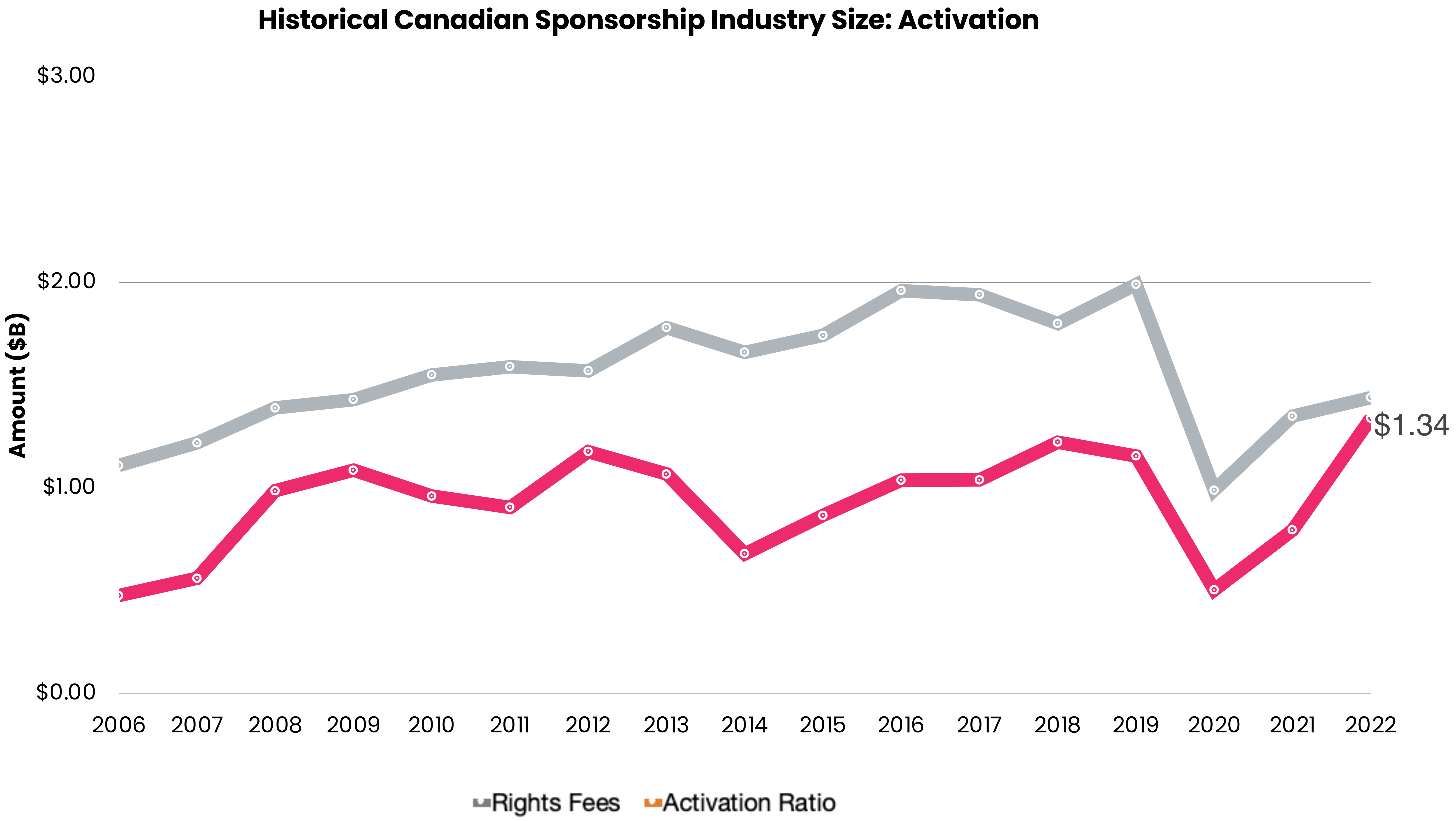
2022 Rights Fee Spend

NOTES

Recovery post-pandemic towards levels in the proximity of where we were 10 years prior to the pandemic.

INDUSTRY DATA

CANADIAN INDUSTRY SIZE



DATA

0.93

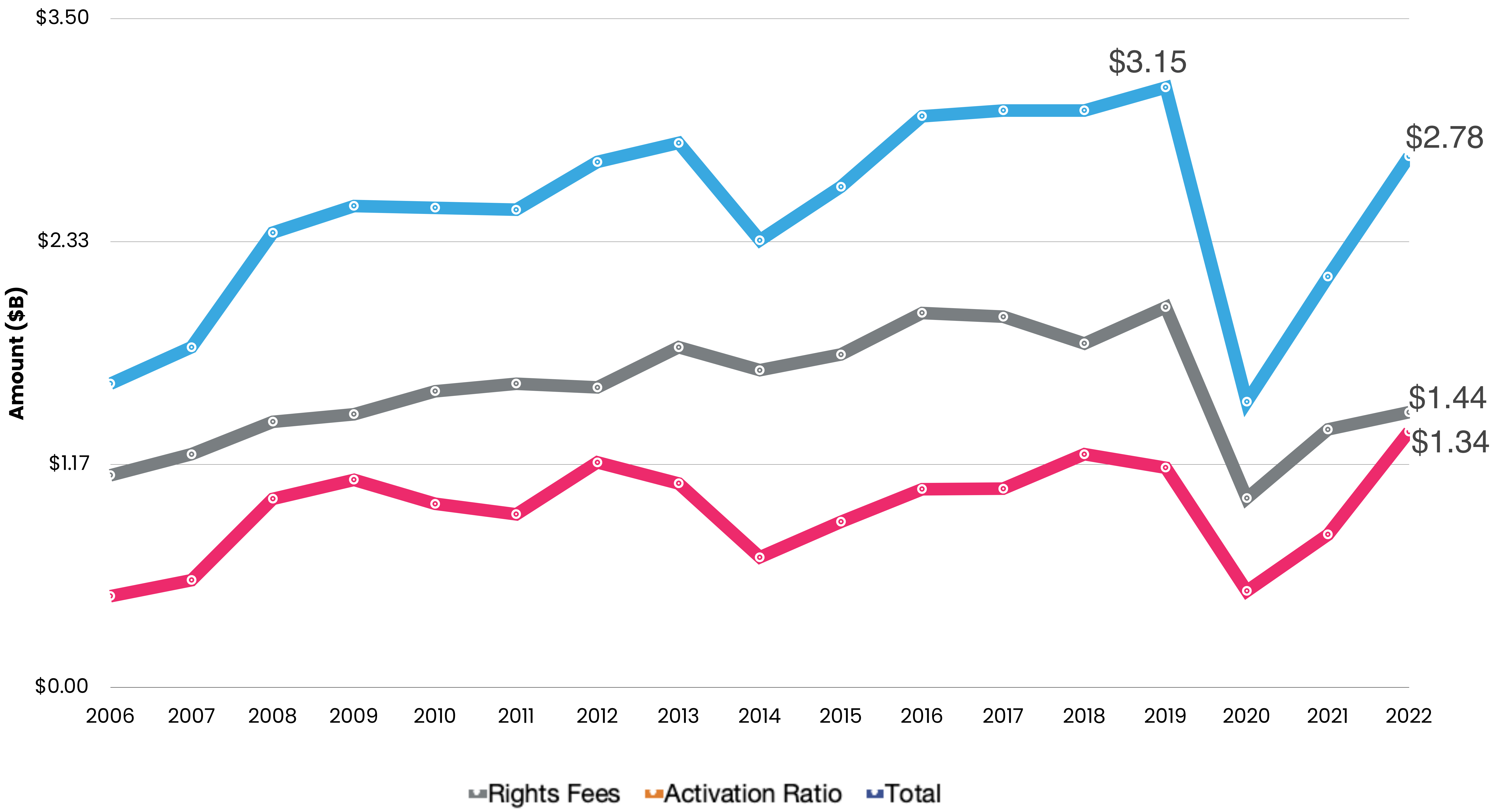
Activation to Rights Fee in 2022

KEY OBSERVATION

Key Observation: Recovery is driven by a major shift of investment to activation spend in 2022 over prior years.

INDUSTRY DATA

BIG PICTURE: CANADIAN INDUSTRY SPEND



Historical Canadian Sponsorship Industry Size: Total

INSIGHT

Brands who sponsor in Canada are allocating more of their investments – smartly – to activation.

DATA

$2.78B

in Total 2022 Industry Spend

NOTES

Increase driven by activation jump and modest rights fee increase.

INDUSTRY DATA

STAKEHOLDER DESCRIPTION: SPONSORS (N=36)

Industry

- Sample similar across retail, finance, services, insurance, and public administration.
- HQ in Ontario, Quebec and Manitoba.

Decision Making

- Key sponsorship decision maker: CEO (20%); Director/Manager (80%)
- Key sponsorship decision maker: Female (60%); Male (40%)

Strategy

- 14.3% expect investment in sponsorships that target women to increase next year.
- 50% expect investment in sponsorships that target diverse populations to increase next year.
- Average number of sponsorships invested in = 56 (range 4 to 7,000)

Demographics

- Average number of staff working 25%+ of time on sponsorship: 24.5 (range: 2 to 100)

INDUSTRY DATA
STAKEHOLDER DESCRIPTION: PROPERTIES (N=103)

Industry

- Sample includes respondents from professional sport, Olympic/grassroots/amateur sport, causes, festivals, fairs and annual events, entertainment, tours & attractions, education, municipalities, and more.
- HQ in Ontario (68%), Alberta (21%), Quebec (7%), and BC (4%).

Decision Making

- Key sponsorship decision maker: CEO (18%); VP (43%), Director/Manager (29%), Coordinator (4%), Other (4%).
- Key sponsorship decision maker: Female (53%); Male (43%); Non-binary (4%)

Strategy

- Property reach is international (39.3%), national (28.6%), provincial (21.4%), and regional/local (10.7%).
- Average number of sponsors = 37 (range 2 to 245)

Source of Sponsorship Revenue

Rank by Industry:

1. Retail
2. Services
3. Gambling/Betting
4. Financial Services
5. Communications
6. Construction
7. Manufacturing
8. Electric, Gas, Sanitary
9. Public Administration
10. Real Estate

Demographic Focus of Property

- Adults (50.0%)
- Other (21.4%
- Culturally/Racially Diverse Populations: 14.3%
- Children/Youth: 5.0%
- Men/Boys: 5.0%
- Women/Girls: 4.2%

Staff

- Average number of staff working 25%+ of time on sponsorship: 6.7 (range: 0 to 40)

INDUSTRY DATA

STAKEHOLDER DESCRIPTION: AGENCIES (N=55)

Work

- Average number of clients/year is 23.4 (range 2 to 75).
- Clients are from across all industry sectors, with Professional Sport (22%) and Festivals (17%) being the most common.
- Clients are sponsors (54.2%), properties (35.0%), and other agencies (10.8%).

Demographics

- Average number of staff working 25%+ of time on sponsorship: 14.6 (range: 2 to 75)

Strategy

- Target markets of billable sponsorship work were balanced. This includes non-gender-specific (42.1%), men (35.6%), and women (22.2%).

Client spend on Activation

- Branded Content: 20.8%
- Advertising: 15.1%
- Product Sampling: 11.4%
- Social Media: 10.5%
- PR: 8.3%
- Other: 7.1%
- Hosting/Hospitality: 6.6%
- Athletes 5.7%
- Packaging: 3.9%
- Co-Promotions: 3.4%
- Sales Promotions: 2.9%
- Internal Marketing: 2.5%
- Ancillary Events: 1.3%
- Trade Allowances: 0.1%
- Web3: 0.1%

Billings

- Average Billings: $1.9 million
- Range: $30,000 to $9.5M

- Source: 63.9% For-Profit Clients and 36.1% Not-For-Profit Clients

Billings Mix by Source

- Evaluation: 20.5%
- Sponsorship Sales: 16.9%
- Events/Staff Management: 13.1%
- Activation/Leveraging: 11.2%
- Other: 11.0%
- Contacts/Negotiations: 9.1%
- Media: 8.4%
- Research: 6.8%
- Hospitality: 2.8%

- Others include: (i) advisory services, (ii) strategy, (iii) concept design, (iv) social content, (v) creative.

INDUSTRY DATA

03

Size & Scope

RESULTS #1

04

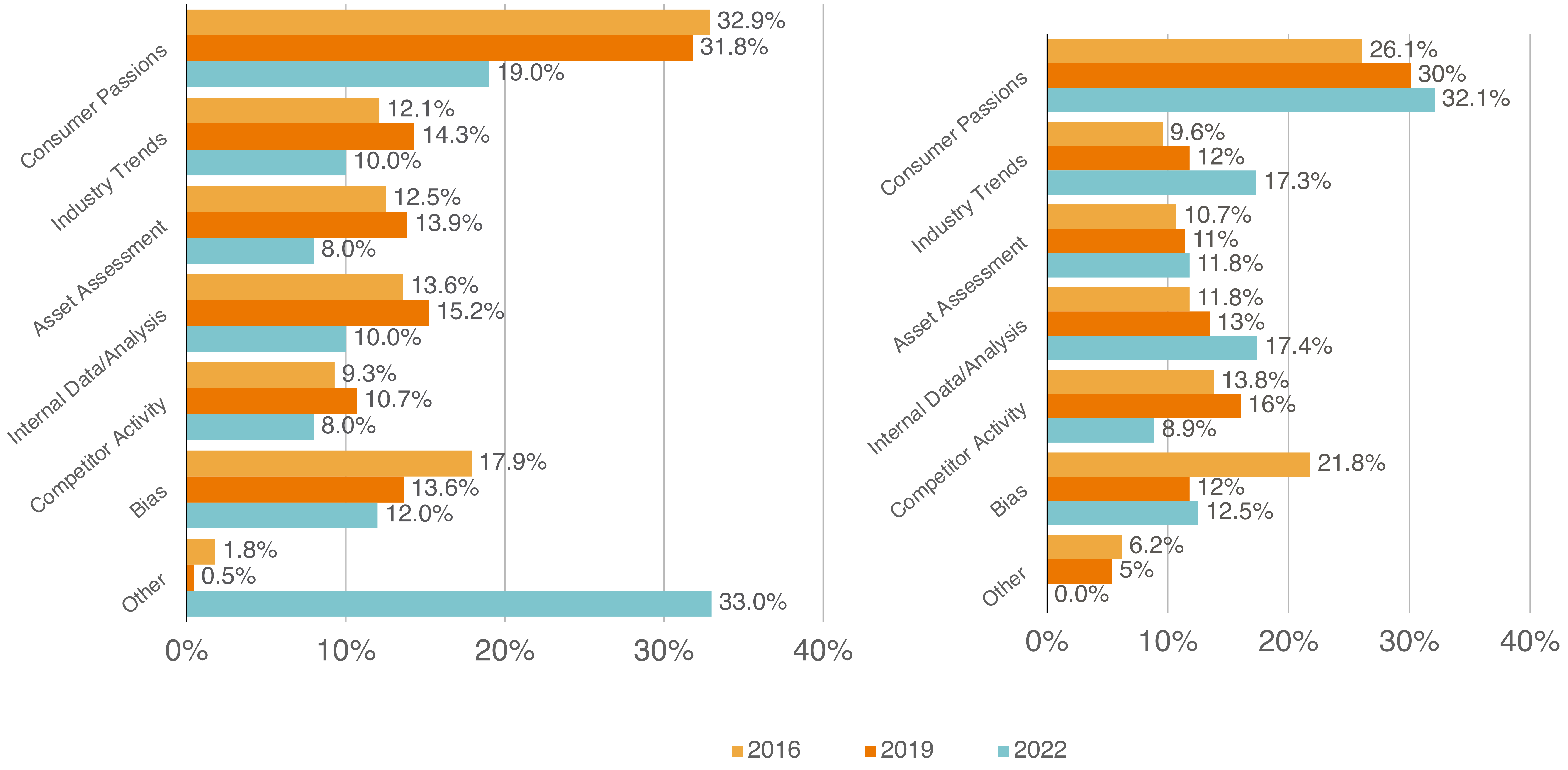
Strategy

RESULTS #2

05

The deal

RESULTS #1: STRATEGY
SPONSOR DECISION MAKING (2016, 2019, 2022)



Criteria in Decision-Making: Sponsors

Criteria in Decision-Making: Agencies on Sponsors Behalf

INSIGHT

Sponsors uncertain about decisions, but focused on the 'right' criteria.

MAJOR SHIFT

- Lots of uncertainty by sponsors.
- Different view from their agencies.

NOTES ON 2022

Others (for sponsors) include: aligning with business core values, client interests, internal criteria, and executive input.

Agencies emphasize consumer passions.

RESULTS #1: STRATEGY
LARGEST SPONSORSHIP CATEGORY

20%
Pro Sport

20%
Amateur Sport

20%
Media Program

20%
Cause

20%
Festivals

CHANGE

Largest sponsorship investments are much more balanced

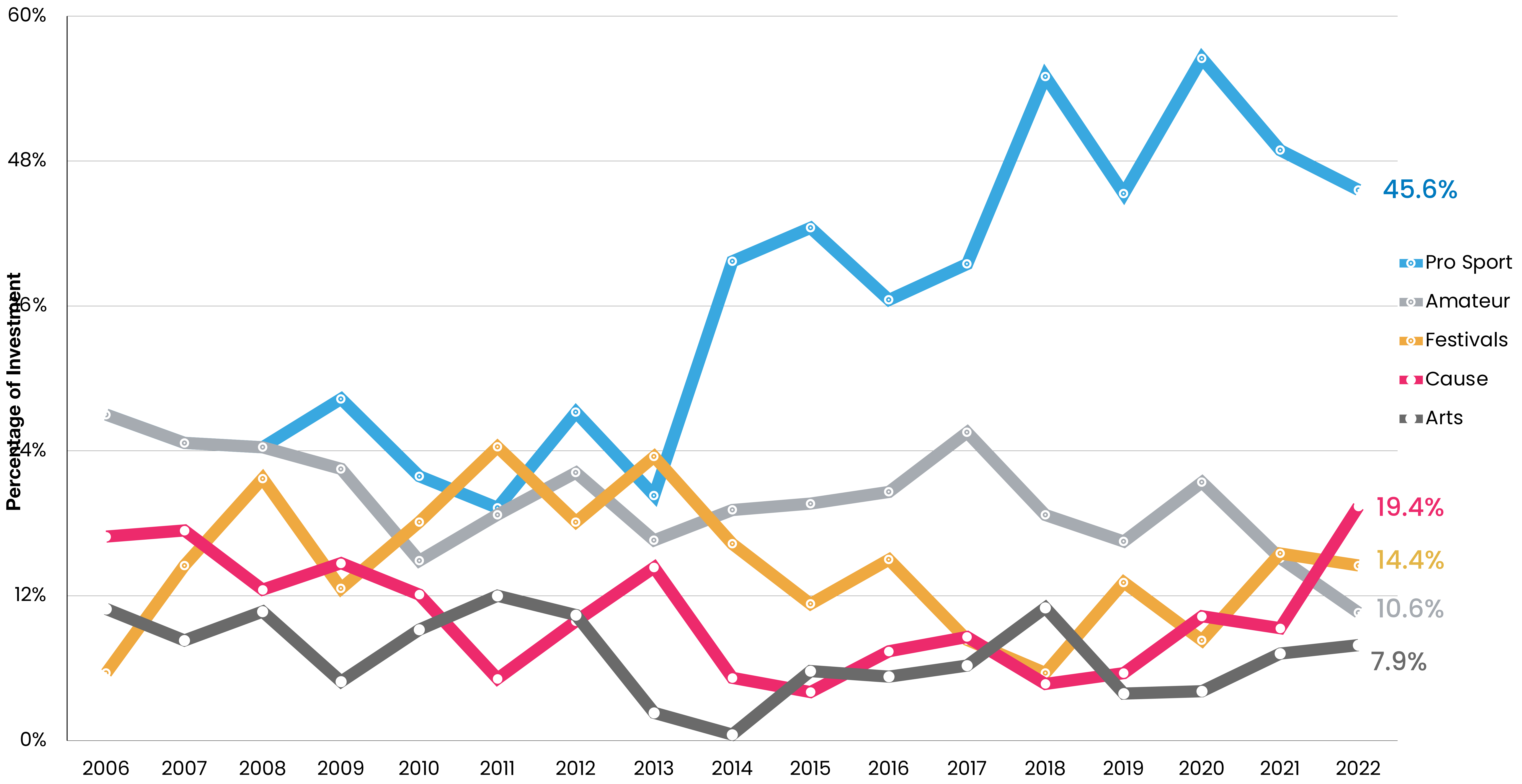
Return of cause, possibly due to various trends related to COVID and social change?

NOTES

Low response rate to this question, so results to be taken with that in mind.

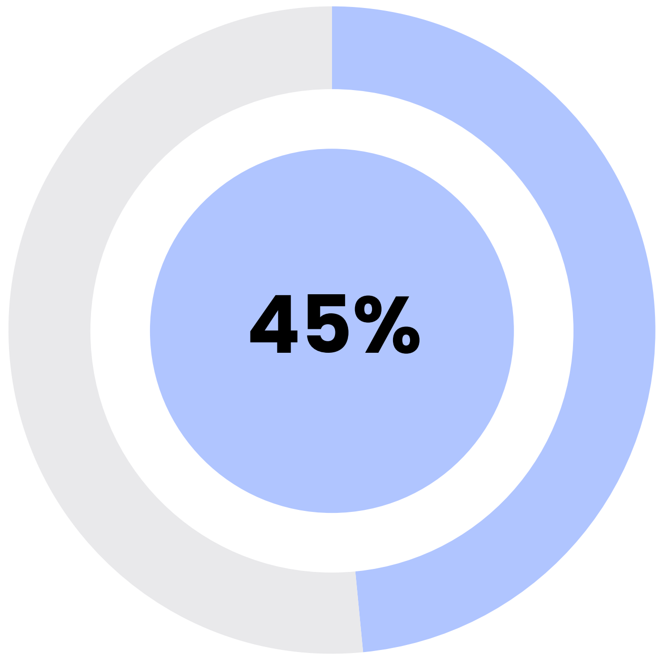
RESULTS #1: STRATEGY
PROPERTY MIX

Historical Sponsorship Investment by Property Type



INSIGHT

- *Cause increase due to change in spending or change in definition?*



DATA

of Investment is in Pro Sport

NOTES

- Others of interest – all <1%
  - Education
  - Entertainment, Tours & Attractions
  - Media
  - Municipality
- New potential categories noted:
  Health & Industry Conferences

RESULTS #1: STRATEGY

SPONSOR INVESTMENT: PROPERTY REACH BY SPEND

INSIGHTS

International reach includes Canadian properties with a global reach.

Possible that sponsorships are increasingly being managed at a global level?

2022 DATA | 2021 DATA

“Similar mix, except for a move towards more sponsorships with an international reach”

16.3% | **4.6%**
International

15.6% | **19.3%**
National

3.8% | **5.6%**
Multi-Provincial

35.6% | **33.0%**
Provincial

11.3% | **18.1%**
Regional

17.5% | **19.4%**
Local

NOTES

1. Gender primary targets: Men (5.7%), Women (9.3%), No Specific Gender (85.0%)
2. Type of Property: For-Profit (35.6%), Not-For-Profit (64.4%)

RESULTS #1: STRATEGY

MISALIGNED VIEWS ON THE FUTURE ON SPEND, REVENUE, BILLINGS

DECREASE

14.3%
Sponsor

5.7%
Property

0.0%
Agency

STAY THE SAME

42.9%
Sponsor

28.6%
Property

43.8%
Agency

INCREASE

42.9%
Sponsor

65.7%
Property

56.3%
Agency

PROPERTY AND AGENCY RESULTS ARE MUCH MORE POSITIVE THAN SPONSORS

Estimated increase in spend, revenue, billings:

- Sponsors +0%
- Properties +13%
- Agencies +17%

CSLS CANADIAN SPONSORSHIP LANDSCAPE STUDY SPONSORSHIP MARKETING COUNCIL CANADA IMI

RESULTS #1

04

Strategy

RESULTS

RESULTS #2

05

The deal

RESULTS #3

06

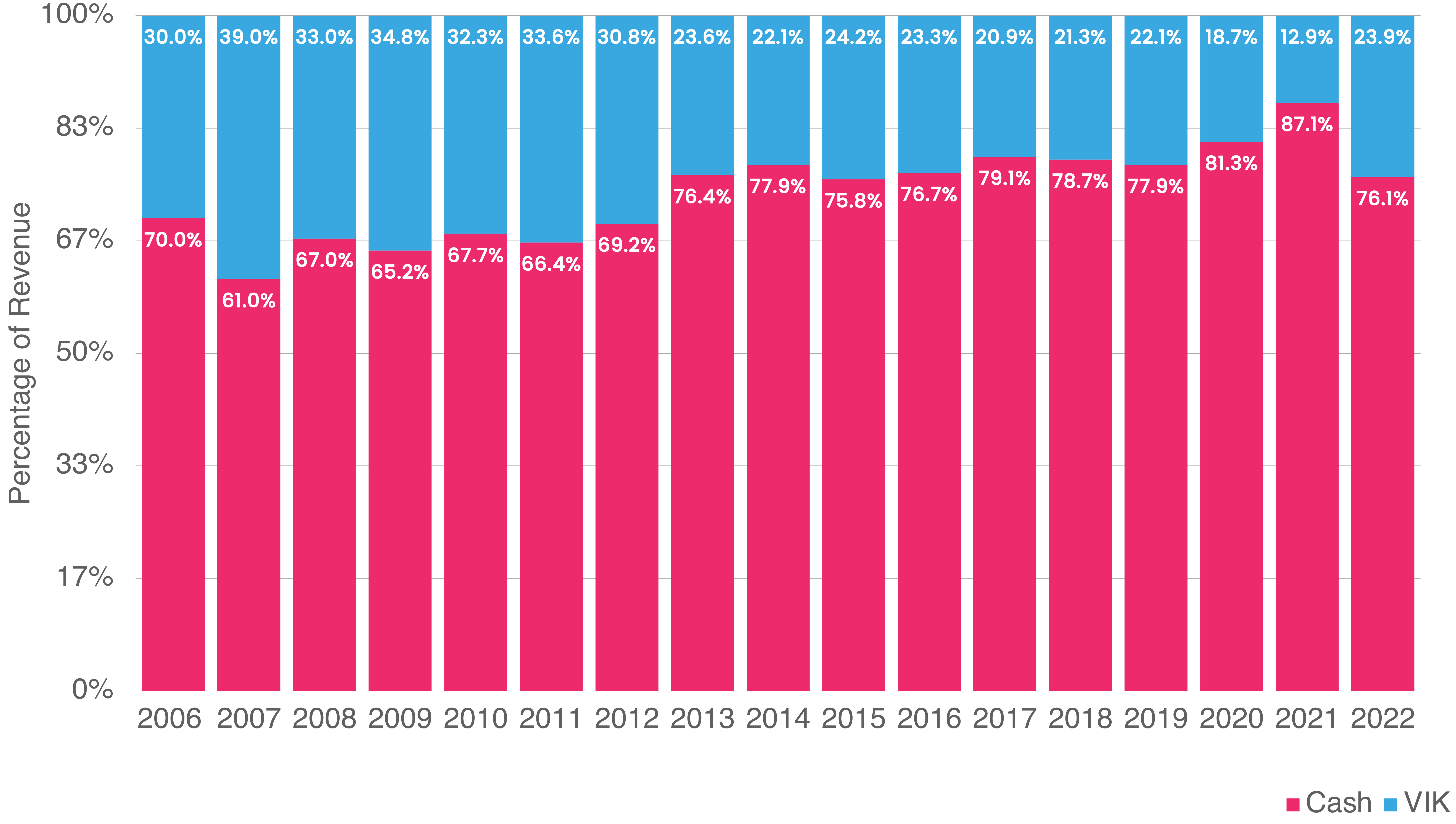
Activation

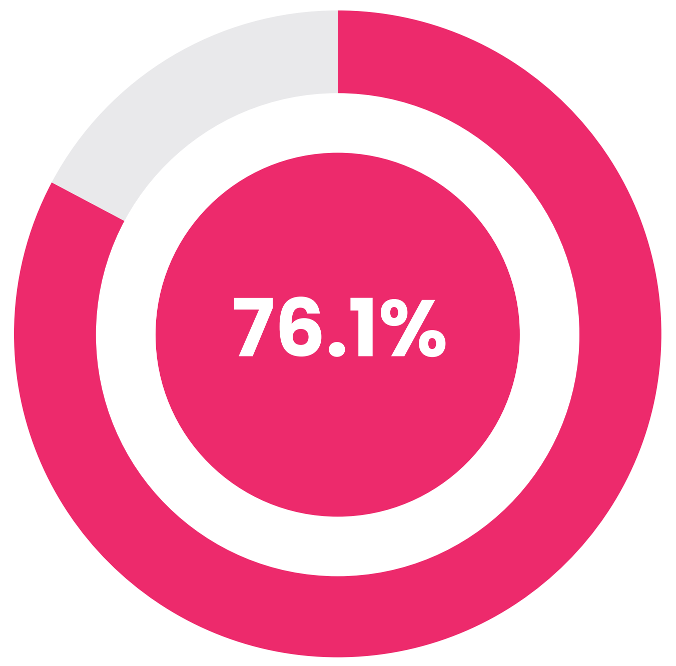
RESULTS #2: THE DEAL
CASH OR VIK

INSIGHT

VIK increasingly driven by the increase in opportunities related to the increased desire for live experiences.

Historical Cash vs. VIK Mix for Properties





DATA

Ratio for cash over VIK

NOTES

Brands focusing more on VIK investments in 2022 over previous years.

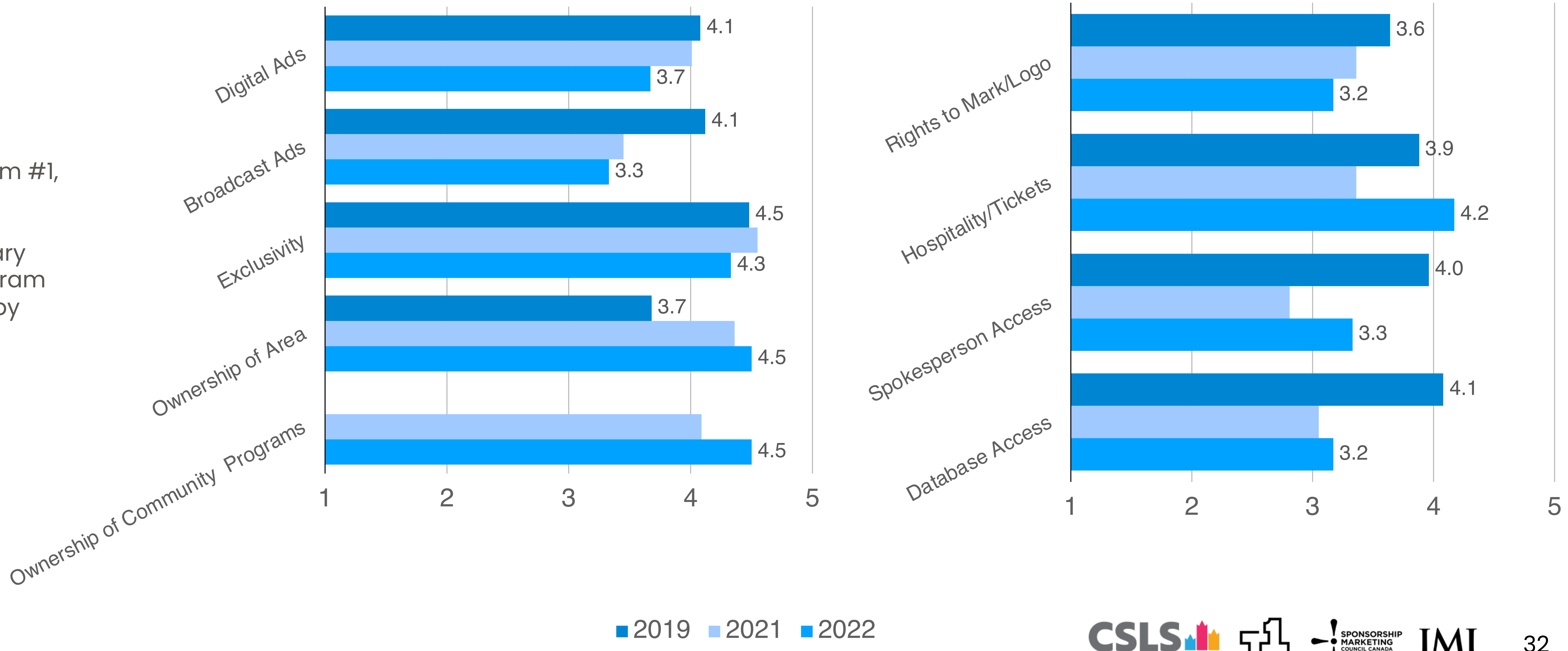
RESULTS #2: THE DEAL
VALUABLE BENEFITS

DATA & NOTE

Compared to 2019 (pre-COVID)

- Exclusivity dropped from #1, but remained strong.
- Ownership of proprietary area/community program top benefits, followed by hospitality and tickets.

Most Valuable Benefits Identified by Sponsors



RESULTS #2: THE DEAL

PROPERTY LARGEST SPONSOR & AGENCY LARGEST CLIENT

Largest Sponsor

Avg : $1.097M

Range: $5k to $6.5M

25.8%
Retail

12.9%
Gambling/Betting

22.6%
Finance

9.7%
Manufacturing

16.1%
Services

Largest Client

Avg : $907k

Range: $105k to $4M

For 61.5% of agencies, it was a sponsor client.
For 38.5% of agencies, it was a property client.

50% of largest agency clients were from the financial services sector. Retail next at 25%.

INSIGHT

Rise of gambling/betting.

RESULTS #2

05

The deal

RESULTS

RESULTS #3

06

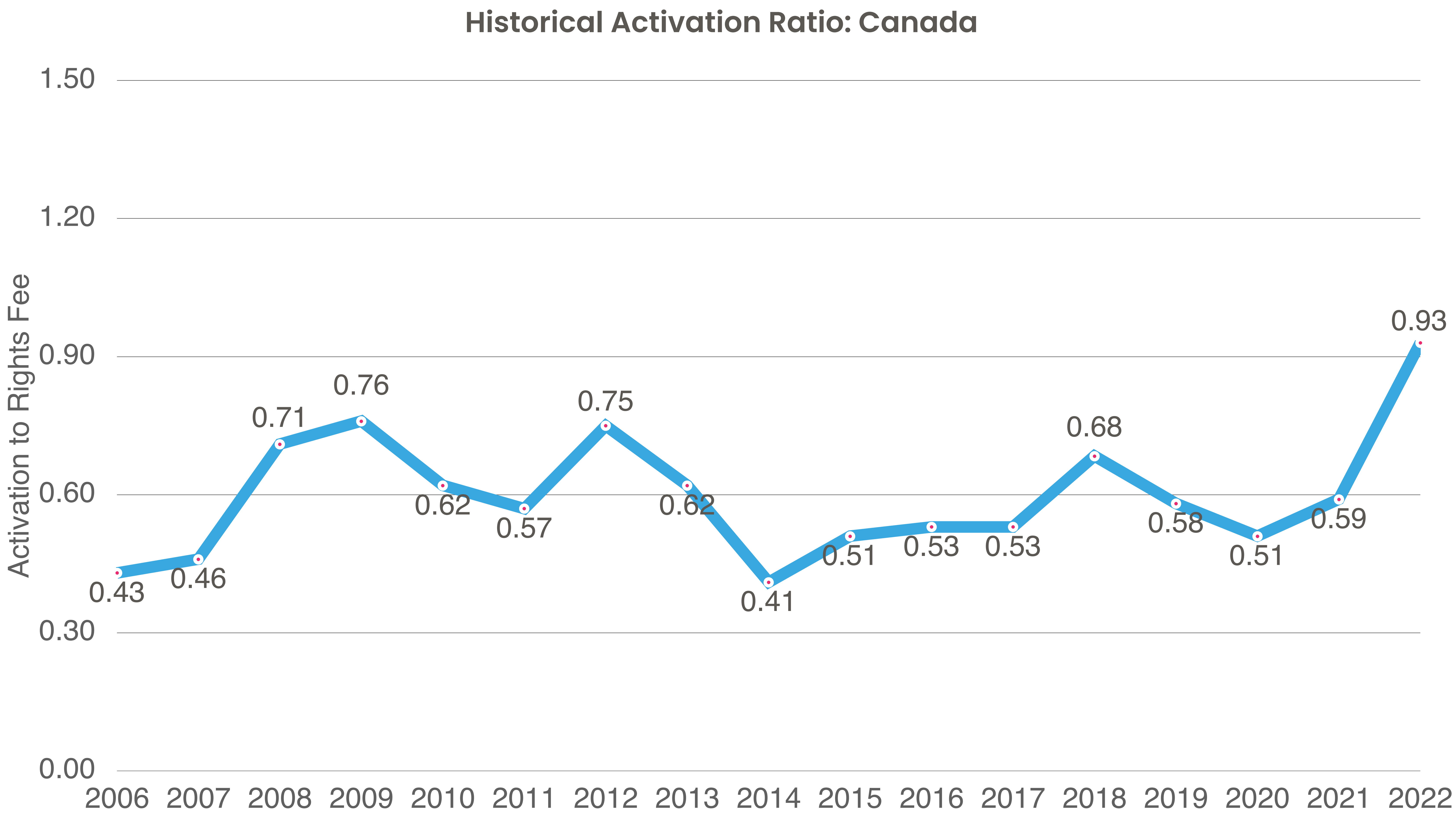
Activation

RESULTS #4

07

Servicing

RESULTS #3: ACTIVATION RATIO


Historical Activation Ratio: Canada

INSIGHT

Best CSLS news in a decade!

DATA

0.93

Activation to
Rights Fee in Canada

Highest ever recorded

NOTES ON 2022

Very exciting results as the return to sponsorship could be characterized by a more sophisticated use of investment by brands.

IEG measured US activation rates until 2020, typically more than a 2:1 ratio.

RESULTS #3: ACTIVATION
MIX OF INVESTMENT

BIG CHANGE

Hosting & Hospitality is back
Web3 still zero

Sponsor Reporting of Activation Spend in 2022
(2021 noted for each)

20.1% ↑
Hosting & Hospitality
8.0%

17.6%
Social Media
12.5%

17.5%
Advertising
23.0%

14.5%
Branded Content
21.3%

7.9%
Ancillary Events
8.9%

6.9%
Co-Promotions
9.0%

3.7%
Internal Marketing
3.5%

3.0%
Athletes
3.8%

2.1%
PR
4.1%

1.9%
Sales & Consumer Promotions
5.4%

0.6%
Product Sampling
0.3%

0.1%
Packaging
0.0%

0.1%
Trade Allowances
0.0%

0.0%
Web3
0.0%

RESULTS #3: ACTIVATION MIX OF INVESTMENT

Agency List of Sponsor Client Activation Spend in 2022

(2021 noted for each)

OBSERVATION (SAME AS LAST YEAR)

Drastic difference from sponsor mix; evidence that agency role changes activation.

INSIGHT

Branded Content is Back

20.7% ↑
Branded Content
(6.2%)

15.1%
Advertising
(16.7%)

11.4%
Product Sampling
(7.2%)

10.5%
Social Media
(11.5%)

8.3%
PR
(6.9%)

7.1%
Other
(18.1%)

6.6%
Hosting & Hospitality
(8.9%)

5.7%
Athletes
(7.7%)

3.9%
Packaging
(0.5%)

3.4%
Co-Promotions
(3.2%)

2.9%
Sales & Consumer Promotions
(5.5%)

2.5%
Internal Marketing
(4.5%)

1.3%
Ancillary Events
(3.0%)

0.4%
Trade Allowances
(0.0%)

0.1%
Web3
(0.0%)

RESULTS #3: ACTIVATION

DRIVERS OF ROI – SPONSOR VS. PROPERTY VIEW

SPONSOR ROI RANKING

#1
Branded Content
(25%)

#2
Social Media
(19%)

#2
Hosting/Hospitality
(19%)

#4
Advertising
(12%)

#4
Public Relations
(12%)

PROPERTY ROI RANKING

#1
Branded Content
(26%)

#2
Sales Promotion
(17%)

#3
Co-Promotions
(14%)

#3
Advertising
(14%)

#5
Social Media
(12%)

ROI RANKING

COMMON #1

- Common on branded content, but differ on others considerably
- For sponsors, hosting/hospitality provides a platform for generating leads/driving sales.
- For both, branded content and social media are easier to measure.

RESULTS #3: ACTIVATION

SPONSOR: INVESTMENT VERSUS ROI ALIGNED

Statistical significance between the assets that sponsors choose to invest in and those that they view as most impactful drivers of ROI.

CORRELATION

r = .828

Correlation between Sponsor Spend and Sponsor view of ROI by activation tactic.

Significant at the p<.001 level

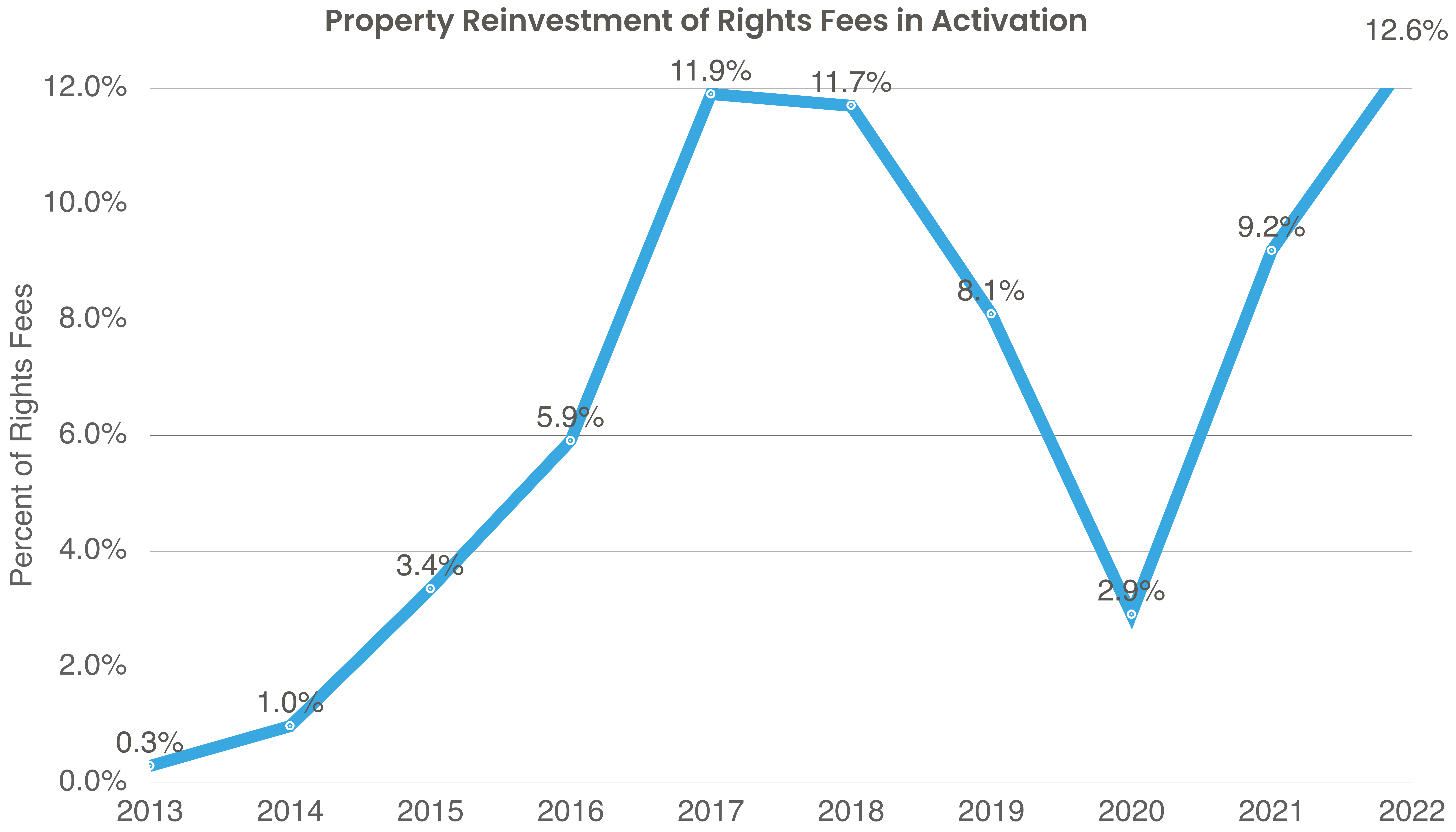
CROSS TABULATION

Linear Association = 9.604

Linear-by-Linear Association between Sponsor Spend and Sponsor view of ROI by activation tactic.

Significant at the p<.005 level

RESULTS #3: ACTIVATION
PROPERTY ACTIVATION


Property Reinvestment of Rights Fees in Activation

INSIGHT

This increased reinvestment, plus the reduced number of respondents reporting no reinvestment, and increased activation ratio, the has been a shift in how brands and properties understand activation -> a good thing for the industry.

DATA

12.6%

Reinvested by Properties in Activation

NOTES

Only 11% of respondents reported no re-investment in activation (down from 33% in 2021)

Most Common Tactics (all similar volume)
#1 - Branded Content
#2- Social Media
#3 - Advertising
#4 - Branded Content

RESULTS #3: ACTIVATION

AGENCY VIEW ON SPONSOR ACTIVATION PRIORITIES

INSIGHT

42.1% directly related to sales (sampling, ROI/intent/sales, brand consideration).

In your experience developing sponsorship strategies with your clients, what are the three most common activation objectives that sponsors seek?
***Percentages indicate the proportion of total responses provided captured by each theme.**

21.1%	Sampling, Trial, & Lead Generation
15.8%	Awareness & Brand Recognition
15.8%	Brand Engagement
10.5%	ROI, Purchase Intent & Sales
10.5%	Increasing Brand Consideration
7.9%	Hybrid Creative Activations
5.3%	Hosting & Hospitality
2.6%	Social Media
2.6%	PR
2.6%	Leveraging Talent in Brand Campaigns
2.6%	Corporate Social Responsibility
2.6%	Strategic Alignment

RESULTS #3: ACTIVATION
AGENCY VIEW ON SPONSOR ACTIVATION TACTICS

In your experience developing sponsorship strategies with your clients, what are the three most common activation objectives that sponsors seek?

OBJECTIVE	**PROPORTION OF RESPONSES**
Sampling/Trial	20.0
Engagement/Consideration	17.5
Data/ROI/Leads	15.0
Awareness	12.5
Talent	7.5
Brand Recognition	5.0
Value	5.0
Social Media	5.0
Strategic Alignment/CSR	5.0
Hosting/Hospitality	5.0
Public Relations	2.5

RESULTS

RESULTS #3

06

Activation

RESULTS #4

07

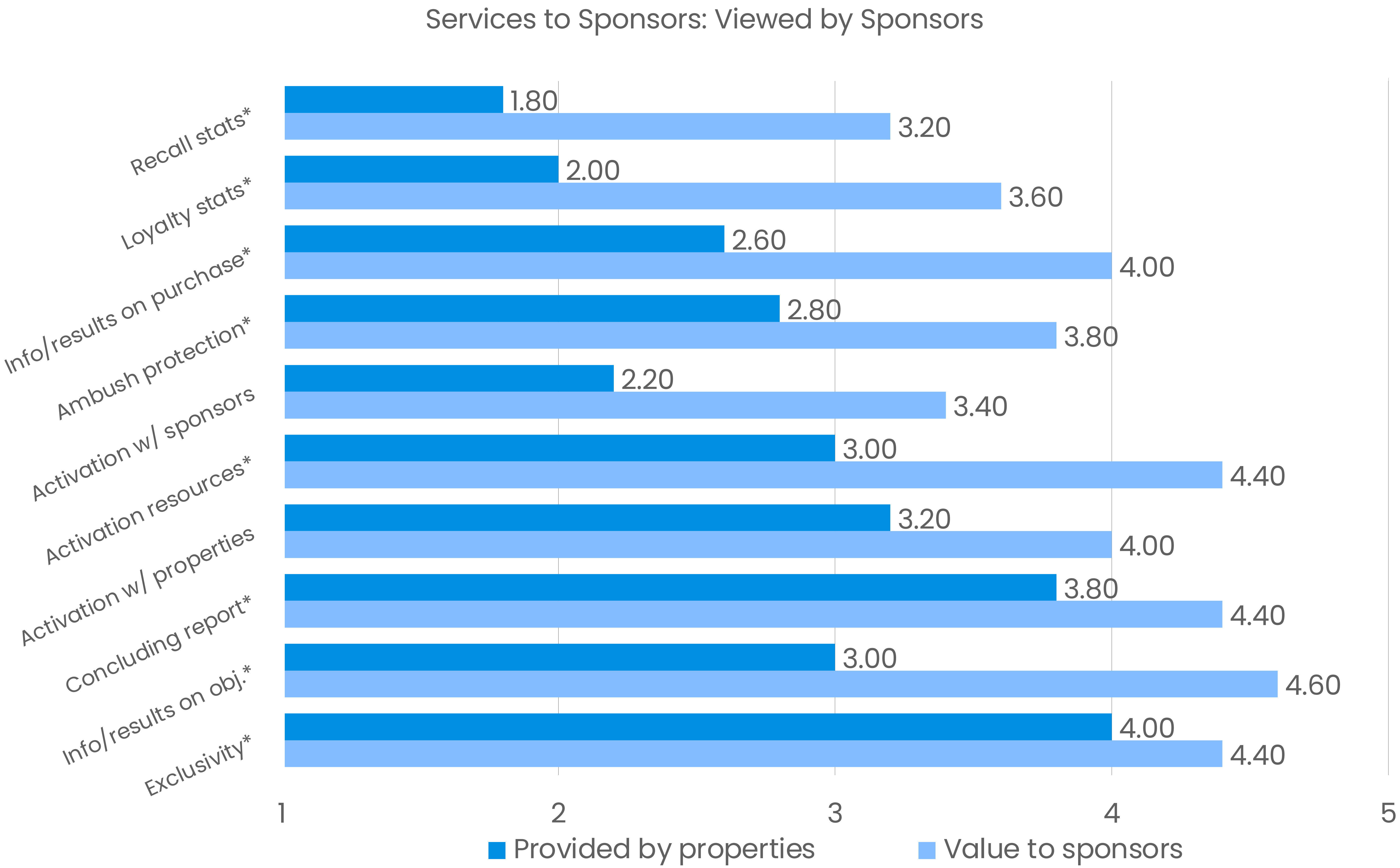
Servicing

RESULTS #5

08

Evaluation

SERVICING
SPONSOR PERSPECTIVE – PREVIOUS YEAR RESULTS



DATA

10 of 10

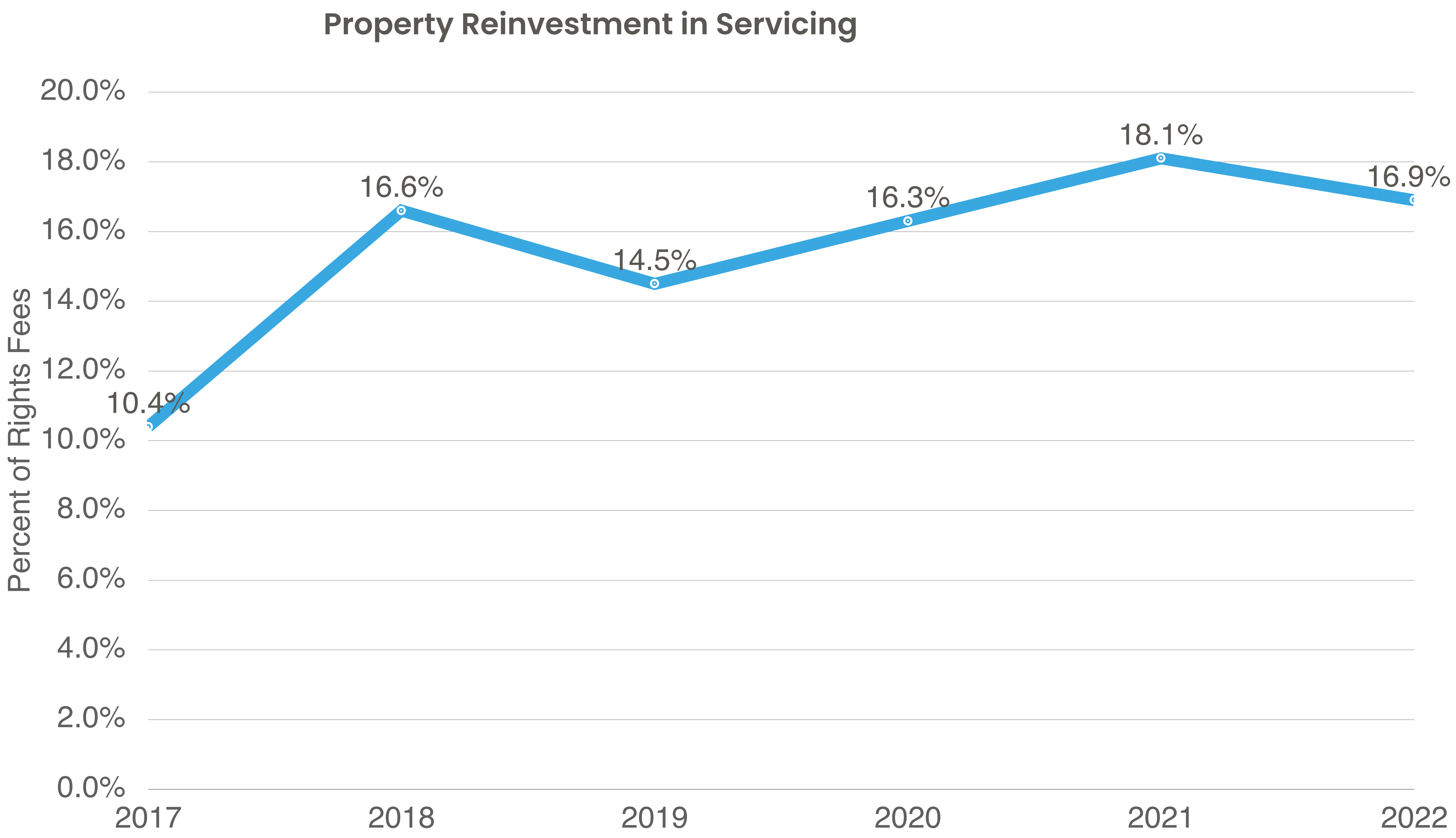
are Statistically Significant Differences (*)

NOTE

- The servicing issue remains in Canadian sponsorship.
- This has been consistent for 17 years, with a few exceptions.

SERVICING

PROPERTIES INVESTMENT IN SERVICING EXPANDS FROM PRE-COVID



Servicing

% of sponsorship revenue that is allocated to servicing

100% of property respondents reported investing in servicing.

Very positive finding.

Note – no data from 2020 (insufficient responses, so line of best fit used)

RESULTS #4

07

Servicing

RESULTS #5

08

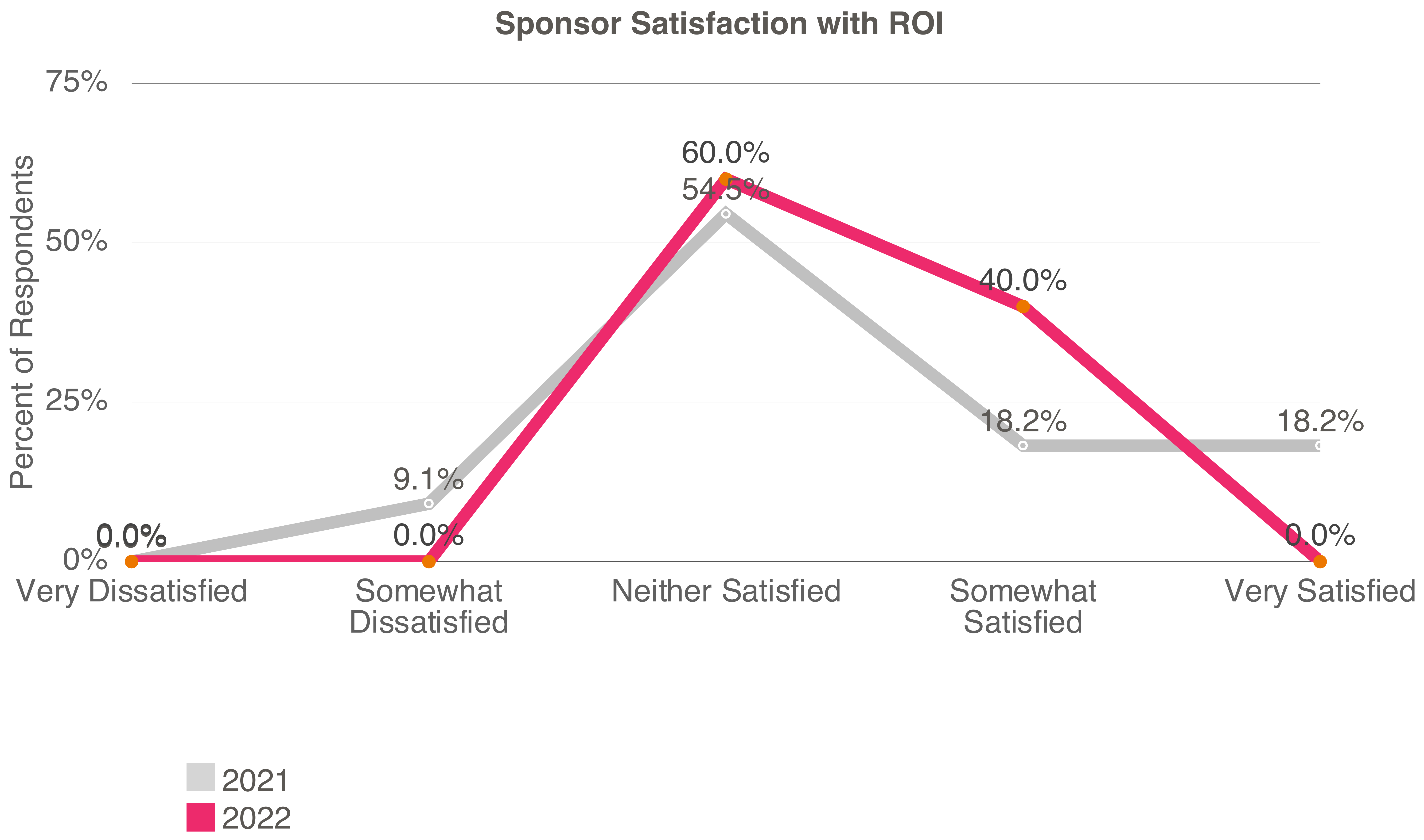
Evaluation

DISCUSSION

09

So what?

RESULTS #5: EVALUATION
SPONSOR VIEW OF SPONSORSHIP ROI



DATA

3.6 (out of 5) Sponsor Mean

NOTE

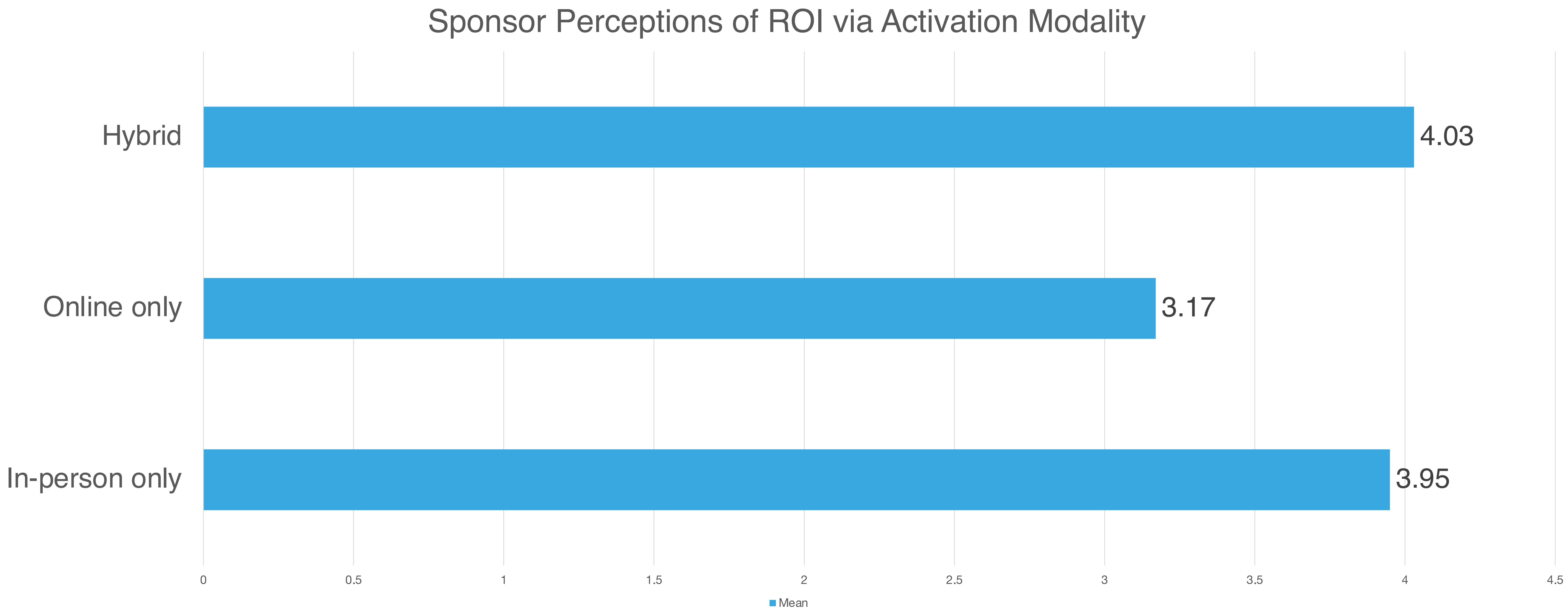
Sponsor result on ROI improved over last year (3.5) and 2020 (2.8)*

Very moderate response, none at extremes

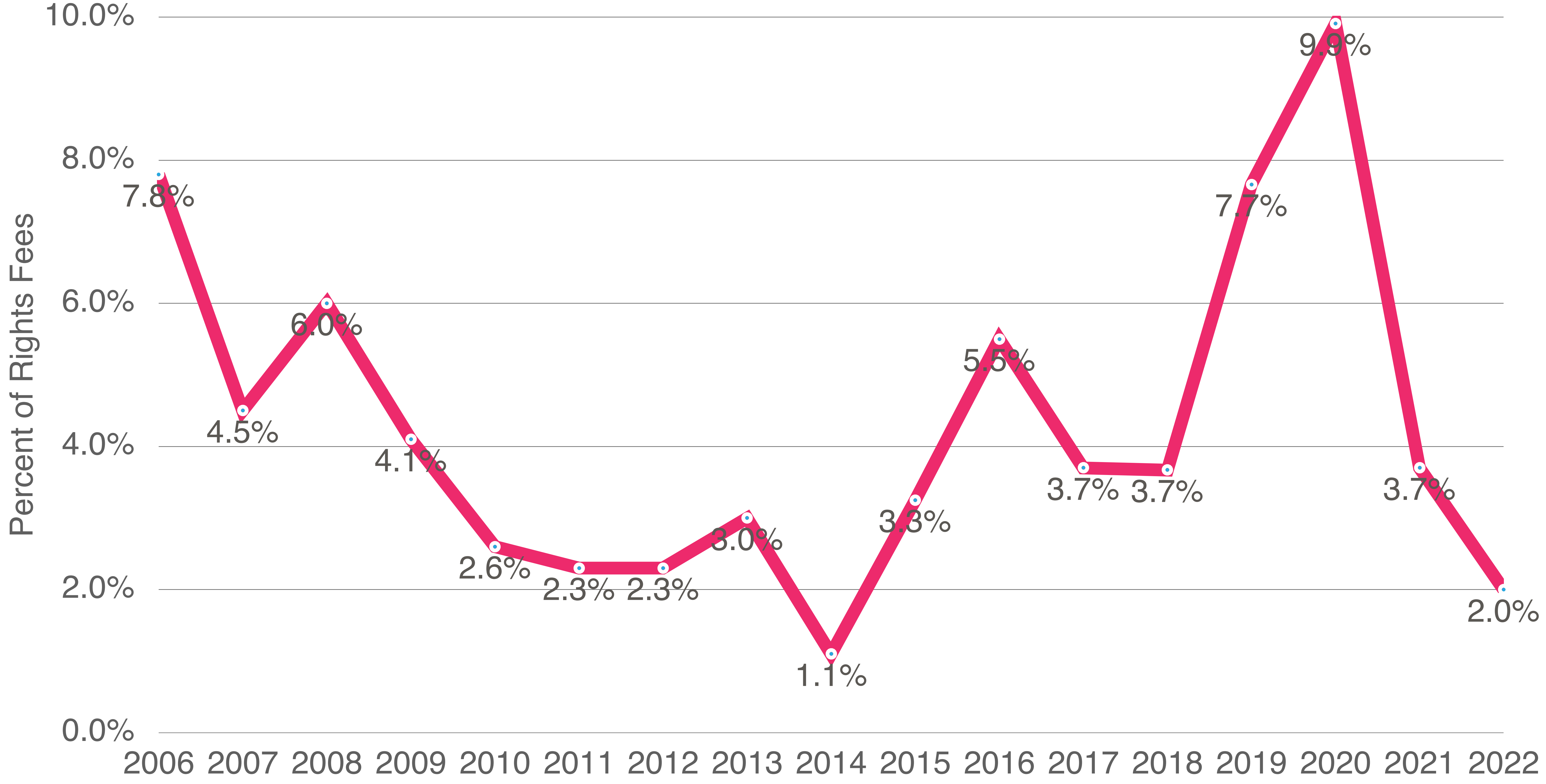
INSIGHT

Sponsors want both

RESULTS #5: EVALUATION
PROPERTY VIEW OF SPONSOR’S PERCEPTIONS OF ROI



RESULTS #5: EVALUATION
EVALUATION INVESTMENT BY SPONSORS



Historical Evaluation Spend

Pre-evaluation: *10.6% 3.6% 12.6% 8.5% 9.7% 15.1% 9.5% 16.0%*

INSIGHTS

- Despite being a major concern in sponsorship, investment drops here.
- Is evaluation becoming more efficient?
- Or, are sponsors delegating evaluation work to their agencies?

DATA

2.0%
of Rights Fee
Spent on evaluation (note this is average by sponsor, not weighted for sponsor size)

NOTE

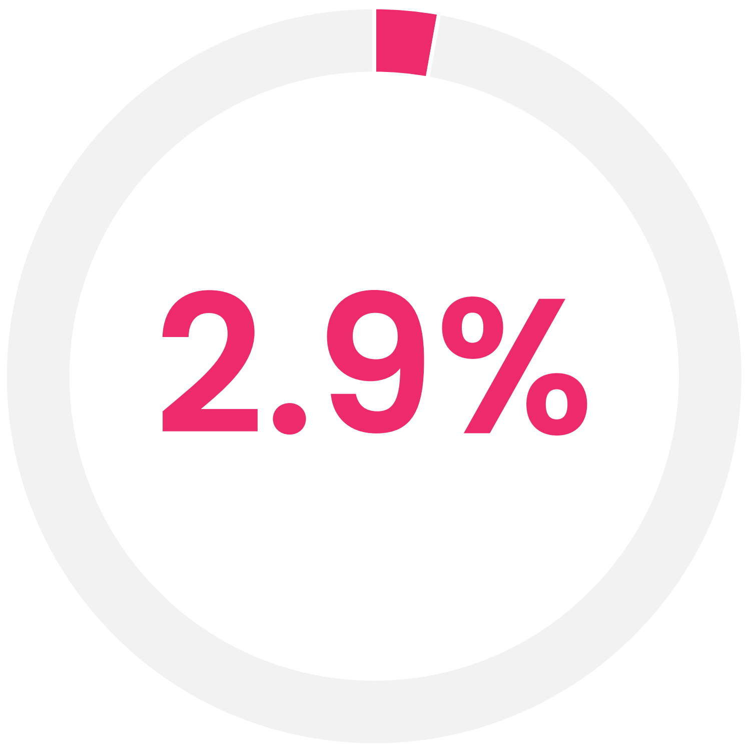
- Return to 2009 to 2015 levels.
- **25%** reported spending nothing on evaluation.
- Pre-Sponsorship evaluation spend rose to 16.0% (highest to date)

INSIGHT

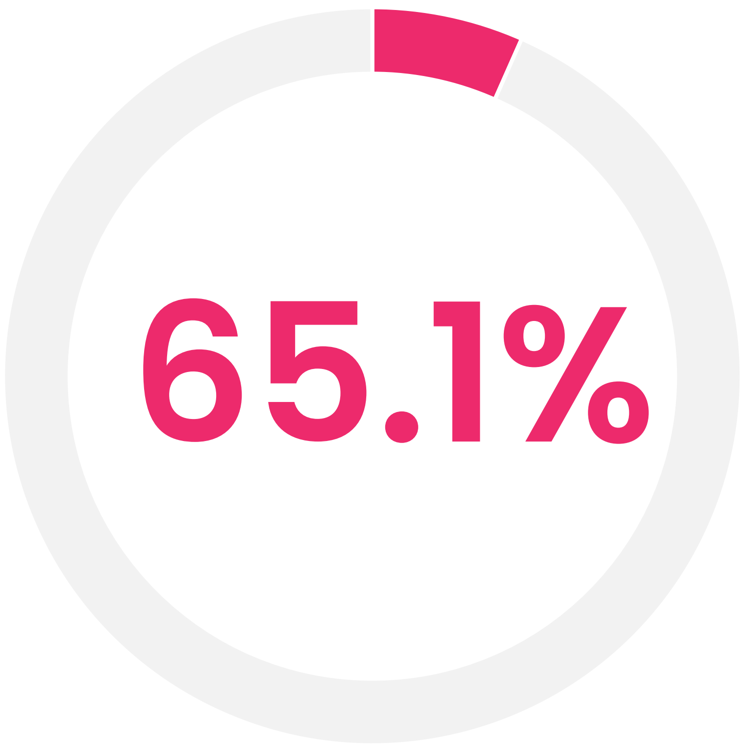
- Results lead us to ask who is accountable for evaluation? Have brands delegated to agencies, thereby leaving properties to focus more?
- Properties have access to important data sources for evaluation (e.g., audiences, unique content).

RESULTS #5: EVALUATION
PROPERTY EVALUATION

EVALUATION INVESTMENT

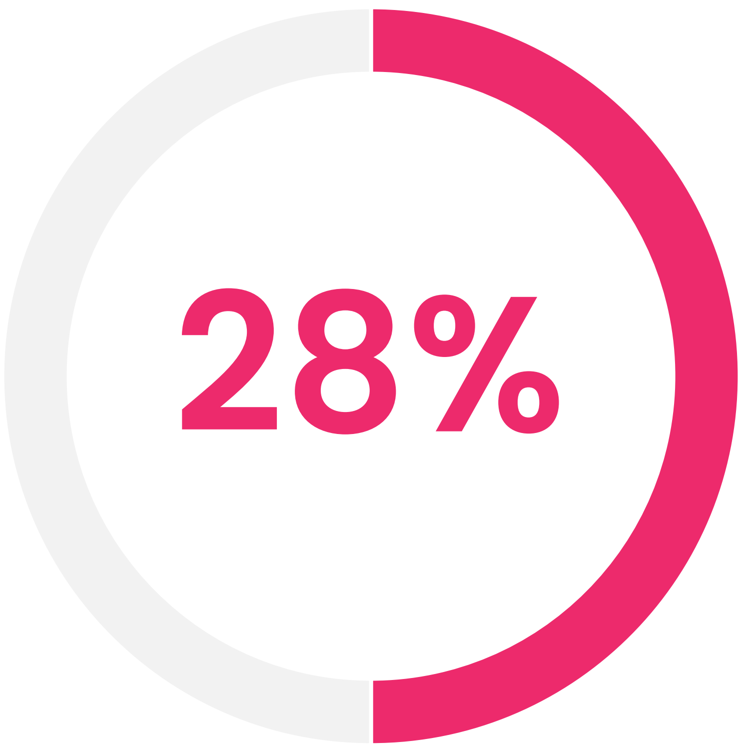


Proportion (on average) of sponsorship revenues invested in sponsorship evaluation
*2021 result: 2.9% (no change)

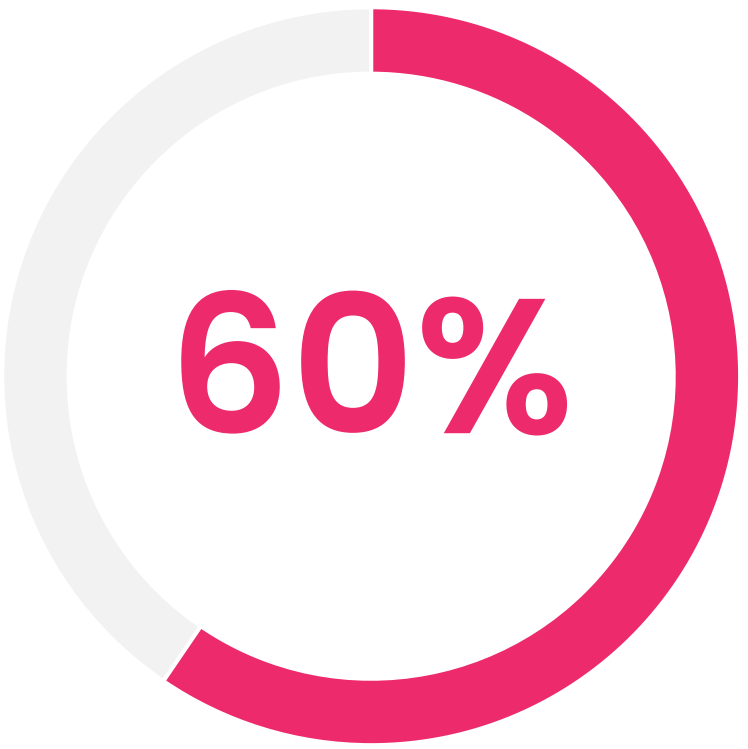


Proportion (on average) of those dollars allocated to pre-sponsorship evaluation
*2021 result: 7.1%
*Positive Change

TRENDING



Spent zero on sponsorship evaluation
*2021 result: 50%



Spent zero on pre-sponsorship evaluation
*2021 result: 68%

RESULTS #5: EVALUATION

AGENCY VIEW OF EVALUATION PRACTICE OF SPONSOR CLIENTS

TECHNIQUES AND MEASURES USED TO DEMONSTRATE ROI TO CLIENTS

COMMONLY MENTIONED TECHNIQUES & MEASURES		
Custom/sponsor's choice/property defined	Internal tracking of sales/KPI's	External tracking tools (media, PR, social)
Third party research (e.g., research agencies)	Impressions	Survey data
Post event reports/audits	Media rating points (MRP) results	Lead generation/new contacts
Demographics	Sponsorship recall (aided & unaided)	Social media impressions
Mentions in the press		

RESULTS #5

08

Evaluation

RESULTS

RESULTS #6

09

Property Reinvestment in Sponsors

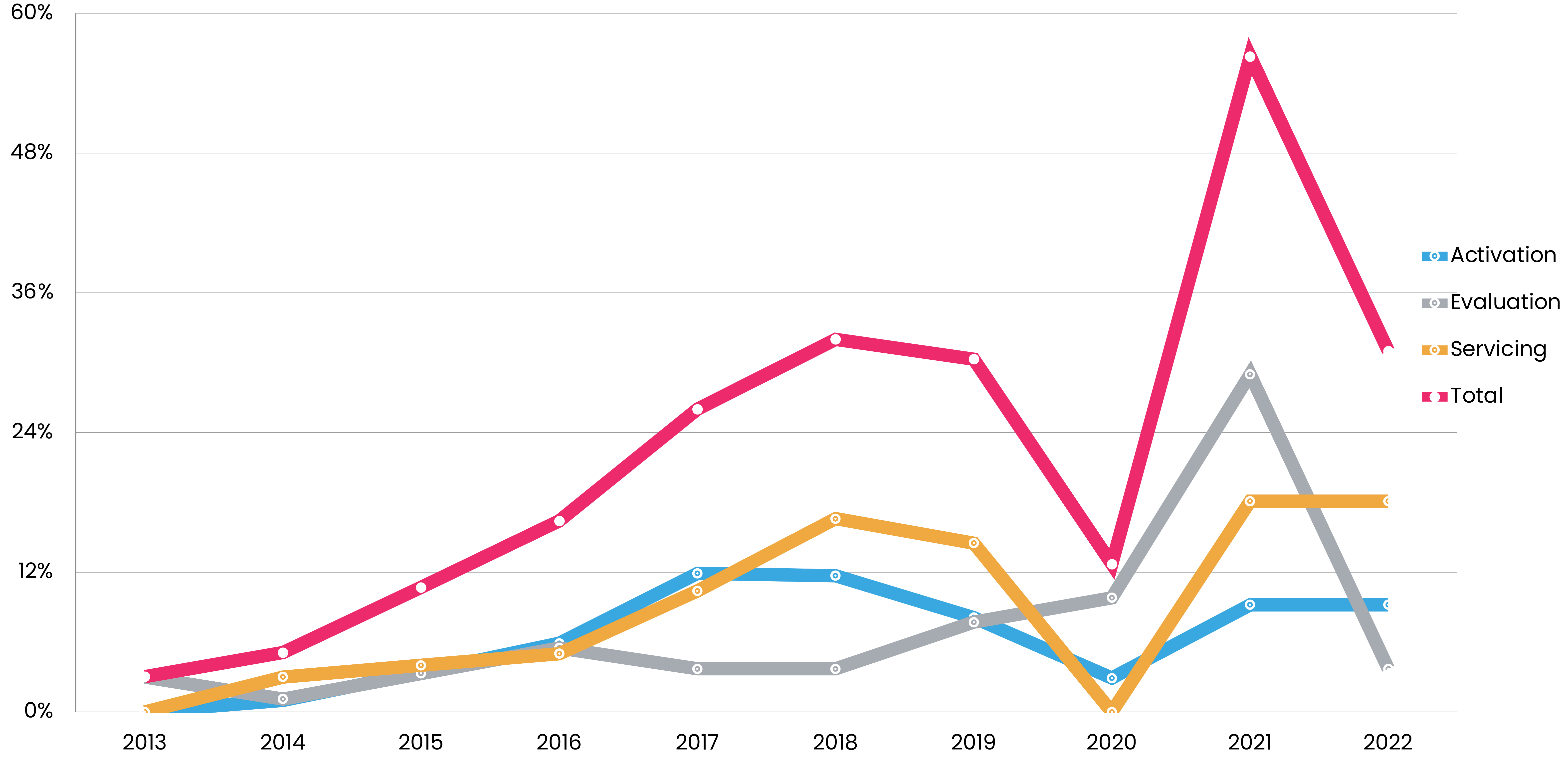
DISCUSSION

10

So what?

RESULTS #6:
PROPERTY REINVESTMENT

Historical Re-investment in Activation, Evaluation and Servicing by Properties



DATA

32.4%

of rights fees received are being reinvested in the sponsorship, through a combination of activation, evaluation and servicing

NOTE

- COVID levels indicative of excess resources and cancelled activations by sponsors.

RESULTS #5

08

Evaluation

RESULTS #6

09

Property Reinvestment in Sponsors

DISCUSSION

SUMMARY

10

Deep dives & conclusion

EVALUATION
WHAT KEEPS US UP AT NIGHT?

TOP CONCERNS	Meeting Targets*	Demonstrating ROI	Demonstrating ROI	Other*	Demonstrating ROI	Demonstrating ROI	Meeting Targets** Evaluation/Measure	Fear about delivering value as ROI	Analytics/Evaluation Measurement/ROI	Measurement	Measurement & Economic Uncertainty
YEAR	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022

*Demonstrating ROI #2
**Demonstrating ROI #3

SPONSORS

- ROI/Measurement – "Inability to show direct link from sponsorship to revenue"
- Inflation/Rising Costs – "Rising cost of activation due to material costs, shipping costs, etc."
- Working with the right Properties – "Are there great organizations out there we're not finding?"

PROPERTIES

- ROI/Measurement – "Ensuring our partners are happy and receiving ROI"
- Securing enough sponsor dollars – "Having enough sponsorship dollars to cover our budget projections"
- Recession/Economic Uncertainty – "The effect of a looming economic recession on sponsorship budgets"

AGENCIES

- ROI/Measurement – "How to accurately evaluate sponsorship opportunities"
- Successful Matchmaking – "Education on how important it is to turn sponsorship agreements into true partnerships"
- Activation – "People thinking [sponsorship] is a channel and not an integrated approach"

DISCUSSION: SO WHAT?
FUTURE OF SPONSORSHIP

What gives you hope about the future of sponsorship in Canada?

SPONSORS

✓ Recognized Value

“That people are finally seeing it as a valuable tool to promote a brand”

” Data proves that sponsorship marketing added to the marketing mix strategies works to build brand affinity and consideration.”

“...from an upper funnel perspective, sponsorship works. We see considerably greater brand consideration from those who know we sponsor [sport] and even higher from those who have experienced one of our events”

PROPERTIES

✓ Purpose-Driven Partnerships

”Purpose-led partnerships are growing in popularity. Brands are recognizing the importance of social impact and making real difference in today’s society given the need for change and equity, plus the public’s awareness of issues and willingness to discuss”

“A trend towards alignment and partnerships and less of ‘what do I get?’”

“Hoping for greater focus on values-based investments from sponsors vs. solely for profit motivated investments”

DISCUSSION: SO WHAT?

PAIN POINTS – AGENCY POV

What is the main pain point and/or business objective that sponsorship helps your sponsor clients meet?

AWARENESS

”Brand awareness and interaction with audiences”

“Visibility and goodwill towards the community”

“Generating positive awareness and affiliation for our clients”

“Exposure to new audiences”

”Augmenter la notoriété de la marque : La commandite peut aider les entreprises à augmenter leur visibilité auprès de leur public cible en associant leur marque à des événements, des équipes ou des individus populaires”

(Increase the value of the brand: Sponsorships can help brands build their visibility in their target markets through events, teams and celebrities)

REVENUE GENERATION

”Our clients are in the entertainment business and sponsorships bring in revenue, which helps keep pricing down”

”Financial support. Without sponsor dollars, the event quality drops. This in turn makes it harder to get sponsor dollars and a downward spiral begins”

DISCUSSION: SO WHAT?
SERVICE VALUE

What service do you provide to your sponsorship clients that they find most valuable?

CUSTOM STRATEGY

"La stratégie de commandite : L'élaboration d'une stratégie de commandite personnalisée en fonction des objectifs et des besoins spécifiques de chaque client peut être extrêmement précieuse pour les clients.”

(Sponsorship strategy: The development of a custom strategy based on objectives that is extremely previse is vital for our clients)

CREATIVITY

”Creatively breaking through the clutter and getting noticed where properties have many or multiple brand partners”

“Unique ways to activate”

MEASUREMENT

”Valuation and measurement”

“Evaluating sponsorship opportunities”

“Sponsorship audits post event”

“Asset valuations”

DISCUSSION: SO WHAT?
SERVICE VALUE

What is the most valuable skill or behaviour for a new grad or professional to have entering sponsorship in Canada?

SPONSORS

Organizational & Dynamic

”Sponsorship is always juggling 15 balls at once and the ability to not drop one is essential”

“Being able to be an adaptable and dynamic thinker to have the ability to work on various platforms and projects”

PROPERTIES

People Skills

”Ability to connect with people and foster professional relationships”

“Networking and relationship development”

“Ability to communicate in a variety of forms as each partner has a different preference”

“The understanding or ability to connect the companies brands with a potential sponsor to then create a meaningful partnership”

AGENCIES

Strategic Mindset

”Willingness to take the time to cultivate a partnership”

“Thinking strategically on how the sponsorship best works for all parties”

”Ability to work with data to identify insights, feed into strategy”

SUMMARY
LEARNING FROM THE 17TH ANNUAL

.93

The Most Impactful CSLS since 2018

- Modest growth in rights fees, BUT massive growth in activation.
- Activation growth driven by experiential activities characterized by high engagement and results-driven tactics. Most common are (i) hosting/hospitality, (ii) branded content, and (iii) sales promotions.
- Agency work is highly illustrative of a formalizing industry.
- Caution expressed for the future, given the economic climate.
- Measurement and servicing two areas of concern and need of industry-wide attention.

17th ANNUAL

CSLS

CANADIAN SPONSORSHIP LANDSCAPE STUDY

EXPLORE MORE DETAILS BY
SCANNING THE QR CODE.

Questions or Comments?
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