

Module 4. Sponsorship opportunities through sustainability

Unit 4.1 New opportunities for sponsorship through sustainability

Increasing environmental, social and economic concerns

Environmental, social and economic concerns are spreading in our world and are affecting the different layers of the society, including companies, sports organisations, athletes, and the public. Sustainability sponsorship is a recent response to these concerns, and is set to grow in the field of sport, particularly with Y and Z fans' generations highly committed to the environmental cause and social justice. Indeed, those generations are the most aware and responsive to initiatives taken (or not) by the brands, clubs, and athletes they follow. A 2020 survey from Deloitte highlights that those young generations are taking steps to positively contribute to societal issues such as climate change (The Deloitte Global Millennial Survey 2020, 2020). Almost half of millennials said they walk or cycle more often to reduce their carbon footprint, have stopped or limited their purchases of fast fashion, and educate themselves about the environmental aspects of the brands they consume. In addition, nearly two-thirds have taken steps to reduce their use of single-use plastic. It is therefore natural that this same population expects strong and responsible actions from the companies they are clients of and the clubs, athletes, and sports events they support.

Sponsorship and sustainable sponsorship defined

Sponsorship can be defined as "the relationship between a company seeking to market a brand and a property, in which the company pays a cash and/or in-kind fee to a property in exchange for access to the exploitable market potential associated with that property" (Bailey, 2009, para. 4).

A **property** in the field of sports can be a club, a team, an event, or an arena. Sponsors see value in the concept of sponsorship when a sport organisation or event possess properties that can be exploited by sponsors. These are called sponsorship assets and include, amongst others, the right holder's audience, advertising, signage, and VIP areas. Packaging these assets in the right way is key to maximising their value. More about sponsorship properties and assets can be found in unit 4.2 of this module.



The main reasons for companies to sponsor a sport organisation or event are the following:

1. gain visibility
2. Increase sales
3. Engage community
4. Association of image
5. Benefits from privileged advantages

For a company, becoming a sponsor is a means to associate itself with a sport, a team, or an event, and therefore access to a passionate audience to boost its image and sales. It is also a way to get involved in communities where it sells its products and services. In addition to gaining visibility, increasing sales, and engaging their community, sponsorship allows sponsors to associate their image with partners who are similar to them (in terms of values and practices, for instance). These associations allow sponsors to reinforce a message they want to convey to their consumers. In addition, sponsors receive privileged benefits such as ticket access and hospitality.

In sports, **sustainable sponsorship** is a recent concept that can be defined as the sponsorship of a club, team, event, or arena, in which both parties are responsible for a long-term positive impact on society or the environment (Changing Times: The Case for Sustainable Sponsorship, 2016). Sustainable sponsorship is credible if used as a means to communicate long-term engagement to environmental and social sustainability.

Sport and sustainable sponsorship: the new norm

The sports sponsorship market is going through a period of significant change. As reported in the European Sponsorship Association's 2020 market overview (European Sponsorship Association's Sponsorship Sentiment Tracker reveals confidence, 2020), "purpose-driven partnerships" is one of the key trends. In addition to, and sometimes instead of, the regular purposes of brand recognition and visibility, brands are seeking to work with entities to create a lasting impact through their partnerships. For sports organisations, joining forces with their partners on sustainable projects is a means of strengthening their business relationships and securing longer-term funding.

This is the case, for example, of UEFA in 2020, which revealed the extension of its partnership with PepsiCo for another three years being sponsor of the Champions League. The main priorities of the partnership included a commitment and joint work towards the development of sustainable events, as well as the reduction and recycling of plastic. The same year, PepsiCo announced its commitment to eliminate all virgin plastic from its



Pepsi brand beverage bottles, sold in nine European Union markets by 2022. This strategic partnership with UEFA enabled PepsiCo to communicate its engagement to a large audience of fans.

Sustainable sponsorship was amplified by the COP26 in Glasgow, which acted as a key driver for the enforcement of sustainable practices with a strong mobilisation of the sport sector in the field. The summit highlighted sustainability in sport and sports sponsorship in a unique light, underlying how sports events and entities can shed light on climate change (Poole, 2021).

Representatives from the United Nations, the International Olympic Committee and the Paris 2024 Organising Committee for the Olympic and Paralympic Games were among those who spoke at the climate change summit to stress the power of sport to mitigate climate change.

The aims are dual:

- 1) bring the sport sector into collaborative action for a climate-neutral world.
- 2) Use its massive reach to educate, inspire, and raise awareness for global climate action.

Nicolas Svenningsen (Head of the UNFCCC's Global Climate Action Team) said the following to delegates:

Sport has a big climate footprint (...). Not everyone might have a favourite politician, but everyone has a favourite athlete or club (...). We want to promote sustainable consumption and advocate more climate action towards athletes, fans, suppliers and everyone else. (Avison, 2021, para. 4).

The reason behind sustainable sponsorship

The three factors that drive and shape sustainability in sport sponsorship are the following:

1. fans and consumers
2. Firms
3. Sports organisations



Fans and consumers

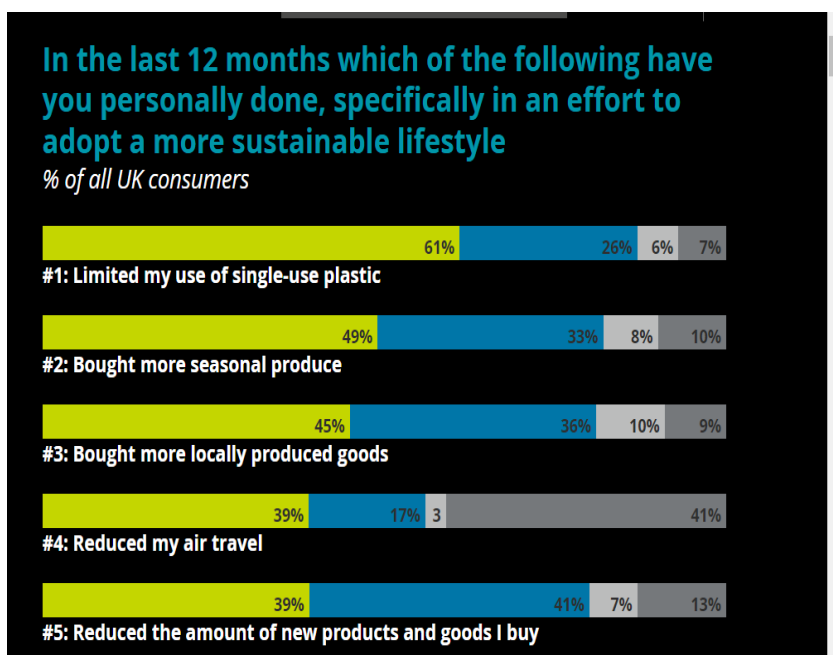
A number of recent studies highlight the growing public interest in sustainability issues and also the changing consumption patterns. This is the case, for example, of a Deloitte's study, published in 2022. It highlights that 32 % of consumers surveyed are strongly committed to adopting a more sustainable lifestyle (Shifting sands: Are consumers still embracing sustainability?, 2021).

Focusing on sports fans, and particularly on young people, a study of the market research institute, Global Web Index, highlights that 69 % of the ones aged 16-24 support environmental change and expect more from brands, teams, and athletes to support the community, improve inequalities, and act sustainably (Dixon, 2021).

Other figures:

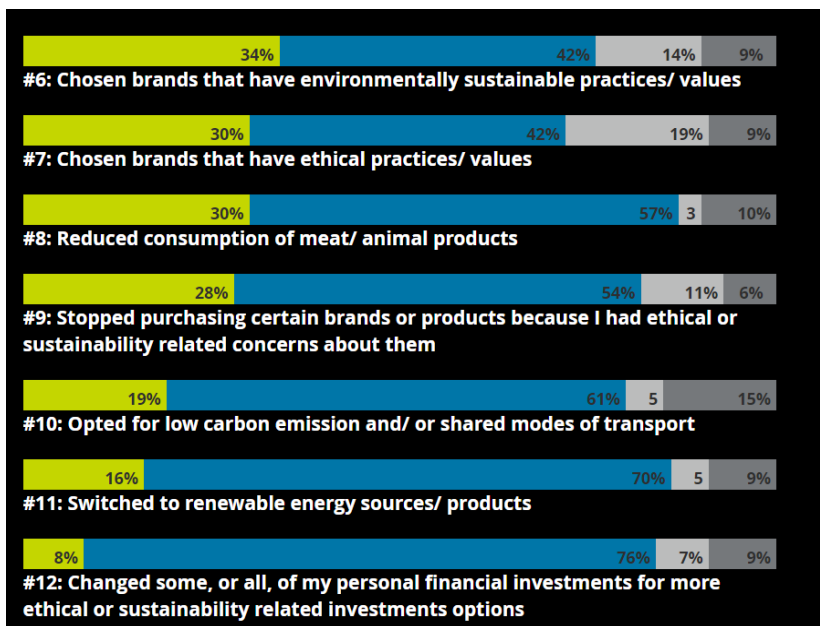
- 75 % of sports fans have an accrued interest in socially responsible brands, compared to before Covid-19 (Cadel, 2021).
- 68 % of consumers are more inclined to trust companies they perceive as environmentally friendly (Cadel, 2021).
- 59 % are ready to spend more on products or services they consider to be eco-friendly (Cadel, 2021).

Figure 1. Deloitte's study in figures:



Source: Deloitte, 2021, <https://bit.ly/3OmREPN>.

Figure 2. Deloitte's study in figures



Source: Deloitte, 2021, <https://bit.ly/30mREPN>.

Figure 3. Deloitte's study in figures



Source: Deloitte, 2021, <https://bit.ly/30mREPN>.



Figure 4. Burnley manager Sean Dyche and his backroom staff took a knee prior to kick-off against Man City



Source: Sky Sports, 2020, <https://bit.ly/3MCA7kY>.

Figure 5. Watford captain Troy Deeney (L) is one of several players who helped organised support for Black Lives Matter alongside the Premier League



Source: Gray, 2020, <https://bit.ly/3zJGctt>.

Figure 6. Lewis Hamilton wears a T-shirt for Breonna Taylor



Source: *Challenges*, 2020, <https://bit.ly/39jXgLB>.

In figure 6, Lewis Hamilton wears a T-shirt for Breonna Taylor, a black woman killed by police in her flat in March in the United States, on the podium of the Tuscany GP in Scarperia e San Piero on September 13, 2020.

Figure 7. F1 - Grand Prix Sebastian Vettel REUTERS/Florion Goga



Source: Gagné, 2021, <https://bit.ly/3aGdEGz>.

The first steps towards sustainable sponsorship

How can a sport organisation or event start to grow the monetary value and number of sustainable sponsors?

Hereafter are some key questions to ask:

1. **what kind of sustainable or purpose-driven sponsorships can we offer?** This should be linked with the nature of your activities.
2. **Who will join forces to support the issue we tackle?** Is it about alleviation of poverty, waste reduction, promotion of education, etc.? And who are companies who care about these causes?
3. **What is the history of the company with regards to sustainability (within and outside sport)?** Before entering into a partnership, it is essential to research and understand the sponsor's track record and values.
4. **How to measure the sponsor ROI?** It is key to be able to measure the return on investment of the sponsor.
5. In the case of an event, **are the practices of the event in line with the values of the sponsor?** It is important that the on-site practices reflect and reinforce the sponsor's values and sustainability messages.

Unit 4.2 The assets of your sustainability programme

Assets and sustainability

Asset management is a very substantial topic which is high on the agenda of corporations, in order to maximise revenue, minimise risks, and optimise their operations. This unit will not discuss the details of asset management in detail, but make the link to sport and the assets sports organisations and events have available and, in particular, the link with their sustainability programme. Asset management is a less common phenomenon in sport, but that does not mean that sports organisations do not need to identify, manage, and optimise their assets in order to be successful as an event or organisation.

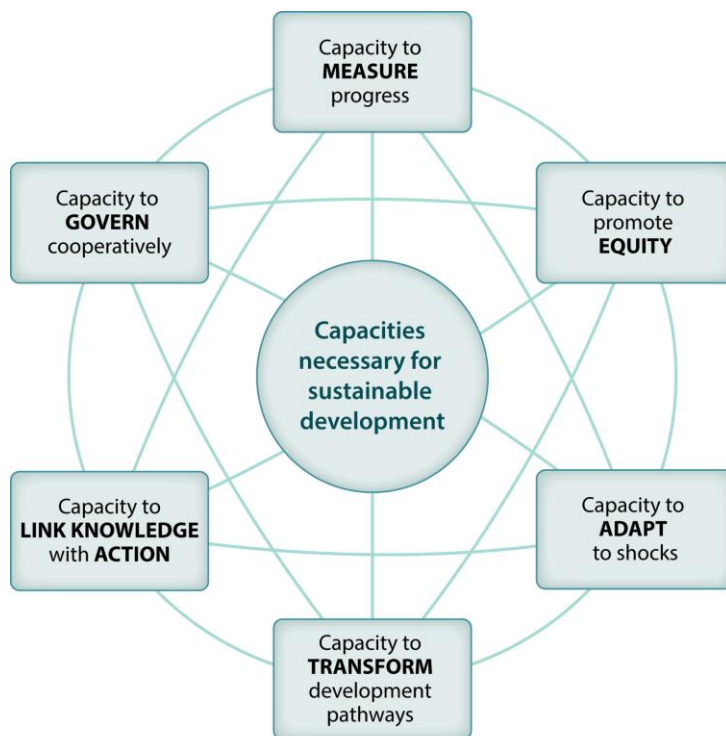
Assets give organisations the capacity to perform and manage risks, but also to differentiate from other (sports) organisations. Clark and Harley (2020) identified six different (interconnected) capacities that are needed for the sustainable development of an organisation:

- measure progress.
- Promote equity.
- Adapt to shocks and surprises.
- Transform sustainable development pathways.
- Link knowledge with action.
- Govern collaboratively.

This unit will help understand the different assets a sports organisation or event has available to advance on their sustainable development.



Figure 8. Capacities needed for sustainable development



Source: Clark & Harley, 2020, <https://bit.ly/3xIA8UW>.

Assets: the capital of your sustainability programme

According to the Cambridge Dictionary (Cambridge University Press, n.d.), an asset can mean a variety of things:

- a useful or valuable quality, skill, or person.
- Something having value, such as a possession or property, that is owned by a person, business or organisation (and can be used for the payment of something).
- Any positive feature that gives you an advantage.

This unit will take a liberal approach to the definition of an asset in the context of their sustainability programme, as the objective is to understand the useful or valuable elements that sport organisations have at their disposal when developing a sustainability programme. The terms property and assets are sometimes used interchangeably, but often mean the same. For the purpose of clarity of this module, we will simply use the word 'asset' in this unit.

Assets determine the capital of your organisation to be in business, such as their building or stadium, employees or volunteers, and goods or services they provide. More importantly, an organisation will be able to excel in its business or sustainability

programme by using these assets in a differentiating or innovative manner. A stadium, as a tangible asset, can be used to host a sport event and seat spectators. However, by having spectator seats made out of sugar cane (Morley, 2012), instead of conventional plastic, a stadium becomes an asset that will attract new partners or investors while it still fulfils its core function of seating spectators.

All sports events and organisations possess in more or lesser extent natural (or tangible) assets, human or social assets and financial assets.

Examples of tangible or natural assets are the mountains, a football stadium, sport fields, waterways, and, for some organisations, public spaces (e.g., a skateboarding park). Human assets refer, for example, to the athletes/players, coaches, and fans. Finally, monetary assets provide financial capital to the event or organisation through, for example, match day tickets, merchandising, and other revenue generating activities.

Figure 9. Types of assets



Source: Own elaboration.

The next paragraph will discuss some examples of sport events or organisations that actively use their assets to build their capital in sustainability.

Note: depending on the legal status of a sports organisation, the value of certain assets needs to be included in their financial reports. As indicated before, this unit is about sustainability and not financial management, which is why the valuation of assets will be considered from the perspective of supporting sustainability in and through sport, and not from a legal or financial point-of-view.

Natural or tangible assets

Probably the most obvious tangible asset of a sports organisation is their venue, stadium or any infrastructure they use. There is a difference, also from an accounting point-of-view, whether an organisation owns or leases infrastructure, but, in either case, it should be considered as an important asset for sustainability.

Opportunities

Firstly, the infrastructure itself will have a significant impact on the ecological footprint of an organisation. The use of renewable energy (e.g., solar panels), water savings (e.g., dry toilets), and location (access to public transport) are some examples. A best-in-class venue is probably the Climate Pledge Arena in Seattle, opened in December 2018, and host to the NHL Seattle Kraken team. The arena has set themselves a goal to be the most “progressive, responsible and sustainable arena in the world” (Countdown to Zero, n.d.) focussing on the following:

- zero carbon
- Zero single-use plastic
- Water conservation
- Zero waste

The Johan Cruijff Arena, home to football club Ajax Amsterdam, uses the venue infrastructure and the 4'200 solar panels on the roof of the stadium to drive sustainable innovation and create revenue opportunities through sustainability. English Premier League club Arsenal similarly has installed a battery storage system in 2018, which provides renewable energy to the stadium, as well as revenue for FC Arsenal as the surplus of electricity is sold off.

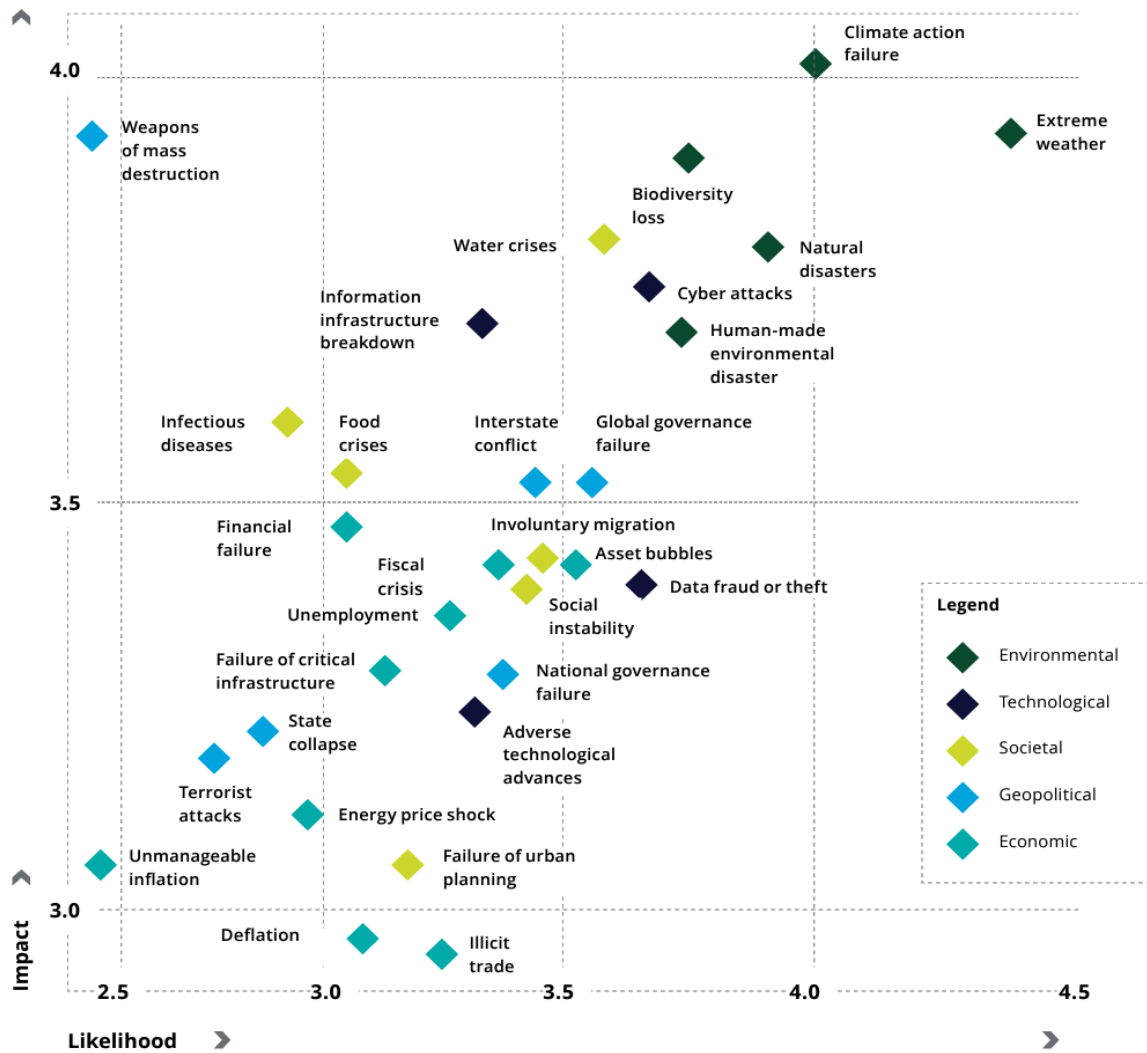
Secondly, a sport's infrastructure can be used to support social development goals such as the inclusion of minority groups, for example, the World Archery Excellence Centre in Lausanne, which is used for several programmes with refugees based in Switzerland (Next Olympian chosen to lead, 2021).

Risks

The Global Risk Landscape 2020, published by The World Economic Forum, gives an overview of the economic, environmental, technological, societal, and geopolitical risks that society is facing (The Global Risks Report 2020, 2020). It prioritises risks on two dimensions: (1) the likelihood, and (2) the impact of the risk. For the first time ever, the top-5 global risks included only environmental risks, such as extreme weather and climate change.



Figure 10. World Economic Forum's 2020 global risks landscape



Source: World Economic Forum, 2020, p. 2.

These environmental risks directly influence the stadiums of many football clubs in Europe, including FC Chelsea. Chelsea Football Club announced the building of a new football stadium, but put these plans on-hold for financial reasons. However, research suggests that, due to climate change, the Chelsea stadium will face annual flooding by 2050 (Goldblatt, 2020). Besides FC Chelsea, more than 20 other top-tier English football teams are facing this major risk to one of their core assets. Chelsea as a club will not be able to bring a halt to climate change, but football has the opportunity to influence a global audience of fans, companies, and cities to joint efforts in mitigating this risk.

Financial assets

Contractual rights, trademarks such as FC Barcelona or Manchester United are very valuable financial assets in sport. Contracts with sponsors, broadcasters, and players can



be very strong drivers of change, not only by providing the necessary finances, but also as force for change.

Opportunity

An example from the early 2000s is from FC Barcelona, who had never had a shirt sponsor in the more than 100 years the club existed. To emphasise their support to work that is being done to underprivileged children, it signed an agreement in 2006 with UNICEF as their “shirt sponsor”. In addition to wearing the brand without receiving financial compensation, FC Barcelona committed to financially support UNICEF programmes.

Risk

Assets of sports organisations can both have a positive as well as a negative impact on their sustainability endeavours. It is essential to have a holistic and interdepartmental approach to sustainability, to avoid that something positive turns into negative or that one department “suffers” from a positive action of another department.

A large sport event signed a sponsorship agreement with a company providing hygiene products. The contract included an exclusivity clause and guaranteed the use of the sponsor’s product by all athletes, volunteers, and officials that stayed in the hotels within the host city. Unfortunately, it was discovered shortly before the event that this contract clause was not respected by the hotels which led to a last-minute replacement of all hygiene products in the hotels, resulting in (1) costs for the organiser, (2) emissions for transport, (3) several thousands of wasted shampoo and toothpaste, and (4) damage in the relationship with the sponsor.

The above-mentioned example highlights the importance of alignment within organisations even when an initiative, such as a sponsorship contract, does not seem to be directly connected to sustainability.

Human assets

It is often said that people are the most important assets in an organisation. This statement also holds value within sports events and organisations. Athletes, fans, and staff or volunteers are the key driving forces behind a successful event, but also behind a sustainable organisation.

Opportunities

Morten Thorsby, midfielder of Serie A football club Sampdoria and the Norwegian team is an outspoken ambassador for climate action and supported his former club (Heerenveen, the Netherlands) in securing new or better sponsorship agreements with providers of solutions for renewable energy in the stadium. Using his status as a player, he is able to



open doors that would otherwise have remained closed. In [the following webinar](#) from Sport and Sustainability International, Morten discusses this in more detail:

Source: **SandSI—Sport and Sustainability International**. (2020, May 26). Football4Climate - Fan Club [video]. YouTube. <https://www.youtube.com/watch?v=FrGG02yg8Dg&t=764s>.

Juventus' women football star Barbara Bonansea underlined the potential of sport stars and social media in sustainability when sharing an [Instagram post from Football4Climate](#) on her personal Instagram channel. The post was “liked” by a very modest 0.5 % of her 600'000 Instagram followers, still resulting in a reach that went much beyond Football4Climate had ever had before.

Common Goal, a programme of the NGO streetfootballworld, was created by Manchester United midfielder Juan Mata, in August 2017, inviting professional football players to donate 1 % of their salary to organisations that work towards achieving the United Nations' Sustainable Development Goals (SDGs). Several hundred players have committed to donating 1 % of their salary, as well as several of the world's highly paid coaches. For example, Liverpool coach Jurgen Klopp joined in 2019, pledging a donation of approximately GBP 100'000 per year (1 % of his salary). The initiative of Juan Mata is one of many actions taken by players. Global Citizen, an action platform to end global poverty, reported in 2019 on a full squad (11 players) who use their influence and wealth to advance on the UN Sustainable Development Goals (Hitchings-Hales, 2019).

Risks

The fact that players are (one of) the most powerful asset of a sports organisation in their sustainability programme also comes with risks. Reuters reported, for example, that the flights of the world's top 20 football players (nominated for the Ballon d'Or) equalled 505 tonnes of carbon dioxide (CO₂) emissions in 2019 (World's top 20 players caused 505 tonnes of CO₂ emissions: study, 2019). Shortly after Paris St-Germain publicly pledged to reduce its emissions, by signing the UNFCCC Sports for Climate Action framework, the men's team travelled by private jet to a match instead of taking the bus for two hours. These examples damage club assets being used in the organisations' sustainability efforts.

A rather different example is when personal values of players are going against the strategy of an organisation or sports club. Cristiano Ronaldo, for example, publicly attacked the commercial relationship between UEFA and Coca-Cola by pushing Coca-Cola bottles aside during a press conference and telling people to drink water instead.



Figure 11. Ronaldo pushing bottles of Coca-Cola away and telling people to drink water



Source: [online image of Ronaldo pushing bottles of Coca-Cola away and telling people to drink water], (n.d.), <https://bit.ly/3MF9kEW>.

New commercial opportunities through sustainability

In most situations, we consider the use of traditional assets in support of an organisation's sustainability programme. However, sustainability can provide entirely new (commercial) opportunities to an organisation. Exclusive partnerships are valuable assets for sponsorship with titles such as 'Official Water Provider' (Ocean Race, sailing), 'Official Shower Partner' (golf) or 'Official Battery Technology Partner' (Tottenham Hotspur, football).

Chemical company BASF signed an agreement with the Seattle Mariners, a Major League Baseball team, as their 'Snack Packaging Partner'. The amounts of the agreement are not disclosed, but, besides a financial compensation, the partnership also enabled cost savings in waste management for the Seattle Mariners as well as the sharing of costs on a fan engagement programme (jointly developed with BASF on the topic of sustainability). A recent example at a global scale is the sponsorship agreement between the International Olympic Committee and Airbnb, built around sustainable travel.

To deepen commercial relations with sponsors, the UN Sustainable Development Goals have become a "secret language", according to the Sustainability Report (McManamon, 2019). Being able to communicate in this language with existing and potential partners will enable sports organisations to develop and exploit assets to fund their sustainability programmes, and beyond.

Unit 4.3 Engaging with funding partners on sustainability

The previous unit has outlined different types of assets that sport events and organisations have to advance on their sustainability endeavours. An important question for many organisations is “how to use our assets to generate sufficient funding for sustainability?”.

The International Academy of Sports Science and Technology (AISTS, 2017) surveyed the 37 IOC recognised International Sports federations. IOC Recognised International Sports Federations are the world governing bodies of the sports that meet a defined level of professionalism and size, but are not (yet) included in the Olympic Games.

Almost 8 out of 10 of these world governing bodies in sport reported “lack of resources” as their main challenge to implement sustainability initiatives.

Sports organisations and events increasingly seek to develop new resourcing streams through sustainability. This unit will discuss different ways to engage with existing and new funding partners **in** or **through** sustainability, with the aim to grow the available (financial and human) resources of a sport organisation for sustainability programmes.

Different funding partners

Organisations and events—not only in sport—traditionally assess the current organisational liquidities when making decisions to spend time or money on sustainability. Is there some budget available? Can we afford to hire an extra staff member as a dedicated resource on sustainability? Good financial stewardship is usually considered as a pillar of sustainability and, unfortunately, financial decisions in sport are not always financially justifiable. Therefore, an organisation should make a business case (see module 1 of this course) before deciding how much to invest in sustainability.

Side-note: one can debate if money paid on sustainability should be considered as an expense or investment. Expenses are costs to maintain the daily business, while investments are seen as costs made to grow or develop a sport or organisation. The costs of a ski event to reduce its environmental impact are not needed to organise this year’s event, hence they are not an operational expense, but rather an investment in the future of skiing and the affordability of the sport to the public.

To reduce the pressure on internal resources or increase the available budget, an organisation should actively seek to secure funding partners for a sustainability programme. What are entities in the ecosystem of every sport event or organisation that potentially become a funding partner for sustainability?



- Sponsors
 - Understanding the sustainability strategy of existing sponsors may highlight common values or strategic priorities which jointly can be developed (i.e., sharing of costs).
 - An existing or new sponsor can be offered exclusivity as the organisation's sustainability sponsor.
- Private foundations
 - Private foundations (e.g., from high net-worth families or individuals) provide grants or other kinds of financial support to support work on certain social or environmental issues. Shared values and priority areas (i.e., UN SDGs) offer funding opportunities to sports organisations.
- Institutional donors
 - Institutional donors, such as the Erasmus+ programme from the European Union, are administratively heavy but offer considerable financial support to programmes related to sport and the UN SDGs.
- Governments
 - Local, regional and national governments are increasingly investing in physical activity, health and climate action.
- Industry partners
 - Industry partners, such as suppliers of materials for boat building (water sport) or temporary stadium infrastructure, should be involved in the discussion about financing sustainable materials, amongst other topics.

The list above is not exhaustive, as an organisation could also consider fans who pay a small amount for reusable cups, but the objective is to emphasise the diversity of funding opportunities for organisations beyond their own internal budgets.

For several of the above-mentioned entities, value-in-kind support can lead to a significant reduction of costs for the organisation. Donated products, expertise or other services, (social) media presence, etc., can significantly help to advance an organisation on its sustainability journey.



How to engage with funders?

Understanding potential funders and engaging with them is key to the success of an organisation's sustainability programme. To develop healthy and relevant relationships with the right partners requires some 'thinking before doing'. Following a three-step approach will support organisations in this process:

1. **Identify** (groups of) potential funders.
2. **Prioritise** which funders are most important and accessible.
3. **Engage** with potential funders about a potential collaboration.

Once a financial relationship is established, the real work starts. Meeting mutual expectations, overcoming challenges, offering value-for-money, etc., are challenges in every partnership. A Swiss sport organisation (name remains confidential) had secured 3-year funding for the development of their sustainability programme through contracts with renowned funders. Unfortunately, the departure of the sustainability champion led to a lack of follow-up on most activities, including the invoicing of the funding partners for their agreed financial contribution.

1. Identify

According to the Merriam-Webster dictionary, a stakeholder is a person or organisation that

- a) has a stake in the organisation, or
- b) is involved in or affected by a course of action.

A 'stake' can be something related to a financial gain or loss or a prize in a competition, and even an interest in the undertaking of an organisation. This means that virtually anyone who can affect, be affected by, or perceive themselves to be affected by an organisation's activities or decisions, should be considered as a stakeholder. For a football club, stakeholders include suppliers, fans, local communities, shareholders, governing bodies, media, leagues, players, etc.

Identifying stakeholders should be done as widely and extensively as possible, ignoring the questions of if or how a stakeholder is or could be involved in funding the organisation's sustainability programme. This will be the next step of the exercise.

List all the stakeholders and group them in categories that make sense to your organisation or event. Below, an example of a simplified stakeholder mapping of an offshore sailing team.



Figure 12. Stakeholder map 11th Hour Racing Team (offshore sailing)



Source: 11th Hour Racing Team, The Tool Box, <https://sustainabilitytoolbox.com/engage-stakeholders/>

2. Prioritise

Stakeholders have a different level of influence and provide different levels of funding opportunities to your organisation. As a second step, an organisation should differentiate between high-priority and low-priority stakeholders. This can be a sensitive exercise as some stakeholders consider themselves as very important (e.g., because of their history with the club), while in reality their potential to contribute to fund an organisation's sustainability programme is very limited. This exercise should, therefore, always be conducted in an internal and confidential context, and objective criteria should be used to determine the level of priority of a stakeholder. Criteria should be agreed upon beforehand, including a potential weight factor.

An example could be to create an Excel sheet with a listing of all stakeholders (ideally grouped in categories) and the following information per stakeholder:

- Type of funding (financial, value-in-kind, referral—to other funders—).
- Significance of funding: differentiate between a one-off small donation or a multi-year significant sponsorship contract (e.g., on a scale of 1 to 5).
- Alignment of (sustainability) values: how well are the values and/or interests of the stakeholder aligned with the organisation's values (rank on a similar scale as used above).

- Level of contact: are there any C-level contacts with this organisation or not (rank on a similar scale as used above).

By multiplying the different criteria, one will obtain a priority score of the stakeholders. The stakeholders with the highest scores should be given priority.

3. Engage

Once a selected list of potential funding partners has been created, an organisation should engage with each of them in an appropriate manner. Engaging football players will be entirely different from engaging a private foundation or an institutional donor.

Engaging can mean a direct request for funding (e.g., with an institutional donor), but could also be preceded by time of relationship building. The international rowing federation (FISA) already had a contractual relationship with one of its sponsors, the car company BMW. However, they reached out to them to discuss the potential of jointly organising a ‘sustainability seminar’ for corporate executives. The training seminar was combined with an initiation course to rowing, supported by elite rowing athletes with a rowing competition at the end of the 3-day seminar. Participants from companies that participated received a discount on the purchase of a BMW, which interestingly led to the sales of 146 new BMW cars in the country that hosted the sustainability seminar. In return, BMW became a premium financial supporter for the sustainability programme of the rowing federation.

When engaging with potential funders, an organisation should have a clearly defined sustainability programme with concrete activities and communicable targets. Furthermore, the timeline for decision-making by potential funders should be taken into account. Institutional donors can easily take 6 months for the evaluation of a funding proposal and many companies prepare next year’s budget 2 - 4 months before the end of the current financial year.

Opportunities for partnering through the UN SDGs

As already referred to in the previous unit, the United Nations Sustainable Development Goals (UN SDGs) are a frequently spoken “language” in sustainability. Many (if not most) of the large multinationals use the SDGs in many forms of communication, from annual reports to internal employee engagement. To enrol in meaningful communication with partners or sponsors on sustainability, it is important for a sports organisation to speak this language too.

Football clubs such as German VfL Wolfsburg related their sustainability activities to certain of the 17 SDGs (Sustainability Report of VfL Wolfsburg 2020, 2020), which allows them to discuss with one of their main partners (Volkswagen Group) to engage in a conversation on their joint objective related to the goal 13 of the SDGs (Climate Action).



Many companies (or other organisations) prioritise some of the UN SDGs (instead of all) that are best aligned with their values. The best opportunities for sport organisation are in aligning on matching priorities (i.e., UN SDGs). An extensive selection of good practices from football clubs can be found on the website of [Responsiball](#), annual ranking on the environmental, social and governance (ESG) performance of football clubs.

The vast majority of the top 20 global sponsorship brands have made an active shift towards values-based advertisement messaging and sponsorship deals over the past five years (The Changing Value of Sponsorship, 2021).

Figure 13. Revenue growth over the next three to five years

11%



REVENUE GROWTH OVER THE NEXT THREE TO FIVE YEARS FOR RIGHTS HOLDERS WITH A SUSTAINABILITY AGENDA

Brands are increasingly seeking rights holders that can provide them with a platform to promote their own values, such as sustainability.

Source: **The Changing Value of Sponsorship, 2021**

Sport is an incredibly powerful platform to communicate sustainability messages. A sport organisation or event should use this platform to align and finance their organisational sustainability programme and develop value-based relationships with sponsors and other partners.

Unit 4.4 Case study of The Ocean Race: racing with purpose

Introduction

This unit will help you understand the sustainable path of a well-established sports organisation within the sailing world that has been particularly successful in implementing sustainability at the very heart of its activities, and leveraging it for the betterment of the sport, of the planet and also to grow the sponsorship revenue of its event: The Ocean Race.

The Ocean Race is often described as "the world's longest and toughest professional sporting event, the toughest team challenge in sailing and one of the sport's three major sailing events, along with the Olympic Games and the America's Cup" (What is The Ocean Race, n.d.). It also positioned itself as a sustainability leader in global sport with the deployment of its innovative sustainability program, which led to new partnership opportunities and increased public awareness.

In the next paragraphs, we will analyse their positioning, and draw the links between sustainability, sport and business. Anne-Cécile Turner, a visionary woman in the field of sport, sustainability and sponsorship, and Sustainability Director of The Ocean Race since 2016 will share some insights.

Context and ecosystem of The Ocean Race

The Ocean Race is a famous worldwide sailing race, held every three to four years since 1973. Originally named the Whitbread Round the World Race after its first sponsor Whitbread (a brewing company), it became the Volvo Ocean Race in 2001 (named after its new sponsor) and finally renamed in 2019 as The Ocean Race.

The race departs from Europe in October, and includes a 6-month itinerary of 9 global stopovers. In 2017-18, for example, it started in Alicante (Spain) and ended in The Hague (Netherlands). The race's stops included Lisbon, Cape Town, Melbourne, Guangzhou, Hong Kong, Auckland, Itajaí, Newport, Cardiff, and Gothenburg.

The team size participating in the race varies between 7 and 10 people. They can race day and night for more than 20 days in a row on some legs. One of the crew members is an "on board reporter", responsible for sending pictures and videos to the race headquarters.

The race is a mega event with hundreds of staff, millions of visitors and a large TV audience. The ecosystem includes, among other, host cities, partners, and teams of sailors. They are key stakeholders who not only support the event, but also have the



power to lead and influence change and actively participate in the promotion of the organisation's mission: "Racing with Purpose".

- **Teams and sailors:** the teams are "committed to racing as sustainably as possible in their logistics, operations and hospitality programmes" (Racing with Purpose, n.d., para. 19).
- **Host cities:** "stopover partners employ the highest standards of sustainable sports events excellence in co-producing each stopover with us" (Racing with Purpose, n.d., para. 21).
- **Partners:** the 'Partnership with Purpose' programme "enables every partner to bring a purpose-led programme to the Race, and to use it to inspire their customers, staff and stakeholders to join the race for the ocean" (Racing with Purpose, n.d., para. 23). In 2017-2018, the premier partners included Volvo and the 11th Hour Racing Team.

Link between purpose, sport and business

The Ocean Race purpose is to "uniting and motivating people to achieve the extraordinary and driving change towards a healthier, sustainable planet" (Sustainability Report 2021, 2021, p. 16).

The Ocean Race is a tremendous challenge for the world's best sailing teams, but it is also a powerful business and media platform with huge return on investment for event partners, the host cities, and team sponsors. In recent years, it has particularly raised the interest of the international community and media, being the first purpose-driven sport event. Indeed, it has shifted its focus from sport and business in order to integrate purpose in its mission. This recent evolution is translated by concrete actions dedicated, not only to reduce its greenhouse gas emissions and impacts as an event, but also to improve the marine environment. Indeed, the boats now collect ocean data during the race that is then made available to the scientific community. This initiative provides information that contributes to the scientific understanding of ocean health and the effects of climate change. It is one of the best examples of a sport organiser that has succeeded in putting sport at the heart of its event, with a sincere integrative mission used as a compass to build collaborations and drive positive impact. The purpose-driven mission at the core of the organisation's strategy has enabled to grow the event, to gain higher visibility on the race and on the sponsors, as well as to raise awareness and educate the stakeholders on pressing issues. It is the result of a deep self-analysis made to understand the DNA of the organisation, the impacts it can have, the solutions, and how to engage internal and external stakeholders in solving the issues.



The success story of The Ocean Race proves that an event can be sustainable, inspire others, and give back to the communities involved while reaching millions of people.

Interview with The Ocean Race Sustainability Director

Anne-Cécile Turner is leading the sustainability department of The Ocean Race, and she is among the initiators of the race sustainability positioning. She is well-known for her successful approach of integrating sustainability in sponsorship, which enabled the creation of strong links between sport, business and purpose within the organisation and secure long-term partnerships. For the purposes of the present course, she agreed to give us some insights of The Ocean Race's success story and tips for concrete applications and decision-making that we hope you will remember.

Question 1. What are the strengths of The Ocean Race sustainability program?

I see five strengths that make our program unique and attractive for sponsors:

1) we have created a powerful impact platform around the topic of ocean preservation. It is the race's global platform.

2) This platform goes with an international awareness campaign on the ocean that we have also created.

3) Another strength is the educational program that we have developed to foster youth engagement through educational programs for primary and secondary school children as well as for adults. It is translated into seven languages and has been taught to +200,000 people already.

4) We have also developed the concept of racing boats that collect ocean data. It is an innovative practice that I am very proud about. Then, making those data available to the scientific community for free greatly contributes to the researchers' understanding of ocean health and the effects of climate change.

5) Last but not least, with this sustainability program we aim to create a legacy in the field of sport. For instance, we have developed several sustainability guides, which are practical tools dedicated to support the host cities and promote sustainable excellence in event organisation. We also offer host cities training on sustainable event management. For the industry itself, we organise innovation workshops to boost progress on international events branding. Another example is the development of sustainable building innovation workshops to accelerate the integration of sustainability within the industry. On another note, the race is an exceptional opportunity to involve the political world. We leverage our actions on them as well. Next to the up-coming general assemblies of the United Nations, we intend to present the draft principles of a Universal Declaration of Ocean Rights. This universal declaration is created based on 12 virtual and



physical conferences with political decision makers, the business world, institutions, NGOs, and scientific experts. This work is particularly important for me as it aims to accelerate change through the engagement of policymakers.

Question 2. What has made The Ocean Race successful in developing its sponsorship program?

The platform that the race represents is a wonderful opportunity to develop purpose-driven sponsorship programs, and the top management has understood the soundboard of such a kind of event. There are the race villages which reach more than 2M people and the great media exposure. With our sustainability approach, we have managed to secure new lines of funding including classic sponsorship, philanthropy, media (who paid in cash), and the United Nations Environment Programme as part of their Clean Seas global campaign who funded their own racing boat called 'Turn the Tide on Plastic'. For the UN, this campaign was a means to use sport to bring all stakeholders together for the cause.

Question 3. What are the commercial/business opportunities in integrating sustainability into sport?

The sponsorships built around sustainability in sport enable to reinforce the brand value of the sponsors and bring credibility to the purpose. For instance, Ulysse Nardin, the official timing partner of the previous race was showcased as the "Time to Act" partner. In this way, it became the gatekeeper of time towards KPIs and milestones towards the ecological transition. This positioning reinforces its commitment to use recyclable materials recovered from the sea to make one of its watches. The alignment between the engagement of the brands and their sponsorships creates a stronger media value with stories that have content beyond the product value. A brand willing to improve its social and environmental impact can leverage its sponsorships activities as a platform to engage its stakeholders around a project that makes sense. It has a positive impact at different levels: it seduces consumers sensitive to those initiatives, it motivates employees, it shows the leadership of executives, it reconnects brands with NGOs that operate in the sector, and, overall, it reconnects the brand with its community and its environment while leaving a positive legacy.

Question 4. On The Ocean Race webpage you talk about partnership with purpose: every partner is expected to bring a purpose-led program to the race, and to use it to inspire their customers, staff and stakeholders to join the race for the ocean (The Ocean Race and TIME join forces in the race to protect the ocean, 2021).

What was the purpose of Volvo in the 2017/2018 partnership?

Volvo financed the scientific program of the race. Their objective was to position themselves on plastic pollution. The car manufacturer made a strong industrial



commitment at that time and announced the following objective: 25 % of recycled plastic in the production of cars by 2025. They took a number of initiatives in their daily business to reduce the plastic pollution generated by their operations. They created an awareness campaign for employees to reduce or eliminate plastic. Their objective with this sponsoring was to reflect their internal engagement externally. They now intend to sell soft mobility instead of cars which may be another reason why they privileged a partnership with a boat race. This car manufacturer is traditionally known as an old and safe brand. Partnering with The Ocean Race could also instil a sense of adventure, youth and dynamism.

What was the purpose of 11th Hour Racing in the 2017/2018 partnership?

The 11th Hour Racing is a foundation. They are looking to increase the integration of sustainability in marine ecosystems and sailing. They were interested in funding impact programs in the oceans with The Ocean Race.

Question 5. "It's not necessary to wait until the end of the process to engage with sponsors and partners because engagement is a journey, not a destination. Creating these collaborations will help the organisation to achieve the necessary impact" (Owen, 2019, para. 22).

In a previous interview, you talked about a journey/adventure in sponsor engagement rather than a destination (Owen, 2019). How would you describe the journey with these two key partners?

Volvo and the 11th Hour Racing shared their vision from the beginning. They told us about the destination they wanted to reach, but also the path they wanted to take. What interested them in our collaboration was the combination of both. It was important on both sides to develop the right program with the right human and financial resources. Volvo was clearly focused on the impact it would create along with the commercial and marketing approach, whilst the 11th Hour Racing was attracted by The Ocean Race platform.

Question 6. What are your key tips for developing a sponsorship plan?

- 1) **Start from the DNA** of both the right holder and the sponsor. Define what are their values and positive/negative impacts. It is critical to start this reflection at the very start and to improve it along the way.
- 2) **Look for and identify opportunities** in business, marketing and communication.
- 3) **Develop a tangible legacy plan** for the sponsor and take into account the financial and marketing sides. Reflect for instance on a credible product end-of-life plan in order to avoid waste and move towards a circular economy.



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