



Marketing Partnerships

Presented by

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Background of Marketing Partnerships



Marketing Partnerships Defined

- Separated from traditional donations
- Marketing-based business relationships
- Based on competition and contracts
- May be known by other names:
 - "Sponsorships"
 - "Cause Marketing"
 - "Partnerships"



Donors vs Sponsors vs Partners

- **Donors** make unrestricted or purpose-dedicated contributions without expecting an exchange of value.
- **Sponsors** exchange “cash for exposure” contracts (exclusive or preferred) that help market the sponsors’ brands with no benefit to community’s quality of life.
- **Partners** contractually commit to provide sustained, socially responsible benefits to the community, whether on an exclusive or preferred basis, in return for favorable exposure to consumers by using client assets.



Marketing Partnerships' Time Has Come

Traditional financing is under-funded

- Program needs are increasing
- Alternative revenue is critical
- Assets can be leveraged



The History of Marketing Partnerships

- From cities to counties to school districts
- The Denver experience
 - On February 2, 1995, the Board of Education of the Denver Public Schools unanimously voted to allow for corporate sponsorship of District programs in exchange for corporate visibility in District venues.
 - Since that date, literally dozens of marketing, advertising, and public relations agents have contacted us to secure the opportunity to solicit corporate sponsorships on behalf of the Denver Public Schools.
 - **\$7.5 million** in resources have been secured **annually** through agreements with soft drink vendors, telecommunications companies, health care providers, District vendors, etc.



Understanding Local Markets

- Political Climate
- Partnership Categories
- Value of “Exclusive” Market Environment
- Value of Branding Opportunities in District Market



Sponsorship "Exclusivity" Rationale

- There are limited internal resources in business organizations designated for "gifts" to nonprofit organizations, therefore new funding sources must be identified and secured.
- Exclusivity allows for business arrangements whereby increased sale volumes can produce mutually beneficial situations on behalf of students and corporate shareholders through the rise of profit margins on both sides of the equation.
- Affinity to an educational entity creates an environment for enhanced marketing and loyalty towards local vendors.



Strategies for Exclusive Relationships

- Enhance corporate marketplace through District endorsement.
- Reduce the number of “mom & pop” fundraiser vendors.
- Encourage partners to cut deals with their suppliers or parent companies on behalf of your school district.
- Promote loyalty of District families to preferred partners.
- Negotiate for in kind contributions of product, services, as part of overall deal.
- Leverage the visibility venues available to the District.
- Utilize marketing budgets to finance District programs.



Types of Marketing Partnerships

- **Established:** soft drink & snack vending, school stores/"drive" sales, scrip, events
- **Donation Plus Purchase:** computers, software, automobiles (e.g., Driver Ed)
- **Emerging:** advertising signage, naming rights deals, trademark licensing rights, telecom
- **Anticipated:** cash cards, ATMs, WiFi clouds, e-commerce, spam blockers, "X"



Development of LAUSD's Partnership Program



LAUSD's RFP

Decision on program approach

- Scalability
- Getting the most from your partners – Multi-PM approach



LAUSD's Environmental Scan

- Purpose and approach
- Review physical assets in person
- Itemize non-tangible property
 - Intellectual
 - Demographic, geographic
 - Financial
 - Strategic
- Consider partnerships creatively



LAUSD's Policy Development

- Laws/Ethics
- Pay to play
- Align to school sites
- Social responsibility



LAUSD's Program Mechanics

- Organizational
 - Internal project management
- Financial
 - Development of individualized accounting
 - Utilization of foundations
- Procurement/Ethics
 - Pay to play
 - Competing partnerships



LAUSD's Approach to the Board and Public

Incremental tactics

- Slow roll out
- Narrow to broader risk
- Ensure success



LAUSD's Best Practices

“Best Practices’ is ordinarily used to refer to models of service delivery that have shown some effectiveness in accomplishing desired outcomes. ‘Best Practices’ can also refer to processes and tools for service delivery and administration.”



LAUSD's Best Practices

- **Needed:** Internal champions to act as active entrepreneurs
- **Support:** Advocacy committee to shepherd policy and process
- **Plan:** step by step map of action with clearly identified project priorities



Managing Marketing Partnership Programs



Partnership Program Management Plans

- Single large effort
- Or pilot in one region then gradually expand.



Accountability for Partnership Management

- Accounting
- Reporting
- Best Practices
 - Examples



Orderly Program Development Steps

- Internal Buy-in of Partnership Concept
- Condition key personnel's expectations
- District Asset Audit and Analysis
- RFP for partnership expert
- Develop marketing partnership plan
- Solicit appropriate partners
- Execute roll-out system-wide
- Manage partnership for incremental gain



Orderly Program Development Process

See our CD-Rom for guidance:

- Video of Denver Best Practices
 - Presentation
 - LAUSD RFP



Conclusion

- The time has come
- Contact information
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