

small town

sponsorship

HOW TO MAKE THE MOST
OF YOUR LIMITED SPONSORS
(and keep them coming back for the next event!)

By Jo Finlay



Feel like you are hitting the same sponsors for funding your events all the time? Don't make the age old mistake and simply ask for sponsorship money from a particular business because "the company has always given us money." Just like a dating programme, you need to make a 'perfect match' between potential sponsor and event sponsorship package. If you go in with the same generic package, not only will you most probably be served a cold plate of rejection but you also risk ruining the relationship with the business and therefore, potential sponsorship opportunities with future events. The more your sponsorship package says "brand awareness" - in actual fact, the less value it will add.

This rule relates particularly to events in a small town, where the sponsorship opportunities are often limited. Sure, you can look to National or International sponsors but there is always going to be a need for local business to get behind local events. The economic benefits alone support this. (See Appendix 1)

The popularity of event sponsorship in small towns has skyrocketed in the past 20 years. The reason for the growth of sponsorship can be attributed to companies looking for alternatives to advertising. Ad messages are always competing to "cut through the clutter" of all the other advertising messages. However like anytime there is too much of a good thing, sponsorship, began to suffer from its own popularity. With more companies flocking to sponsor various programs and events, the more cluttered and lost they became! Sponsors struggled to get noticed and therefore they struggled for return on

investment. Hence the reason for long-term sponsorship - where the target learns to connect the sponsor or product with the event. This level of Brand Awareness and Exposure is all that much higher and the sponsor is able to Create, Develop and Enhance Credibility with the target.

As an event manager and sponsorship seeker, I'm dealing with business owners who are involved in day-to-day operations. They know their community and more importantly, their customers. I sometimes feel sorry for these business owners who are continually hit with requests for funding, spot prizes, and so on. Many of these sponsorship seekers and organisations need to consider non-sponsorship forms of revenues such as ticketing, food and beverage, merchandise sales.

As event managers we need to have an understanding of not only the event, but the potential sponsors we are approaching. They might be convinced of our sales pitch

but if the event doesn't work for them, they aren't ever going to commit to another event with us again! So this is where the checklist comes in. These are the determining factors to check a business against an event. I call it Sustainable Sponsorship, which in this case, has nothing to do with the environment but more to do with good working relationships with business, this in turns creates a positive base for potential sponsorship within events.

The checklist is all about Stakeholder expectations, which mean placing our sponsors' needs first. Even if we have a gaping big funding hole in our event, always ask the potential sponsor - Why do you sponsor?

The answer will fit into one of the following categories:

- Business Development - including sales lead generation
- Brand Awareness and Exposure - Create, Develop and Enhance Credibility.

Appendix 1 - Entry Projections and Economic Impact

YEAR	EXPECTED ENTRIES	OUT OF TOWN ENTRIES*	AVERAGE SPEND PER VISITOR#	DIRECT ECONOMIC RETURN	TOTAL ECONOMIC RETURN (including multiplier effect X 1.4)+
2014	450	200	126	\$25,200	\$35,280
2015	700	400	126	\$50,400	\$70,560
2016	900	500	126	\$63,000	\$88,200
2017	1000	600	126	\$75,600	\$105,840
TOTAL					\$299,880

Building corporate image in a cost-effective, relatively easy way

- Highly Targeted Marketing – Events have a certain mix of people that are in attendance. Understand your audiences. Because corporate sponsorship is a marketing medium through which to connect your sponsors with the audiences you reach, you must first understand more about whom your audiences are and why they engage with your organization. What is the nature of your organization's relationship with them?
- Access to core audience in a way that traditional advertising doesn't deliver
- Community Involvement and Giving Back
- Distribute Samples or Trial Offers

Once we have ascertained what the business is looking to achieve through the sponsorship, we can then check the event against this. Getting a good match between sponsor and event will result in a better result for the sponsor – though not always increased sales! Failed sponsorships result from two common mistakes: assuming that sponsorship visibility at the event results in sales, and treating the event as a short-term media buying opportunity rather than the start of a long-term connection between product, consumer, and event. It is vital that the company/sponsor must establish a connection between themselves and what they are sponsoring, that is, to practice "relationship marketing" and not to treat sponsorships as a replacement for advertising. The goal of sponsorships is to show consumers that they have something in common with the sponsors. It is vital that this conversation is covered during the initial stakeholder expectations discussion.

Other reason why sponsorship fails is when the event target misses the sponsors target completely. It is essential that the people who come to the event must be the right target market. Based on the value you have to offer, determine which industries would benefit most from partnering with your event. Which industries serve the audiences you work with? For example a local insurance provider, specialising in health insurance for senior citizens, could not find a more targeted market than the participants of a local Gold Club Tournament. Identifying a specific target market is of course a little more difficult when developing a new event. When marketing a new event, event managers should develop comprehensive public relations and advertising campaigns articulating the specific image associations the sponsor and event hopes to convey to the target.

Take this example of a successful sponsorship association with a brand new running and walking event consisting of three distances – 5km, 10km and 21.1 kms. The target market was all-encompassing from competitive athletes to people looking for a goal to help them get back to good health, so what better event partner than the local Aquatic Centre and Gymnasium. This partnership was also beneficial in the marketing

of this new event as the Aquatic Centre and Gymnasium was able to promote the event to their members and network of contacts. This provided a greater pool of potential event entrants, and allowed the event to build a greater brand awareness level within the community than could be done alone.

You'll be most successful with sponsorship when you develop relationships with potential partners and co-create sponsorship programs that meet your mutual business goals. Engage in trusting, client-focused, discussions that inspire meaningful ways to partner. When sponsorship options are limited, it's essential to think outside the square and be creative. This means developing opportunities around your sponsors. We have ascertained that what the client wants to achieve, who she/he wants to target – now let's identify and develop a range of opportunities that are tailor made for the client and the event.

Being creative does not mean reducing the price of your sponsorship packages. Rather than reduce the price, look to increase the value of the packages you offer. You will ideally be able to price your range of sponsorship options from modest to comprehensive. Add value to your sponsorship packages by looking at what you can offer. Articulate value to the sponsor in terms of your ideas and through your unique connection to the target. Use your event theme. Help and support your sponsors to leverage your event theme. Consider the theme when you are thinking about how exhibitors and sponsors can use it to create interesting content around your event. If you are creative they will be creative too. You may want to consider developing several mini events within your event that can be individually sponsored. For example, if you are putting on a golf event, you might select several special holes to offer for individual sponsorship with some sort of theme or twist. Your event will drive the details of how this looks, but the concept is the same. There is a good chance that your client is quite creative too. So harness that creativity and focus on value. Your sponsors and prospects bring to your discussions ideas of their own. These ideas have either worked for them in the past, represent their current sponsorship priorities, or reflect needs and objectives that, when combined with your opportunity, generate new ideas that can be executed now.

Add value to your sponsorships, Use social media. If your organization is active on social media and provides value on a regular basis, you will likely have a strong following on networks like Twitter, Facebook, and in your LinkedIn groups. Consider designing sponsorship packages that include thoughtful promotion of their companies via your social media profiles. Events have to offer much more than logo placement. Focus on real value, not vanity value. Perhaps the most effective way that event managers can add value to their sponsorship offers is to include mecha-

nisms for sponsors to sell their products and services to people and businesses within the event manager's connections and networks. This allows the sponsor, even if it does no other measurement, to have a specific return on investment (ROI) metric it can look to following the sponsorship.

Relationships are everything – especially in a small town where word travels very fast! If you let a sponsor down and do not deliver on your side of the bargain, you can probably forget about considering that sponsors as a prospect again! Continue to be a trusted partner through the fulfillment of your sponsor obligations. Focus on delivering excellent service driven by your sponsors' objectives. Build relationships that grow. Stay alert to new ideas and opportunities to assist your sponsors succeed in sponsorship. Always evaluate and improve the facets of the sponsorship program, working to deepen the ties and strengthen your relationships over time. For a long time, sponsorship meant contributing funds and then getting your logo displayed on some of the marketing material. Keep your sponsorships fresh and exciting; don't just roll out the same old because that's what has always been done.

Further Reading:

Top 10 Reasons Why Sponsoring an Event is a Brilliant Marketing Strategy
<http://www.examiner.com/article/top-10-reasons-why-sponsoring-an-event-is-a-brilliant-marketing-strategy>

How you can build high-impact sponsorship for small businesses - Jim McEwan
<http://www.charityinfo.ca/articles/Building-high-impact-sponsorship-for-small-businesses>

Discovering the sponsorship that's just right for both of you - Janet Gadeski
<http://www.charityinfo.ca/articles/discovering-sponsorship>

10 Steps to Sponsorship Success by Gail S. Bower
<http://www.suprn.com/blog/10-steps-to-sponsorship-success-by-gail-s-bower/>
<http://www.referenceforbusiness.com/encyclopedia/Con-Cos/Corporate-Sponsorship.html#ixzz33zwCvE2a>

Jo Finlay has a wealth of event management experience and runs an event management business in Whakatane, New Zealand. Jo is passionate about events and bringing a variety of different experiences to the region. Having worked with both small and large events, Jo offers professional event management services with a high degree of customer satisfaction. Jo prides herself in adding the 'wow' factor to events and has the ability to make event management look effortless!