

**partner
onpurpose**

Partnerships in an ever-changing world

Online Survey Findings Report

Introduction

Experts state that sponsorship strategies are to change due to the COVID-19 pandemic

Together with Loughborough University, Loughborough Sport and Loughborough College, Partner on Purpose created a survey to register insights from global sponsorship leaders on how the future of the industry may look.

The survey was carried out three weeks before the Russia-Ukraine war broke out.

Recent events only confirm the need for the industry to be responsive, flexible and adaptive.

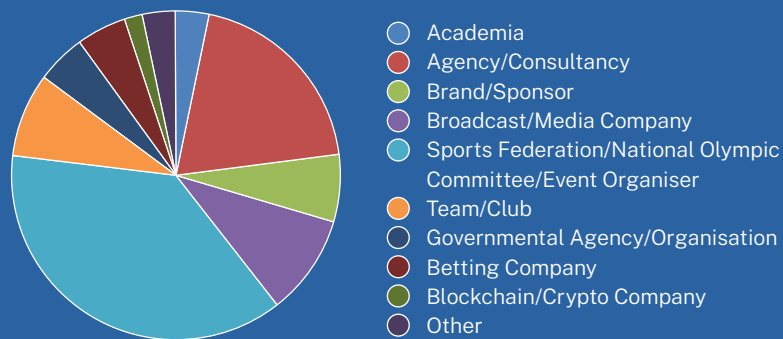
So how will B2B and B2C audiences view commercial partners associated with sport and entertainment? We do not know.

But the empirical evidence shows that partnerships are expected to be more **engaging**, more **community-centric** and more **focused on positive change**.

Partnerships must be purposeful

The Survey

Top international brands sponsorship leaders have defined the impact of the pandemic on the sponsorship industry



Background of respondents



Respondents were global sponsorship leaders across **five continents**

Over

49%

of respondents operate **globally** as part of their day-to-day business

Over

60%

of respondents hold **C-suite positions**, directorships or are owners of their company/brand

Over

75%

of respondents were **male**

55+

was the age of over a quarter of respondents

36

questions and sub-questions across **four sections**

COVID-19 Pandemic Impacts



Over

75%

believe that the pandemic has created **new opportunities** in the sports sponsorship ecosystem

The majority agree that the pandemic has caused them to consider alternative sports and events to engage with and ways in which to engage with them.

The impact of sponsorships was not always diminished by the pandemic, with new and existing opportunities present.

93% agreed:
The pandemic has had a profound impact on the sports sponsorship ecosystem

78% agreed:
The pandemic has made the commercial environment for brands and sponsors more challenging

95% agreed:
The pandemic has made the commercial environment for sports organisations, international federations and rights owners more challenging

83% agreed:
The pandemic has made partnerships between sponsors and sports organisations more challenging

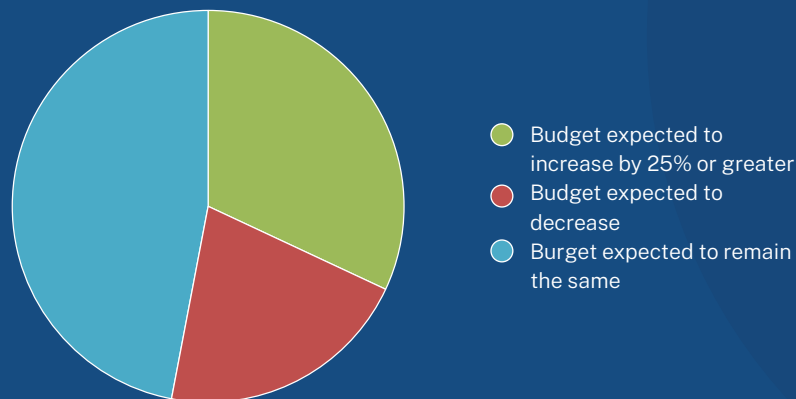
70% agreed:
The pandemic has changed the nature of partnerships between sponsors and sports organisations

Over

47%

of sponsorship budgets
remained the same
for 2021 compared
to 2020

For a third of respondents, the budget increased from year to year. A total of 20.8% had budgets decreased by as much as three-quarters in 2021 vs 2020.

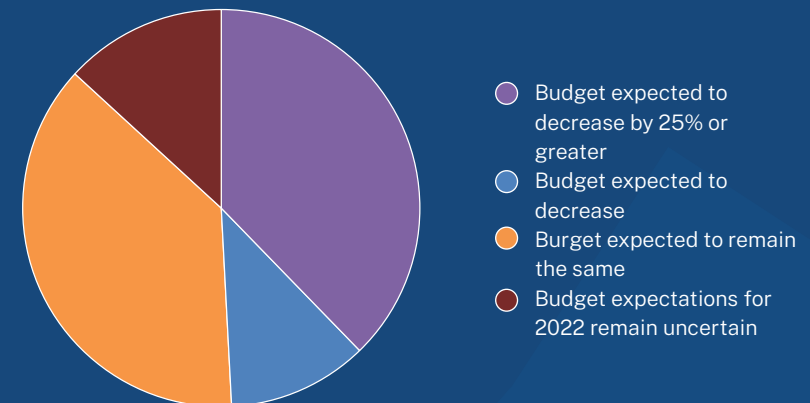


Almost

38%

reported an **increase**
of sponsorship
budgets in 2022
compared to 2021

Only 11.3% reported a decrease of up to a quarter. A total of 37.8% reported an increase, double in some cases.



3 reoccurring challenges faced throughout the COVID-19 pandemic

For brands and sponsors:



Uncertainty
in planning



Reaching consumers via traditional and new means



Managing the **ever-changing situation**: event cancellations, lack of attendance for live events and maintaining purpose throughout

4 reoccurring challenges for rights owners and sports organisations:



Uncertainty
as a major underlying challenge



Keeping **fans engaged**



Financial strain created by the lack of and/or postponement of live and marquee events



The need to be flexible: creating new assets and inventory to retain current sponsors and partners



Similar issues will arise as fallout from recent and ongoing events continues to transform the geopolitical landscape.

Over
64% have **changed** their sponsorship strategies

Almost
60% have explored **alternative sports** and events for future partnerships

Almost
29% are introducing or enhancing **social media** strategies

Over
40% are exploring **alternative nations** and territories for future partnerships



The current geopolitical events have caused a number of businesses and events to be pulled out from one of the largest markets for sports and sponsorships, which is bound to increase the need to explore alternative territories, drastically reshaping the industry and the trajectory it is heading in.

Purposeful partnerships and the importance of corporate social responsibility



Over

78%

see **CSR** as an **important** part of their partnership strategy

Almost

53%

believe that CSR has become more important **since the beginning of the pandemic**



The major world events of the past three years and even the past three weeks have demonstrated that organisations are expected to take a stance on global issues and act accordingly, affecting the criteria against which partnerships are being considered.

6.82
out of 10

was the rating of the relative importance placed on CSR in relation to their partnership strategy

On a scale of 1-10, respondents rated the importance placed on CSR in relation to their partnership strategy at an average of 6.82, indicating a moderate to high level of importance. A total of 80.4% believe that the level of importance will increase in the future. Not a single respondent believes it will lessen.



Diversity, the environment, governance, transparency and sustainability

These were the most commonly cited areas of CSR currently being focused on.

Over
16%

selected “Ethical-health and wellbeing” as one of their top three priorities

“Environmental-increasing reliance on renewable energy, sustainable resources and recycled or partially recycled materials” was the second most selected option (14.4%). Of all those surveyed, there was a wide-ranging difference in priorities when it comes to CSR.

Future outlook and evolving partnerships



96%

believe that partnerships between brands, athletes and sports organisations will become **more purposeful, innovative and fluid**

This will allow for adaptations and the ability to meet ever-changing needs in the future.



More collaborative and co-produced partnerships

Respondents believe that partnerships will:

- Have a greater level of access to athletes
- Be a new mean of engaging consumers
- Focus on social media, digital engagement and online innovations
- Believe that partnerships will be more CSR oriented and can have tangible impact

Conclusion

Changes in partnership landscape

The sponsorship industry is heavily affected by global events.

Changes in brand engagement

Consumers identify with brands that are empathetic, responsive and adaptable.

Changes in perception of values

Chosen partners are often viewed as an extension of values.

The sponsorship industry needs to **change much faster.**

