



## YOU WANT ME TO SELL HOW MUCH?!!

### Dear Sponsor Doc:

My boss is putting pressure on me. How does one reasonably set sponsorship goals? Is it based on the surrounding market or is it based on the event budget? I am not sure what makes more sense to set as a goal for myself, but I would love to get your input.

**DD, Dallas, TX**

### Dear S.C.:

I have spent years “negotiating” with my clients over what amount of growth they should expect in sponsorship revenue. Their goals are usually driven by their overall budget needs, not any changes in the event or market conditions that might command higher values.

I have explained many times that as sales goals are speculative, I generally set sponsorship revenue goals as a percentage increase over the prior year. Usually, 10% to 20% is an appropriate and achievable reach.

Another way is to use your prior year sponsorship totals (renewals) as your base foundation for revenue upon which to build your new sponsorship efforts. From there you can set a goal for NEW revenue on top of renewals. Sometimes you can improve that by 50% or more based upon growth or improvements in your event. Some of the things that can increase property value and the associated fees include:

- Growth in attendance
- Increases in media and digital recognition values
- New compelling event assets
- Unsold competitive categories
- Improvements in market conditions

You may be able to increase your sales growth by a larger percentage if your sponsorship program is relatively new and you are in a growth mode. For example, we took over sponsorship sales for an established event that had never sold sponsorship. In this case the sponsorship revenue grew exponentially as we worked the market and establish a track record. The first year we achieved \$30,000 in sales, the next year, \$72,000, the third year, \$120,000.

If you feel your boss still wants an unreasonable increase, ask them to explain the basis upon which the value of the sponsorship has been increased. It can't be just need. It needs an empirical basis of justification.

In any event, annually set goals with some aspirational reach, but that are reasonably achievable, or you'll always be behind the eight ball!

Best of luck DD with your sales efforts in the year ahead.

### The Sponsor Doc

**Bruce L. Erley, CFEE, APR** is the Founder and President of Creative Strategies Group, a consultancy based in Denver, Colorado which he founded in September, 1995. Creative Strategies Group (CSG) specializes in sponsorship and event marketing consultation for events, festivals, nonprofit organizations and other properties as well as municipalities and for-profit companies. With more than four decades experience, Erley is considered a master in the field. In 2012, Erley served as the World Board Chairman of the International Festivals & Events Association (IFEA). He is a 2015 inductee into the IFEA Hall of Fame. He is 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.

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