



## **What is Industry Exclusivity?**

When entering into a sponsorship partnership, Industry exclusivity is often an essential consideration for sponsors. Dare To Care For The Homeless offers geographical category exclusivity. This means that the sponsor is the only company within its product or service category that has a relationship with the Dare To Care property. A guarantee of exclusivity is very appealing for potential sponsors because it serves to limit their competitors' access to the consumer group affiliated with a certain property.

The ultimate value that a property can garner from a sponsorship partnership is often directly related to the level of categorical exclusivity offered. In most cases, a lack of categorical exclusivity can significantly lower the value of a sponsorship deal. An exception to this general rule is in the case of sponsorship deals for charities or non-profit organizations where a company may relinquish its requirements for exclusivity in the interest of boosting their Corporate Social Responsibility portfolio. This can help boost the Dare To Care For The Homeless authority ranking on Google and improve the quality of the backlink for the sponsors on the property.

So the question is, when seeking high level sponsorship such as a Naming Rights partner, what industry category is more likely to pay for the privilege of being the exclusive category partner? While a company's willingness to pay for category exclusivity is influenced by a number of market variables, there are two primary characteristics that are thematic of industry categories that most often purchase category exclusivity: 1) The product experiences high competition in the marketplace, meaning that there is high cross elasticity of demand between their product and a competitors' as consumers are more prone to substitution, and 2) They exhibit a strong command of their product supply chain that allows the company in the industry category to keep production costs low and profits high.

According to the 2015 IEG Property Sponsorship Category Survey, these two characteristics are present in the top three Industry categories most likely to purchase exclusivity. While these numbers are indicative of sponsorship trends overall, the tried and true method when searching for a sponsorship partnership that exhibits high categorical exclusivity such as naming rights is to look at the community where the property or event is based. Most often, high level sponsorship is derived from companies that have their headquarters or a large consumer base in the area and are interested in securing and growing that consumer base through an integrated community presence.