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By Angie Henley

# SPONSORSHIP 101

I always find it a little amusing when I attend a special event conference or tradeshow and the award categories are broken into three distinct groups: Events \$75,000-\$250,000, \$250,000-\$750,000 and \$750,000 and up. As a special event planner for a growing/smaller city municipality, \$250,000 could very possibly be your budget for an entire year. Within that budget you are expected to put on at least 5-8 festivals/events per

year. If this sounds familiar, like me, you understand why it is crucial for me to rely on event sponsorships for quality events.

Working within a municipality there are unavoidable obstacles; sponsorships are a great way to help alleviate some of them and enhance your events at the same time. There are many ways that city sponsorships can be handled. Find the sponsorship program that works best for you. In this article, I will

discuss two examples of sponsorship programs that I have worked within.

## **Year Round Sponsorship Program**

A year round sponsorship program will have a list of annual events that takes place throughout the year. There will be different sponsorship levels within this program. You will need to determine what your levels are worth

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before you start selling. I would suggest having a wide range so that there are options for smaller businesses and larger companies. Your levels should be determined by the benefits that you are offering and build more benefits for each level. Silver, Bronze, Gold and Platinum or Partner, Supporter and Friend are a few of the different titles you can use for your levels. Once you have your dollar amounts and your labels you can start building the packages. I find that it is easier to start at the minimum and continue to build upon the basic level.

An example of the basic level would include signage and a booth opportunity at three of the ten events within the year and your logo on all print advertisements. When you increase your levels you add more value to the package, eventually getting to the top tier. At this level I offer, for an additional cost, an opportunity at being the title sponsor for an event. This program is valid for a year from the date that the contract is signed. Always know that when going in to speak to a potential sponsor that flexibility is important. You may have a business that has very specific marketing needs that are not covered in the current program. Be able to work with that customer and be creative when needed.

This sponsorship program generally works well in government. In communities, small businesses and large companies are often asked by many different community organizations throughout the year. Experience shows that sponsors appreciate that they can choose to participate in specific events that benefit them and only have to write a check once a year. This program is also preferred if you have limited event staff.

### **A La Carte Sponsorship Program**

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This program would be best suited for a business or company that has a limited amount of marketing dollars and they would like their business to be showcased at one event. Putting the entire sponsor amount to one event allows for a targeted focus versus being spread out over multiple events.

Just like with the year round sponsorship you will predetermine your levels of sponsorship and be open to negotiate if needed. A la carte offers the ability to customize the provided sponsorship benefit since it is tied to a specific event. This might be just the thing you need to secure your new sponsor.

If you have limited staffing, this program could be difficult to manage. Typically, you will be going to the same businesses for each event.

### **Types of Sponsorships**

#### **Financial**

A company may sponsor a group or organization by becoming a financial sponsor. A financial sponsor pays a set amount of money in exchange for benefits outlined in a sponsorship agreement. Benefits may include an opportunity to promote the company to the sponsored organization's audience. This may be for advertisement or include a mention in official programs, press releases, or signage/ logos on promotional materials such as t-shirts, programs and any event collateral. In my experience, this type of sponsorship works best for corporate businesses and industrial type businesses. Often times those businesses feel like they need to show support of their community however, they do not have a product of service for "sale". It is easier for them to cut you a check and ask that their

logo be placed on the advertisement for the sake of community relations.

#### **In-Kind**

In-kind sponsors donate goods or services rather than cash as their sponsorship offering. This is very popular within municipalities. I have found that this is the easiest sponsorship for businesses and requires the least amount of time to secure. Many managers/ marketing managers are allowed to make this decision at their level and it does not have to go to "corporate office". Many times, in-kind sponsorships will go hand in hand with "Labor Sponsorships." There are endless possibilities within this category. Here is a small sampling.

- A local kids' gym may bring out their equipment and create a specialized kids area.
- Grocery stores often donate water to races or events.
- Bakeries may supply cookies and icing to create a cookie decorating activity.
- Entertainment businesses may donate talent to events.
- School art departments could supply face painters and paint.
- Painting businesses may donate supplies for an arts and crafts area.
- A pest control company may treat the outdoor area before an event.

#### **Media Sponsor**

A media sponsor is a company that finances or secures media coverage for a program or event. For example, a media sponsor may pay for an advertisement in a local paper, or foot the cost of putting up a billboard or filming a television commercial. The advantage of this type of sponsorship is that a sponsor may simultaneously promote their own company by tagging ads with their business logo and verbiage. Some examples are:

- A local Country radio station may choose to be a stage sponsor. They supply all the commercials for the arts/event in return to include "brought to you by" or "sponsored by" in all of the spots.
- A local Magazine will allow you so many ads per year as long as the magazines can be distributed at the appropriate events.
- Newspapers may include a front page story about your event in the paper in return for a booth at the event selling subscriptions.

In all things, customer service matters.

- A car dealership that is currently broadcasting radio ads can mention that they will be out at the event.

### Labor

A Corporation, local business or civic group may encourage its employees to give back to the community. An example would be the company allows its employees to work on behalf of a charity or community organization during normal work hours and still be paid their normal salary.

Municipalities find this sponsorship to be of great help. With limited staffing and sometimes inexperience, volunteer labor sponsorships can help alleviate that problem. Labor sponsors can significantly decrease the cost of your event. Labor sponsors have saved us up to 50% of total costs per event. Additional examples are:

- A tool company urges employees to come to an event and run the hands on build programs.
- A hospital CEO encourages staff to manage the first aid locations at the Firefighter Olympics that is spread throughout the city.
- The Lions Club members organize, plan and work a community parade.

### Title Sponsor

Often times you will find yourself working with many companies to be sponsors. One way to increase your sponsorship dollars is to offer a "title" or "lead" sponsorship that will cost a premium. For the business that wants to stand out on its own for a premium, they will receive different perks that no one else will receive.

- A local bicycle shop that may sponsor a bicycle event or a triathlon.
- A children's hospital may choose to sponsor your kid fest festival.
- An Audio Visual Company will sponsor a music fest.

### Location Sponsors

A business may offer the use of its facilities as a form of a sponsorship. For example:

- Using a local water park will allow you to host a water festival which includes a flick and float and water activities event.
- Large baseball parks will allow you to host a Summer Festival.
- Local theatre that will allow you to host a film festival.

### Overcoming Obstacles

City policies, politics, and competition are just a few of the obstacles that civic event departments have to deal with when planning special events. Because of the limited resources, sponsorships are a must for most cities.

"Running of the bulls," a new phenomenon, has happened at many events over the past few years. This group is made up of young children to adults, from the ages of 13 to 21+. They gather in groups of 50 to over 300 through social media.

### City Policies and Politics

Some cities do not allow alcohol on city property. You can have an event without alcohol however alcohol sponsors usually have a pretty substantial marketing budget and dole out funds to festivals and events. This is where your location sponsor could come in handy. You could host a city event at a private business that does in fact allow alcohol.

When a business is controversial within the city, having their name associated with a city funded event could be frowned upon. Typically it is good business sense to make sure the businesses that you are speaking with are in good standing within your city. When asking for sponsorships for a city event I have been told "This is a city event why do you need sponsorships" or "If the city cannot pay for the event on your own then you should not have it". Other comments may be "What do events do for my business" or "We already pay taxes to the city. That should that be enough." Take them in stride and make sure when selling that you can provide specific benefits.

### Competition

Working for a city you will find that most businesses are constantly being asked for donations. School boosters, special causes, campaigns, local runs/races and other special events held in the city are just a few to name. Kids and causes are a pretty easy sale. Often times these groups are just interested in the money. You need to be able to show the business the benefits of sponsoring your event. Provide proof of existing sponsorships. Let your work be your credentials.

Once you have created a successful event, other groups, businesses and organizations will try to emulate yours, often thinking that it can't be that difficult. This could cause your sponsorship to decrease. Stay positive and work to provide the best

experience for your attendees. In all things, customer service matters.

### Public/Private Partnerships

Cities are seeing more and more of public/private partnerships. These locations can be great places for special events. You have to be careful when hosting an event in these locations. You need to be informed of their current sponsorship obligations and agreements. For example, is there a specific beverage company that you have to use? Do they have sponsorships that include sole sources? Make sure that everyone's sponsors are being appropriately displayed. Stay informed of details like this to avoid possible conflicts for your sponsor later.

Sponsorships are an important part of the special event world. Given that most municipalities budgets are much less than special event companies budgets sponsorships are essential. Think outside of the box and be open to offering different types of sponsorships. Know that all sponsorships do not have to revolve around cash money. Do your research before you set out to sale. Successful sponsorship sales start with having a plan. When you approach sponsors, know what you are asking for. Make sure that your plan covers a broad range so all businesses are within reach. Be open and able to negotiate if needed. You too could be a civic special event planner on a special event company's budget!

**Angie Henley** has been involved in Event Planning since 2002 and has worked on a variety of events with the City of Dearborn, Michigan, and the City of Duncanville, Texas. She is currently the Special Events Manager with the City of Mansfield, Texas. She manages events such as Wurstfest, Red, White & Rockin Kids Triathlon and Rockin 4th of July, to name a few.