

BUDDY WALK® SPONSORSHIP RESEARCH REPORT

4/11/2014

Best practices of Buddy Walk® events
nationally

This research is based upon 206 of the approximately 250 Buddy Walk® events across the United States that had publicly available information about their local Buddy Walk® event online. By collecting information about local Buddy Walk® events we were able to extract best practices and correlate them with significantly higher levels of fundraising. We are proud to be able to share this information with the Down syndrome community through this report.

Buddy Walk® sponsorship Research Report

BEST PRACTICES OF BUDDY WALK® EVENTS NATIONALLY

Introduction

According to the National Down Syndrome Society (NDSS), there were over 250 Buddy Walk® events in 2013, raising a total of \$12.1 million dollars. That's an average of approximately \$48,000 per event. However, the spectrum of dollars raised spans from a couple thousand dollars to nearly half a million in the largest single event.

We set out to determine what differentiates a Buddy Walk® event that raises more than \$100,000 from those that raise less than \$40,000. We wanted to determine if best practices could be identified and shared across all Buddy Walk® events to help improve their fundraising efforts. In addition, we wanted to identify new fundraising opportunities that could be pursued by event coordinators across the country.

This research is being shared so that Buddy Walk coordinators may consider how their local Buddy Walk® event relates to others across the country in the area of fundraising. The goal of sharing this research is to allow for the dissemination of best practices nationally related to Buddy Walk® event fundraising in an effort to increase the total dollars raised for Down syndrome across the nation. It is our hope this report will aid local event coordinators as they develop their fundraising strategies for 2014.

Background

Of the 206 Buddy Walk events that we studied, fundraising totals were available online for 122 of them. The average of these Buddy Walk® events was \$69,890 – significantly higher than the NDSS average. This large difference in total fundraising is primarily due to the fact that many of the smaller Buddy Walk® events do not have a digital presence and, thus, fundraising results could not be found online.

When we reference dollar figures throughout this report, they were derived from this group of 122 Buddy Walk® events in order to statistically represent all Buddy Walk® events nationally. This means that the figures in this report will under-estimate the opportunity for growth among the Buddy Walk® events that we did not have data for.

Sections of this Report

1. Online Recognition of Sponsors on Buddy Walk® Event Websites or Facebook Pages
 2. Online Posting of Sponsorship Information on Buddy Walk® Event Websites
 3. Impact of National Brand Presence as Buddy Walk® Event Sponsors
 4. Using Tiered Sponsorship at Buddy Walk® Events as a Fundraising Strategy
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1. Online Recognition of Sponsors on Buddy Walk® Event Websites or Facebook Pages

Sponsorship almost always comes with some sort of recognition, whether it is a booth at an event, a logo on a brochure, a thank you from the podium, or some other creative means of thanking them for their contributions. In today's digital world, it is quite common to see sponsor logos on websites and email footers as well.

In an effort to determine which Buddy Walk® events nationally use sponsorship as a means of fundraising, we visited 206 Buddy Walk® event websites and Facebook pages. What we found was that just 41% of Buddy Walk® events nationally have sponsors publicly recognized in these digital places.

41% of Buddy Walk® events nationally have sponsors publicly recognized on their event websites or Facebook pages.

This is far less than we expected to see, and presents a significant opportunity. Not only does this mean that many Buddy Walk® events are not recognizing their sponsors as much as they could be, it is also an indication many are not utilizing sponsorship as a fundraising strategy whatsoever.

In fact, based on the financial data we have on 122 of the 206 Buddy Walk® events, those that had sponsor logos on their event websites or Facebook pages raised an average of \$81,217 compared to \$60,592 raised by Buddy Walk® events that did not have sponsor logos on their event websites or Facebook pages.

Buddy Walk® events that use sponsorship (and recognize sponsors online) as a fundraising strategy raise an average of nearly \$21,000 more than those that do not.

If we investigate this data even further, this becomes a clear differentiator between Buddy Walk® events that raise more than \$40,000 and those that raise less. Only 33% of Buddy Walk® events raising less than \$40,000 utilize sponsorship. Furthermore, of this 33% a large proportion is in recognition of in-kind donations as opposed to true cash sponsors that contribute to the fundraising goals of each event. Of the Buddy Walk® events that raised more than \$40,000 over 57% utilized sponsorship as a fundraising strategy, nearly double the occurrence of those raising less than \$40,000.

Buddy Walk® events that utilize sponsorship as a fundraising strategy but do not recognize them online were excluded, making these numbers conservative.

Nonetheless, there is a clear opportunity to increase the efficacy of the Buddy Walk® events nationally by including sponsorship in fundraising efforts and recognizing sponsors online. According to our estimates:

If Buddy Walk® events that do not utilize sponsorship as a fundraising strategy grew to the level of those that do, the Buddy Walk® event could raise an additional \$2.8 million.

2. Online Posting of Sponsorship Information on Buddy Walk® Event Websites

If a Buddy Walk® event is going to utilize sponsorship as a fundraising strategy, it needs to develop a sponsorship structure and prepare to find, pitch, and accept them. This information is often found in some sort of sponsorship packet or on a sponsorship page of a website that would include information such as:

- What sort of sponsorship needs exist (monetary vs. non-monetary)?
- What are the different levels of sponsorship, if they exist?
- Is the sponsorship contribution going to be considered tax deductible?
- What sort of recognition might a sponsor get at your event?
- What are the demographics of your event attendees (potential exposure)?

As we conducted research on sponsorship among the various Buddy Walk® events, we searched for online information regarding the answers to these sorts of questions as if we were a prospective sponsor that had heard of, but knew little about, the event and wanted to learn more. We found that just:

27% of Buddy Walk® events nationally have sponsorship information posted on their event websites or Facebook pages.

We found that many Buddy Walk® events had outdated information still posted on their websites. Our assumption was that if they had outdated sponsorship information online, it would likely be updated and used the following year. Some of the earliest events had already posted information for this year's upcoming 2014 Buddy Walk® event. Both of these situations were included in the 27% figure.

This data was collected after all Buddy Walk® events were completed for 2013 and for that reason we suspect there were some instances where sponsorship information had been taken offline and had not yet been replaced. This was excluded from the statistic, making it slightly lower than we expect in reality. However, we don't think this would account for a large change to the 27% figure because most websites that did not have the information did not have a place where the information was likely to have resided.

In addition, Buddy Walks that had nothing more than a single line hidden at the bottom of a webpage that said "Contact [name or email address] for sponsorship information" did not qualify as having publicly posted sponsorship information and were also excluded. Of the 206 Buddy Walk® events that we researched, this occurred fewer than 15 times.

Buddy Walk® events that had sponsorship information posted to their event websites or Facebook pages raised an average of \$77,890 at their Buddy Walk® compared to \$66,541 from those that do not post sponsorship information posted on their event websites or Facebook pages.

Buddy Walk® events that post sponsorship information on their event websites or Facebook pages raise an average of over \$11,000 more than those that do not.

The act of posting the information itself is not all that leads to this fundraising increase. While online posting allows potential sponsors to gain easy access to sponsorship information, it also has other benefits.

A potential sponsor is driven to the website of Facebook page, which is a significant advantage because it captures the importance of the cause, the excitement of the event, and the scale of the opportunity for them to participate. This all adds to the credibility of the event and helps potential sponsors become interested, knowledgeable, and comfortable with supporting your cause.

According to our estimates:

If Buddy Walk® events nationally posted sponsorship information on their event websites and Facebook pages, the Buddy Walk® event could raise an additional \$1.9 million.

Creating a sponsorship fundraising strategy will require the development of a sponsorship structure and a plan for how to find, pitch, and accept sponsors. While this will take effort and sometimes there is no substitute for knocking on someone's door, having this information available online in a digital format will make it easier for potential sponsors to find and easier for you to disperse to those you think may be interested.

3. Impact of National Brand Presence as Buddy Walk® Event Sponsors

Our hypothesis for analyzing the presence of national brands was that having an easily recognizable sponsor might lend itself to credibility for the event, potentially influencing other sponsors to participate or boost attendance at the event and consequently donations. We found that just:

32% of Buddy Walk® events have national brands present as sponsors of their event.

Unfortunately, we did not have enough data to draw a statistically significant correlation between total dollars raised at a Buddy Walk and the presence of national brands. Instead, we attempted to draw some other conclusions that might aid local Buddy Walk® events in obtaining sponsors. For example:

Of the 85 Buddy Walk® events we know to use sponsorship as a fundraising strategy 79% of them had a national brand as a sponsor.

This statistic is true across all sizes of Buddy Walk® events, whether the event raising less than \$40,000 a year or more than \$100,000. There are a number of potential reasons behind this correlation. A few that we would like to suggest include:

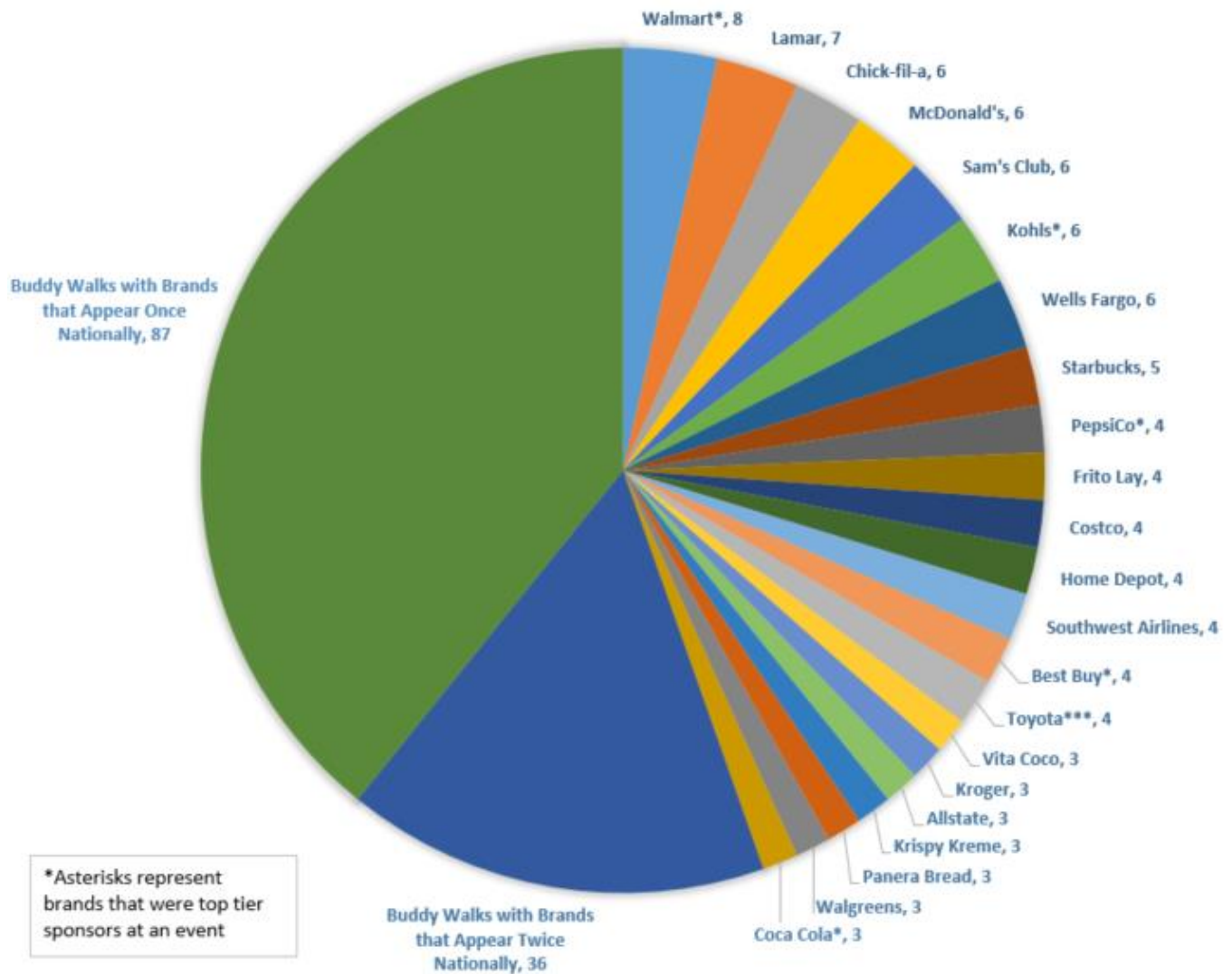
- National brands are larger and more powerful, so they may have more money they can spare compared to small businesses

- National brands generally place themselves where you will see them, so they end up at the top of the list of “potential sponsors in my area”
- National brands tend to command extremely large numbers of employees so the likelihood of a Buddy Walk® planning person knowing a senior employee related to a national brand is higher

We cross-referenced the data to determine if there were particular national brands that sponsored a number of Buddy Walk® events across the nation. Our hypothesis was that if a particular brand surfaced at a number of events, that brand might have a significant connection with the Buddy Walk® that could be extended as a highly likely sponsor in other communities that hold Buddy Walk® events. Our findings can be found via the pie chart on the top of the following page.

We identified 128 unique national brands across the 85 Buddy Walk® events that had sponsors publicly posted and available on their websites or Facebook pages. The chart can be read from Walmart around in a clockwise fashion in the order of brands that were most common. The number of asterisks indicated the number of times a given national brand was a top tier sponsor of a Buddy Walk® event. National Brands that were sponsors of just one or two Buddy Walk® events nationally were grouped together.

NUMBER OF BUDDY WALKS WHERE NATIONAL BRANDS ARE PRESENT



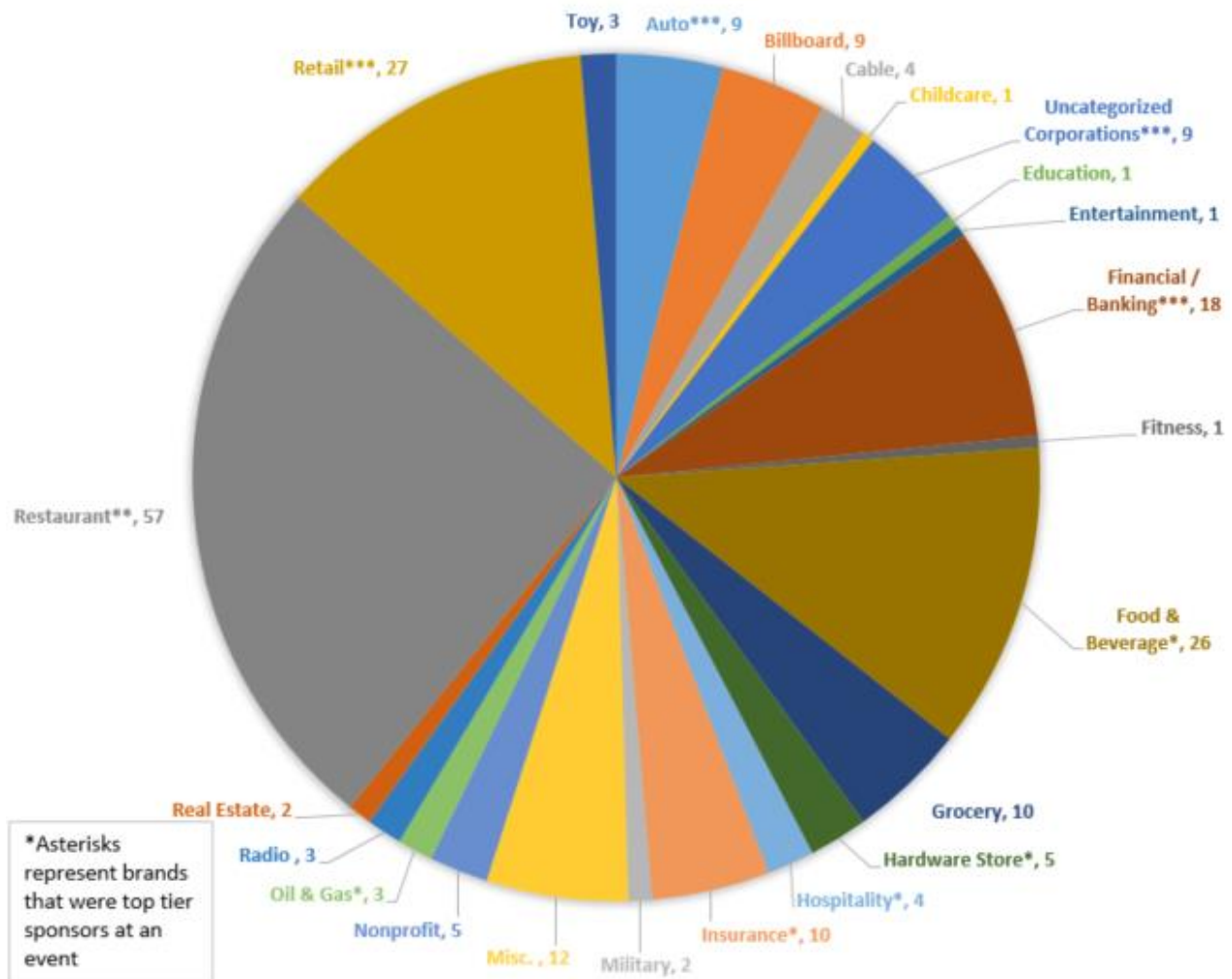
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As you can tell from the chart, the most common national brand sponsor was Walmart which occurred in just 8 events. Furthermore, over 55% of national brands were sponsors of just one or two Buddy Walk® events nationally out of the 206 Buddy Walk® events that we researched. This reveals a highly fragmented national sponsorship situation among Buddy Walk® events nationally. Toyota was only a sponsor of 4 Buddy Walk® events nationally, but was a top tier sponsor on 3 of those occasions.

Taking this research one step further, we wanted to determine if there was a particular “type” of sponsor that seemed to dominate the sponsorship scene. For example, what if there was data to support the hypothesis that companies focused on education resonated with the Buddy Walk® event and commonly sponsored events across the country?

Using the same group of 128 unique national brand sponsors, we grouped them into categories such as restaurants, toy companies, insurance companies, etc., and tallied the frequency that each category was a sponsor of a Buddy Walk® event. This is graphically represented in the chart below. The asterisks represent the number of times a national brand within a given category was a top tier sponsor of a Buddy Walk® event.

NUMBER OF BUDDY WALKS WHERE NATIONAL BRANDS ARE PRESENT AS SPONSORS, BY CATEGORY



The chart reveals that Restaurants are by far the most common category of sponsors for the Buddy Walk® events nationally at 25.7%, followed by Retailers such as Best Buy at 12.2%, Food & Beverage companies such as Coca Cola or Frito Lay at 11.7%, and Financial / Banking institutions at 8.1%.

This does not mean that 25.7% of Buddy Walk® events with sponsors had a restaurant sponsor, because some Buddy Walk® events may have had multiple restaurant sponsors at their individual event while others had none. It can, however, be stated that 25.7% of all Buddy Walk® event sponsors are restaurants.

There are a number of ways to interpret this information. Listed at the top of the following page are a couple of our interpretations of this and related data.

1. Restaurants, while frequently a sponsor, tend to be small givers that often provide in-kind support or offer to donate a portion of sales on a particular day. Out of 57 occurrences, national brand restaurants were only top tier sponsors twice. Restaurants may not, therefore, be well-suited as sponsors where sponsorship is a fundraising strategy.
2. We identified 90 unique top tier sponsors across 38 of the 206 Buddy Walk® events that we studied (40% of the time the top tier sponsorship level was shared by multiple sponsors). National brands accounted for just 19 of these 90 instances, or about 20% of the time. The other 80% of the time the top tier sponsors were community-oriented local businesses.
3. Although it cannot be deduced from the chart above, our data suggests that national brands such as insurance companies, uncategorized corporations such as Siemens or GE Aviation, or Oil & Gas companies tend to sponsor Buddy Walk® events where they have a large corporate office or headquarters. Based on their low frequency of occurrence, it does not seem that their smaller local offices either have the power to allocate sponsorship dollars or are not asked to do so.

Taken collectively, our research and analysis of national brands as sponsors for Buddy Walk® events nationally reveals a seemingly fragmented effort.

There may be an opportunity to help Buddy Walk® events across the national raise additional dollars for Down syndrome if a national sponsorship effort could be effectively coordinated across the more than 250 Buddy Walk® events.

4. Using Tiered Sponsorship at Buddy Walk® Events as a Fundraising Strategy

We have discussed the importance of structuring a fundraising effort to be able to accept sponsors and have mentioned tiered sponsorship repeatedly. As part of our fundraising research effort we compared the total dollars raised by Buddy Walk® events that utilize a tiered fundraising system, indicated either by the presence of top tier sponsor designations on their event websites or Facebook pages or indicated by a designation in the sponsorship information that had been posted online.

We found that:

25% of Buddy Walk® events nationally employ a tiered sponsorship system (platinum, gold, silver, bronze, or some equivalent system).

Buddy Walk® events that use a tiered sponsorship system raised an average of \$97,329 at their Buddy Walk® compared to \$56,505 from those that do not use a tiered sponsorship system. This means that:

Buddy Walk® events that employ a tiered sponsorship system raise an average of nearly \$41,000 more than those that do not.

This is the largest differentiator we have found between Buddy Walk® events that raise more than \$100,000 and those that raise less than \$40,000. According to our findings:

93% of Buddy Walk® events raising more than \$100,000 use a tiered fundraising system compared to just 55% of Buddy Walk® events raising less than \$40,000.

This data reinforces the hypothesis that employing a tiered sponsorship system leads to more successful fundraising efforts and illustrates that tiered sponsorship is a best practice among the top fundraising Buddy Walk® events across the country.

Taking all of this information collectively, we estimate that:

If Buddy Walk® events nationally all adopted tiered sponsorship systems for their events, the Buddy Walk® could raise an additional \$6.6 million collectively.

Conclusion

When we launched ds-connex in 2013, we committed to our Down syndrome community and NDSS as a new national partner, that we would work hard to create value for every Buddy Walk® event. We believe that we can increase the national fundraising results to \$40 million by 2019 if we continue to learn from each other and explore ideas like national sponsorship. With this research, we plan to pursue sponsorship partners that align with our Buddy Walk® mission and could benefit each and every location. We would enjoy hearing your comments on the report. Please email us at friends@ds-connex.org.