

# Corporate sponsorship

## Is it Good or Bad for Road Safety?

### Biography

Scott Pickering has worked in Council based road safety in the UK and Australia since 1969 and is experienced in effectively managing a local government road safety budget.

During his career, he has successfully attracted hundreds of thousands of dollars worth of corporate sponsorship. Additional revenue from sponsorship has allowed Scott to promote road safety issues on both local and regional levels. Through Scott's ongoing sponsorship negotiations he has forged strong and lasting ties with the business community. Money raised through sponsorship has allowed Scott to successfully undertake many road safety initiatives that otherwise would not have been possible.

### Abstract

Council based road safety officers rely on various sources of funds to conduct road safety programs and campaigns. Sources include grants from federal and state government, professional bodies, and interest groups or from sponsorship.

This paper examines the issue of corporate sponsorship and its impact on community based road safety activities. Issues covered include:

- Survey results – what road safety officers think about sponsorship.
- The pros and cons of sponsorship – is it good for your campaign?
- Attracting sponsorship – (marketing) from approach to feedback.
- Making friends with the media – generate publicity to enhance your campaign.
- Funding – the importance of budgeting for road safety activities.

### Introduction

Ever since the motor car began to impact on road safety in the late nineteenth century, authorities have wrestled with the conflict that frequently occurs between road users. Finding ways to prevent road crashes is never easy. Solutions range from engineering the environment to enhanced vehicle designs and educating people to be more careful, considerate and courteous road users.

As with most issues affecting people's health and welfare, authorities realise the need to engage local communities. This is the main challenge facing road safety officers today – how to get people to act on road safety messages in the local community.

My career in road safety has exposed me to many different environments. From managing a London council road safety unit and organising campaigns for the whole of Greater London and more recently conducting road safety activities for local authorities in Australia.

Over the years, I have acquired sponsorship for a number of road safety projects that would not have proceeded otherwise. These included attracting sponsorship from a diverse range of organisations from major oil and insurance companies to humble ice cream emporiums.

Justifying the provision of funding for road safety education, training, and publicity is not an easy task and different arenas approach this important function in various ways.

### **The London Example – A Great Model for Road Safety**

Having worked for one of the London councils, I know the positive effect that local government has had on reducing road crashes in that metropolis.

In the UK, local government places a high level of importance on facilitating road safety education, training, and publicity programs.

Historically, the impact of increased vehicular traffic resulting from the first World War that encouraged the introduction of the London Safety First Council. This body later formed the Royal Society for the Prevention of Accidents (RoSPA). Together, they were responsible for improving road safety largely by educating people to be safer road users.

The Police Service was the main agency involved in road safety education, training, and publicity until the Road Safety Act of 1974 imposed this responsibility on local authorities in England and Wales.

These responsibilities included road safety education, training and publicity programs along with systematic investigation of local road crashes, and the implementation of remedial treatments at problem sites.

For local authorities to perform this function and provide adequate resources for this task, extra financial provisions were available via the Transport Supplementary Grants system.

This system provided direct central government grants enabling local authorities to form and adequately resource road safety sections.

Today, extra financial provisions are still available for councils to undertake road safety programs. In addition, the Mayor of London distributes in excess of 50 million pounds a year (equivalent to A\$125 million) to the 33 London councils to enable their education, training and publicity work to continue.

### **NSW Local Government Road Safety Officer Program**

The role of road safety officers in NSW encompasses the development, coordination, and implementation of local campaigns and contribution to state wide road safety projects and campaigns.

This system operates via the support of the Local Government Road Safety Officer Program, introduced by the Government in 1992. Under this program, administered by the Roads and Traffic Authority (RTA), councils enter into a partnership whereby the costs associated with employing a road safety officer (salary, transport and on-costs) are equally split between the two parties. This includes a small amount of money termed 'seed funding'. Seed funding accommodates day-to-day expenses and minor items.

As the above example demonstrates, NSW road safety officers are not privy to the same level of funding enjoyed by our UK counterparts. Very few councils make budgetary

provisions to enable local road safety projects and campaigns to be conducted independently of external funding.

It is therefore up to the road safety officer to obtain other funding for campaigns or projects through submissions for grants to state or federal government, professional bodies, interest groups or from corporate sponsorship.

Finding the money to run effective campaigns is a challenge familiar to all road safety officers! The question is – how do we go about it?

## **SURVEY RESULTS – WHAT ROAD SAFETY OFFICERS THINK ABOUT SPONSORSHIP.**

As part of this paper, I recently conducted an informal survey of 78 road safety officers in NSW to gauge their responses to sponsorship. The findings are as follows:

- Only a very small percentage of road safety officers had an independent annual budget allocation to enable road safety projects to proceed without submissions.
- Road safety officers sought sponsorship for various reasons with varying degrees of success.
- Most of the sponsorship obtained involved in-kind products or services, which either stretched the effectiveness of the meagre funds available for a project or provided incentives in the form of prizes aimed at attracting participation in an event or campaign.
- Many felt uneasy about pursuing sponsorship because they lacked confidence or expertise about the most effective way to attract sponsors. Some even felt that it was demeaning to go 'cap in hand' to the business community.

These findings illustrate that finding money to fund road safety campaigns is a challenge that we all face. Generating sponsorship is becoming an essential part of our role as road safety officers. In the face of this challenge, we must learn more about sponsorship and the valuable contribution it can make to our campaigns.

## **THE PROS AND CONS OF SPONSORSHIP – IS IT GOOD FOR YOUR CAMPAIGN?**

As the functions and responsibilities of councils increase, more pressure is put on the civic purse. With the seemingly continual upward pressure on council finances, it is obvious that we must use every opportunity to acquire extra income to address any short fall in funding.

Sponsorship provides more than financial soup required to fund and sustain projects. It can also be invaluable in promoting community ownership and participation in road safety. The acquisition of sponsorship, however, can be an arduous pursuit. If not approached correctly, sponsorship can be costly, time consuming and doomed for failure.

If done correctly, sponsorship can do great things for road safety initiatives. I have witnessed first hand many benefits that come through successful sponsorship including:

- A win-win situation for Council and the sponsor. The road safety officer receives additional funding for campaigns and the sponsor receives recognition through publicity and promotions associated with the initiative.
- Sponsorship funding reduces pressure on Council coffers

- Sponsorship provides businesses with additional channels to promote their products
- Sponsorship provides the council with additional channels to communicate road safety issues eg: through the organisations annual report, newsletters or signage
- Sponsorship promotes corporate neighbourliness and strengthens council's contacts in the business community.

Although the sponsorship concept sounds great in theory, there are a number of issues to consider before pursuing it including:

- Some areas have less potential for acquiring sponsorship (rural/urban)
- Seeking sponsorship takes time and resources. The road safety officer needs to weigh up time spent on attracting sponsorship to the funds generated
- The corporate world views councils as fully funded organisations and sponsorship pursuit could be viewed negatively by businesses
- ICAC concerns create apprehension about seeking sponsorship
- Gaming and Racing concerns are another hurdle
- Many councils do not have the tools or 'know how' to seek sponsorship and officers feel uneasy about seeking it.

Before you make the decision to pursue sponsorship, you must weigh up the amount of time and resources you will spend on attracting sponsorship with the amount of sponsorship income you hope to generate. For example, it is no use spending three days of your time on attracting \$500 worth of sponsorship.

You must also ensure that any sponsorship generated will not compromise council's commitment to the road safety program. I have experienced this first hand with a sponsor who donated a small monetary amount to a campaign. This sponsor was extremely demanding and insisted on extensive coverage throughout the campaign. I spent so much time trying to appease the sponsor that I was unable to focus entirely on the campaign. In hindsight, this particular sponsor did not add value to the campaign. The campaign would have run more smoothly without their input.

Overall however, my experience in using sponsorship to enhance road safety campaigns has been positive. Sponsorship is a great tool that road safety officers can use to their advantage.

### **The Lake Macquarie Example**

With over 11,000 businesses in the City of Lake Macquarie, there is obviously a large potential for business participation as sponsors in Council projects (although 90% of the businesses employ less than 10 people).

During the 2004/2005 financial year, Council attracted over \$250,000 in sponsorship from the business community. Road safety sponsorship accounted for more than \$33,000 (approximately 13%).

For Lake Macquarie City Council (LMCC), the pursuit of sponsorship is a cost effective use of officer time and resources and makes a significant contribution towards service provision. LMCC already has the resources and tools in place for officers to pursue sponsorship. These resources include a sponsorship policy and guidelines and an in-house graphic designer.

LMCC is committed to improving road safety and has a permanent position of Road Safety Officer in the Asset Management division. The desire to tackle issues identified as 'road safety concerns' but not qualifying for agency grant funding means that sponsorship is the usual solution.

In most cases, the pursuit of sponsorship from the business community is successful and projects can proceed. Currently we have more than ten active sponsors in the area of road safety and this number is growing.

Recently, we identified the safe use of scooters by seniors as an issue of local concern in Lake Macquarie. To promote the notion of safe use of motorised wheelchairs and to raise public awareness about this growing problem council held a 'Win a Motorised Wheelchair' competition for residents of Lake Macquarie and Newcastle City Council. This corresponded with the activities organised as part of 'Seniors Week' during March 2005.

Approaches to the local business community attracted a total of \$16,814 in sponsorship in the form of cash donations and in-kind products. This included the main prize in the competition of a new \$5000 motorised wheelchair. A very deserving participant with serious mobility needs subsequently won the wheelchair.

Without sponsorship, this type of event would not have been possible and the resulting media coverage from television, radio, and local press would not have eventuated.

The feedback from the main business involved and the other contributors indicated that they were very pleased with the outcome and the resulting publicity helped to promote their product in the community.

## **ATTRACTING SPONSORSHIP – MARKETING FROM APPROACH TO FEEDBACK**

Nearly every week I read in the papers about examples of businesses sponsoring or being asked to sponsor services that are the responsibility of state or local government.

Sponsorship is about what your sponsor needs, and they will sponsor whoever will provide them with the most cost-effective way to achieve their objectives. It is important that we look at sponsorship from the sponsor's viewpoint to enable us to win sponsorship.

Successful sponsorship acquisition takes more than just the ability to articulate an idea to a potential sponsor and explain how your proposal will benefit their organisation. You must be able to convey passion and commitment to the project that will convince a sponsor to 'get the cheque book out'

***“A mediocre idea that generates enthusiasm will go further than a great idea that inspires no one” (Mary Kay Ash – Founder of Mary Kay Cosmetics).***

Acquiring sponsorship is not about begging but about being a good salesperson. Most of what road safety officers do is about selling themes, concepts and creating initiatives that will solicit a desired reaction. Attracting sponsorship is the same but you are dealing with the corporate world that is more focussed on the monetary benefits.

So how should local councils approach the 'corporate dollar' successfully and avoid compromising their integrity along the way? Here are some pointers to adopt in this pursuit:

- Implement a 'Corporate Sponsorship Policy' that sets out guidelines for employees to follow. The guidelines will explain what council's Corporate Sponsorship Policy is and how to encourage sponsorship while protecting the communities' interest and values. Lake Macquarie's Sponsorship Policy can be viewed on [www.lakemac.com.au](http://www.lakemac.com.au)
- Develop a Marketing Plan or communication brief for your project or event.
- Identify the target markets or industries that are most likely to provide sponsorship.
- Create customised sponsorship proposals for each business that you intend to approach.
- Sell your ideas. It is essential to utilise someone with a persuasive flair and a confident approach who will present the benefits of sponsorship in a concise and attractive package. **David M Ogilvy (the most famous advertising man in the world) once said "Management cannot be expected to recognise a good idea unless it is presented to them by a good salesman".**
- Follow up with a phone call to ensure that the proposal was received and in the hands of the correct person, i.e. the decision maker.
- Send a 'thank you for considering' letter to those that reject the proposal. This will put your organisation in good stead for future approaches.
- Meet with the business that accepts your proposal to discuss objectives and complete a letter of agreement or legal contract depending on the complexity of the sponsorship.
- Maintain ongoing Sponsor relations. Meet regularly with the sponsor to provide updates on developments, opportunities, and trouble spots. Evaluate/quantify the success of the sponsorship. Final "thank you" letter and invite business to sponsor next year.

### **Legalities to consider**

Before you pursue sponsorship you need to be aware of issues relating to the Independent Commission Against Corruption (ICAC). Council must provide all businesses with the opportunity to participate in sponsorship. Therefore, it is a good idea to place an annual advertisement expressing interest from the business community to respond to various sponsorship opportunities.

The importance of understanding and applying the principles as set out in Council's Code of Conduct is crucial in safeguarding any officer pursuing corporate sponsorship on Council's behalf.

The Department of Gaming and Racing is a NSW Government Department that oversees the conduct of competitions involving the promotion of any business or trade. To avoid serious penalties you must ensure that any competition involving a game of chance (i.e. a draw that determines the winner) does not promote any business or trade (either overtly or

covertly). Otherwise, a licence to conduct the competition must be obtained from the Department.

Adopting a Sponsorship Policy and guidelines will ensure staff adhere to legalities when obtaining sponsorship.

### **MAKING FRIENDS WITH THE MEDIA – GENERATE PUBLICITY TO ENHANCE YOUR CAMPAIGN.**

Building a rapport with the local media is an important aspect of the road safety officer's work. Advertising is costly and if you can get free advertising for your campaign or project, you can save thousands of dollars.

The benefit of building a relationship with your local media can create a situation where you subsequently obtain further sponsorship without the need to compile formal sponsorship proposals. This approach can also work with other sponsors once the initial relationship has proved beneficial to the sponsor.

In Lake Macquarie, we have a great relationship with one of the free local papers. They provide a regular monthly column to publicise road safety issues of a local concern.

The newspaper also sponsors events such as child restraint checking days, GLS Parents' Workshops and safe cycling competitions. Through sponsorship, we receive free advertising and editorial coverage of these and other road safety issues.

Cultivating a relationship with the media will result in a rich harvest of free opportunities for road safety officers to promote road safety at the local level.

Attracting television coverage of events or campaigns is not easy. Often the most attractive media is not sufficient to entice the television cameras to report on your initiative.

The secret here is to adopt a novel approach that the television crews will find irresistible. In Lake Macquarie we recently attracted television stations to the launch of the speed campaign called 'Only Bunnies Hoon Around'. A staff member wore a rabbit costume as a publicity stunt. This approach worked perfectly and resulted in thousands of dollars worth of free airtime.

### **FUNDING – THE IMPORTANCE OF BUDGETING FOR ROAD SAFETY ACTIVITIES.**

I mentioned earlier, in the U.K road safety officers do not need to acquire sponsorship for the day-to-day program of activities such as cycle training, publicity campaigns, pre-driver and motorcycle training. Because of this, they can focus solely on providing the service, not seeking the finance. In the UK, council views road safety activities as part of the service they are committed to providing the community.

Road safety officers in NSW face different circumstances. Because of budget constraints a large amount of time is spent compiling funding submissions to government agencies and seeking sponsorship. Road safety officers would benefit substantially if local authorities made firmer budget commitments to road safety initiatives.

While sponsorship can add value to campaigns, it should only be considered as something that will boost an adequate budget provision for the service. Relying solely on sponsorship to fund road safety campaigns is a risk because the amount of sponsorship attracted from one year to the next can vary so much.

## **Conclusion – Is Corporate Sponsorship Good or Bad for Road Safety?**

The pursuit of corporate sponsorship is a matter for individual councils to carefully consider. However, due to budget constraints road safety officers are relying more and more on attracting sponsorship to add value to their campaigns.

If done correctly, sponsorship can do great things for road safety initiatives. Successful sponsorship can provide road safety officers with additional channels to communicate road safety issues in the community. It can also be invaluable in promoting community ownership and participation in road safety.

Road safety officers have a better chance of success with sponsorship if the proper support mechanisms and safeguards are in place. They also need to be confident, and knowledgeable in marketing techniques and present professional sponsorship proposals.

I hope this paper provides you with some helpful hints for undertaking the task of attracting sponsorship for your road safety programs.

### **CONTACT DETAILS**

Scott Pickering

Road Safety Officer

Lake Macquarie City Council

126-138 Main Road

Speers Point

NSW 2284

Australia

Ph (02) 4921 0577      Mob 0417 652 661

Fax (02) 4921 0351

Email [spickering@lakemac.nsw.gov.au](mailto:spickering@lakemac.nsw.gov.au)