



PERSPECTIVE AND ADVICE

Dear Readers:

I wanted to put to use my 40+ years of experience in the festival and special events world, having weathered a number of very difficult periods from 9/11 to the Great Recession, to provide some perspective and advice to you as to how we all might respond to these difficult circumstances.

Immediate (This Week)

- During this “wait and see” period, communicate consistently and clearly with your stakeholders (registrants, guests, vendors, sponsors, volunteers) to assure them you are monitoring conditions and evaluating alternatives.
 - Prepare for questions about cancellations/postponements.
 - It is better to postpone for a date later in 2020 as the possibilities of retaining sponsor revenue is greater than an outright cancellation.
 - Determine ticket and/or registration fee policy. If this is already established reinforce with your constituents.
 - Review sponsor agreements for termination and force majeure clauses and how that will guide your options with them.
 - Determine your policy regarding sponsor payments, such as:
 - Set new payment dates for postponed events.
 - Establish policy regarding full or partial refund if cancelled.
 - In the event of a full cancellation, offer to apply 2020 payment to next year.
 - Share this response with all staff/board members or other representatives of your event so that everyone is sharing a consistent message.
 - Check out vendor agreements and other commitments for force majeure, cancellation and refund deadlines. (Don't miss an “out clause” deadline.)
- determine if they can find alternative dates later in the year to produce event.**
- Consider a pause on all marketing and promotion.
 - You also don't want to appear “tone deaf” with upbeat marketing campaigns at this time.
 - Consider amending your messaging, (as applicable) to fit the current conditions
 - Put a hold on making further marketing commitments and investments.
 - During this time of uncertainty and market volatility, anticipate a full-stop to most sponsorship discussions
 - Better to wait until there is less uncertainty to reengage than to press for a decision now. (Right now, they will be “no's”)
 - Current Sponsors
 - Expect calls about postponement or cancellation (see above)
 - Anticipate a delay of sponsor payments
 - Expect a delay in signing outstanding agreements
 - Sponsors are going to require the addition of COVID-19 language in Force Majeure paragraph
 - Continue to communicate proactively, transparently and clearly with your constituents about plans for event
 - Keep your website and social media updated with current plans for the event
 - Use your social media to be encouraging and positive about the current circumstances
 - Do NOT share information that has not been verified
 - Communicate with current sponsor leads to keep process moving (albeit slowly)

Short-term (During 4-8 week quarantine)

- With the end of restrictions on public events unclear, producers with events as far out as July 2020, should **proactively**



- Continue to “gently” prospect for new sponsors
- Check your insurance coverages for possible claims against losses
- Use this slower time to get strategic, long-range planning and housekeeping projects done. (When we come out of this, you will have no time to work on strategic matters)

Recovery Period (Hopefully by late May early June)

- Unlike the slow recovery in 2008/2009, I am hopeful that the economy will rebound quickly after the “all clear” is sounded
- Once social distancing and quarantines expire, I anticipate a pent-up desire for people to reconnect at public gatherings, positively impacting event attendance and engagement.
- Brands/Sponsors are going to have to ramp up marketing efforts to rebuild market share. This may actually open the door for new sponsor prospects.
 - Identify sponsor business categories to avoid that will likely experience long-term negative impact (e.g. airlines & hospitality)
 - Go after sponsor categories that will likely be looking for quick hit marketing opportunities (alcohol, healthcare, technology)
 - Are there local corporations that for CSR reasons want to help rebuild community?
- Budgets that were not spent during the pandemic shutdown may now be available for new opportunities
- Event producers and the sponsorship sales team will need to stay nimble and opportunistic to maximize sponsorship and exhibitor revenue

Long-term (September on)

- I believe that as an industry, we will emerge from this pandemic wounded, but ultimately stronger.

- Things will look different. Don't fear this new normal...embrace it!
- There will be a negative financial impact, (unrecoverable income, lost opportunities, reduced participation, etc.) Plan for making cuts in expenses from programming, to personnel, to marketing.
- Our recovery will depend upon our attitude and our outlook. Have GRIT! We need to keep our eyes up, depend on one another, trust one another, and pull together.

Stay well and keep positive!

The Sponsor Doc

With more than three decades in sponsorship sales and consultation, *Bruce L. Erley* is the President and CEO of the Creative Strategies Group, a full-service sponsorship and event marketing agency based in Denver, Colorado he founded in 1995. Accredited in Public Relations (APR) by the Public Relations Society of America and a Certified Festival & Events Executive (CFEE) by the International Festivals and Events Association, Erley is a highly-regarded speaker on event marketing and sponsorship having spoken on the topic around the world in such places as Dubai, Vienna, Beijing, Toronto and New York.

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