

## Sponsorship

### PMM5 Postscript<sup>™</sup> Number 4

**Background Information:** In *Professional Meeting Management*<sup>®</sup>, fifth edition, Sherrif Karamat discusses the role of sponsorships and strategic partnerships in meetings. In Chapter 4, Sponsorships and Strategic Sponsorships: A New Approach, he:

- Describes the difference between strategic partnerships and event sponsorships
- Describes the asset identification and valuation process
- Discusses how to design strategic partnership packages to achieve the objectives of the organization as well as the sponsor
- Explains the importance and benefits of activation
- Discusses how to organize benefits by level for an event of a year-round partnership

**PMM5 Postscript<sup>™</sup> Use:** Karamat outlines a model for a sponsorship program. This PMM5 Postscript<sup>™</sup> addresses sponsorship and offers meeting managers tips for meeting and event sponsorship. It also offers a list of sources for sponsorship recognition and publicity. This PMM5 Postscript<sup>™</sup> also includes additional group discussion or research projects to supplement the PMM5 chapter.

**Learner Outcomes:** At the completion of this reading, you should be able to:

- Define sponsors and sponsorship.
- Identify the value proposition for sponsors.
- List the four steps to create a sponsorship program.
- List at least ten ways to recognize sponsors.
- Describe at least five elements to create a strong sponsorship program.

**Related PMM5 Chapter:** Chapter 4, Sponsorships and Strategic Sponsorships: A New Approach  
Author: Sherrif Karamat



## Sponsorships and its Value

Sponsorship should not be confused with philanthropy or advertising. Philanthropic efforts support a cause without a commercial objective. Advertising directly promotes a company and its products or services. Albert Sunseri, Ph.D., CAE, notes that sponsorship is that delicate middle ground in which a sponsoring organization provides money or services to achieve some commercial objectives without direct advertising while supporting the mission of the organization (Sunseri, 2004).

Sponsors are sourced from:

- Organizational members or suppliers/vendors
- Non-traditional or non-endemic organizations

Typically non-traditional sponsors are interested in sponsorship because of the value of an audience as consumers rather than business purchases. Advertisers are challenged because consumers are increasingly capable of filtering commercialization through means like commercial-free radio, TIVO, internet popup ad blockers and telemarketing no-call lists (Russell, 2005). Sponsorship provides another avenue to reach consumers. IEG Vice President Jim Andrrers states, "Membership groups and trade associations are a great niche opportunity for certain brands" (Perry, 2006).

Sponsorship is a high-level matching game. Executed well, everyone can benefit. Success at the "game" requires a game plan (strategic and tactical), the right players (organizational support, contacts) and something worth selling (meetings, events, trade show or cause).

Thus, sponsorship functions are a powerful compliment to other marketing programs including advertising, mobile events and promotions. Sponsors' objectives can be categorized as either direct (sales) or indirect. A meeting manager can promote sponsorship as opportunities to:

- Reach specialized target market
- Reach new markets
- Differentiate organization from competitors
- Establish dialogue
- Create a "good citizen" role
- Enhance relationships either on a b2b (business to business) consumer or VIP level
- Create an emotional connection
- Generate brand loyalty
- Generate awareness
- Enhance image
- Heighten visibility
- Shape consumer attitudes
- Create positive publicity
- Reinforce a product
- Network with senior executives
- Drive sales

While promotion, public relations and advertising can meet many of those same objectives, sponsorship plays a unique role. Sponsorship offers these inherent qualities:

- Sponsors are perceived as possessing the values of the event, cause or organization which they are supporting.
- Sponsoring organizations are seen as not only sending a message but also supporting the meeting, trade show or event. Whether they are supporting education, networking, or entertainment, participants are (or should be grateful) to the sponsors.

### From Numbers to Experiences

Kim Skildum-Reid writes in Last Generation Sponsorship about ways sponsorship has grown and changed. She typifies the first generation of sponsorship as driven by gaining exposure and awareness. The second generation (1980's – 1990's) was focused on short-term benefits — primarily sales. The third generation (90's through today) focuses on brand need, integration and the achievement of multiple marketing objectives. She then calls the next wave the “Last Generation” which is about nurturing a brand's connection with a target market by putting the needs of the target market first. She contrasts the Last Generation with early sponsorship: “It isn't about how many times you can “get in front of” or “communicate with” your target market though a sponsorship. It is about you can use the most emotional and personally relevant of all marketing media to improve your brand's relationship with a target market” (Skildum-Reid, 2003).

As Last Generation programs are integrated with overall marketing objectives, the money spent is fully leveraged to the organization's overall objectives. Skildum-Reid lists of qualities of Last Generation Sponsorship. She states sponsorship:

- Respects and enhance the audience's emotional connection with the event (or team, cultural organization, program etc)
- Provides meaningful added value to the audience's experience with the event
- Provides meaningful added-value to the customer's experience with the brand
- Enhances the target markets' community in a way that impacts, even in a small way, ordinary people's lives

Here are two examples of last generation sponsorship:

1. A skincare brand sponsoring a major tennis tournament, provided spectators with UV-sensitive bracelets upon entry. When the bracelet changes color, its time to cover up or put on some sunscreen, helping their target market avoid sunburn while inducing onsite product trial and sales.
2. In the UK, Diet Coke understood that their target market were huge fans of Bridget Jones's Diary and Bridget herself. They negotiated with the author to write an extra chapter of the bestseller which was available in cases of Diet Coke, providing meaningful added-value to current customers and an enticement for brand switchers.

From the meeting industry, John Folks, president of Minding Your Bursinos, relates how his firm helped a client and new life-style (non-endemic) sponsors create that emotional connection. In this case, the sponsors, Jenn-Air, set up a model kitchen allowing attendees to experience the appliances first hand. Also Samuel Adams was a monetary sponsor and donated the beer. The incorporation of sponsorships created excitement, wow and value to the event (Jackson, 2005).

## Developing a Sponsorship Program

A systematic process for designing a sponsorship program consists of four sequential steps which include:

1. Setting sponsorship objectives
2. Determining the sponsorship budgeting
3. Acquiring a sponsorship
4. Implementing and evaluating the sponsorship

Each of these four steps is explored in more detail.

### 1. Setting Sponsorship Objectives

In establishing a sponsorship program and objectives, five suggestions for meeting managers include:

**Designate point people** — Some associations have found it helpful to put sponsorship in marketing and sales rather than the conventions and meeting departments. Other associations have created steering committees composed of people from communications, education and membership. Clearly delineate under whose responsibilities sponsorship lies. While sponsorship overlaps into many organizational areas, responsibilities should be clear.

**Evaluate the organizations assets** — Karamat provides great details on the tangible and intangible assets that an organization owns (Karamat, pp. 51-52). Assets can include these elements:

- Events
- Membership
- Publications
- Digital Media
- Organizational brand and what it stands for
- Credibility

**Evaluate organizational needs** — Evaluate the sponsorship needs of the organization. Assess the current sponsorship programs in place. Research successful sponsorship programs/ recognition in other organizations for comparison.

**Set sponsorship program** — The program will identify:

- Audience demographics
- Potential sponsors
- Value proposition for sponsors
- Benefits to members or organization

The sponsorship program must balance sponsor needs with attendee needs. Accordingly, a sponsorship program will describe specifics around access and limitations to the audience. Meeting managers do not want their attendees deluged with messages. This also allows the meeting manager to ensure that outside messages do not overpower the event messaging itself.

**Establish communication strategy** — Any sponsorship program will involve communicating with the various interested parties. The communication strategy will cover:

- Involving the board (for associations)
- Educating constituencies (members, employees, management) about why sponsorship is important to the organization
- Developing marketing program and materials. Create a sponsorship grid so sponsors are aware of opportunities available in different program throughout the year.

## 2. Determining sponsorship budgeting

Sponsorship budgeting done in conjunction with a sponsorship plan will:

- Develop packages, tiers and long-term arrangements
- Set sponsorship levels
- Determine the various benefits associated with sponsorship levels
- Ensure it benefits membership
- Provide balance within total budget. Sponsorship should not provide the majority of funds for any meeting or event.

## 3. Acquiring a sponsorship

Money for sponsorship is a finite resource. Organizations must employ smart sales tactics to find sponsors. Some tactics for meeting managers to secure sponsorship include:

**Use the network within the organization** — Leverage the people and their contacts within the organization to identify sponsors and contact people.

**Be upfront** — Ensure sponsor benefits are easily found in collateral and that the benefits are clear and easy understand.

**Ask the right questions** — Selling sponsorship focuses on the sponsor's needs not the requesting organization's needs. Ask questions that unearth their needs and hot buttons. Start with open-ended questions like "What are your objectives?" to begin the conversation.

**Determine the informal agenda** — Lisa Aldisert recommends digging deeper to find out what a sponsor is interested in beyond visibility and sales. Some possible interests are a personal interest in the organization, exploring changing their mix of marketing money from advertising into sponsorship or they may be simply shopping your organization to see if there is a fit (Aldisert, 2005).

**Sell benefits** — The key benefit that meetings, events and trade shows offer is a specific audience. Highly defined demographic and psychographic profile of attendees/members will help sell sponsorship opportunities.

Integrate sponsorship into the target's overall marketing plan, business plan and brand. The more integrated the sponsorship package the higher the value to the sponsor.

Events and meetings are also ripe with opportunities for education and entertainment. Education packs a huge value to participants; they appreciate the opportunity to learn and benefit and those feelings "rub off" on the sponsors. Entertainment help creates emotional links and an experience.

**Focus on them** — Collateral and conversations will focus on the benefit to the sponsor not on the receiving organization. Typically, sponsors will evaluate sponsorship based upon:

- Exclusivity
- Brand awareness
- Media exposure
- Hospitality elements
- Opportunities for product exposure

#### 4. Implementing and evaluating the sponsorship

Meeting managers can successfully implement a sponsorship program by following Keramat's advice and taking notice of these additional tips:

**Cultivate relationships** — Sponsorship is not a transactional arrangement. Find ways to cultivate a relationship with existing sponsors and potential sponsors. Even if an organization has declined the opportunity to sponsor this time, stay in contact and determine if future opportunities might exist.

**Create special time** — Aldisert provides another recommendation for a sponsorship programs. She advocates offering a special event for sponsors at a meeting or conference. This offers them the opportunity to network among each other. Or a meeting manager can ask who the sponsor would like to meet and make certain that they attend this special event. Alternatively, a meeting manager can provide an educational session on a topic that is of interest to sponsors (Aldisert, 2005).

**Create a measurement plan** — Set goals and measurement metrics early. Based upon sponsors' needs, establish goals for the sponsorship dollar and determine how to measure results.

**Report the data** — Provide timely and relevant information about the event — monetary goal, number of attendees, sponsorship packages, etc. Although many sponsors are very sophisticated, be prepared to help sponsors with measurement. Provide tools and resources that sponsors need to prove their return on investment.

**Show them results** — For sponsors at high levels (or, if your event was very small, for all sponsors), put together packets that showcase their publicity. Include copies of all the ads they appeared in, photos of their banners at the event, photos of people using their products at the event, etc. If some sponsors had any concerns at any point, contact them to inquire how they think things worked out.

**Say thanks** — Send thank you letters. Inform sponsor about the success of the event.

**Stay in touch** — Even after the final tasks of the event have been taken care of, and that last thank-you has been sent, keep in touch with sponsors! Continue sending them newsletters or updates on the group. Send them annual reports. Invite them to other events. Without going overboard, don't make the only contact the sponsorship solicitation.

#### Ideas for Sponsorship and Recognition

This is a list of many opportunities to create sponsorship packages as well as ways to reward and recognize sponsors:

### **Linking Name/Identity with Event**

- Naming rights sponsorship (perceived “ownership” of the event) with the option to offer various levels of sponsorship
- Merchandising rights
- Product endorsement
- Input in venue, route, and/or timing
- Use of sponsor venue for launch, main event, receptions or supporting event

### **Publications**

- Schedules
- Pocket shuttle
- Conference Schedule
- Daily show paper
- Monthly publications
- Ad space in event program, catalogue, etc.
- Opportunity to provide inserts in event-oriented mailings
- Couponing/advertising on ticket backs

### **Websites**

- Internet site sponsor
- Sponsor of web “events” for Internet site (chat with a star, web cast, etc)
- Banner ad on event Internet site
- Promotion or contest on event Internet site
- Links to sponsor Internet site from event Internet site
- Naming rights (perceived “ownership”) to event Internet site

### **Signage**

- Venue signage (full, partial, or non-broadcast view)
- Inclusion in on-site event signage (exclusive or non-exclusive)
- Inclusion on pre-event street banners, flags, etc
- Press conference signage
- Vehicle signage
- Bus wraps

### **On-Site Experiences**

- Sampling opportunities
- Demonstration/display opportunities
- Opportunity to sell product on-site (exclusive or non-exclusive)
- Coupon, information, or premium distribution
- Merchandising
- Event staff shirts/caps/uniforms
- Branding of badge holders, tote bags, napkins
- Shuttle buses

### **Entertainment or Education**

- Securing entertainment, celebrity appearances, costumed character etc.
- Providing a spokesperson/people
- Funding speakers or sessions
- Opportunity to provide prizes for media or event promotions

- Sponsorship of research
- Sponsorship of press room, lounges, speaker or VIP room or audio visual equipment

#### **Sales Promotions**

- Proofs-of-purchase for discount admission
- Proofs-of-purchase for discount or free parking
- Proofs-of-purchase for premium item (on-site)
- Discount admission coupons for customers

#### **Cause Tie-In**

- Opportunity to involve sponsor's preferred charitable organization or cause
- Donation of a percentage of ticket or product sales to charity

#### **In-kind Sponsorship**

- Equipment, services, technology, expertise, or personnel useful to the success of the event
- Design and/or production of key sponsor events (hospitality, awards, etc)
- Hiring and/or administration of temporary or contract personnel, services, and vendors for above
- Logistical assistance, including technical or creative expertise

#### **Post-Event**

- "Signage" or promotion on event CD-ROM
- License to produce an event-oriented CD-ROM for promotion or sale
- Web boards or web-discussions

#### **Database Information for Marketing**

- Unlimited access to event database(s) for direct marketing follow up
- Rental of event database for one-off communication
- Opportunity to run database-generating drawing or contest on-site
- Opportunity to run database-generating drawing or contest on-site as a requirement for attendee admission

#### **Public Relations and Media**

- Inclusion in all press releases and other media activities
- Inclusion in sponsor-related and media activities
- Public relations campaign designed for sponsor's market (consumer or trade)
- Inclusion in all print, outdoor, and/or broadcast advertising (logo or name)
- Inclusion on event promotional pieces (posters, fliers, brochures, buttons, apparel, etc. — logo or name)
- Ad time during televised event
- Event-driven promotional radio or television schedule
- Event-driven outdoor (billboards, vehicle, public transport)

#### **Hospitality**

- Tickets to the event (luxury boxes, preferred seating, reserved seating, or general admission)
- VIP tickets/passes (backstage, sideline, pit passes, press box, etc.)
- Celebrity/participant meet & greets
- Event-related travel arrangements, administration, and chaperone (consumer prizes, VIP, or trade incentive)

### Ancillary or Supporting Events

- Tickets or invitations to ancillary parties, receptions, shows, launches, etc.
- Signage, sampling, etc. at ancillary parties, receptions, shows, launches, etc.

### Must Haves in Sponsorship

Beyond the model for a sponsorship program, the following eight suggestions will help build a strong sponsorship program:

**Be Strategic** — An American Banker article stated that executives did not have difficulty finding numerous opportunities to support with their sponsorship dollars. The author, Sean Brenner, likened it to “finding hay in the haystack.” But strategic partnerships, those that can help achieve marketing and community relation’s objectives, are the needles in that stack. While the author was referring to banks or other financial services companies, the lessons remain true for all companies (Brenner, 2003).

Sponsorship is not a transaction; it is the development of a business relationship. Opportunities are most likely to be funded if approached strategically. Meeting managers can ask these questions to be strategic about sponsorship activities:

- Will the alignment between the sponsor and the organization benefit both parties?
- Is there a match between the event/cause and the sponsor?
- Do both parties share common values?
- Are both parties in agreement about measurement tools for success?
- Do possible conflicts of interest exist?

**Communicate** — Be able to clearly elucidate interest in a specific sponsor. Be clear about the goal and intent of the event or cause. Focus on the “Who Cares rule. When working internally, it’s easy to become myopic — to assume that because you care about your mission, everyone else will too.” Listen to potential sponsors about their needs. Their goals may be different and the event or cause may be able to support multiple goals. Practice good selling techniques – ask questions and listen. Sponsorship is a selling process and the more understanding of the prospects and their goals, the more likely there will be a “match.”

**Think broadly** — Remember the days when the supermarket floors were simply tiled and shopping carts were metal baskets on wheels? Advertisers keep finding innovative ways to advertise their products. Sponsorship has undergone a similar transformation. It was only a little more than thirty years ago that the first corporate logo was placed at a stadium. Agree/disagree, like it or not, nothing is sacred when it comes to sponsorship opportunities. Consider innovative ideas to spur sponsorship and create value for participants and sponsors.

**Once is not enough** — Advertisers know that it takes multiple contacts to create a lasting impression. Offer packaged opportunities for sponsors to “touch” the audience. The organization benefits by saving time, and creating a steady revenue stream. Sponsors benefit because they can create several touch points with the audience.

Create multi-year opportunities for sponsors to work with the organization. After having expended the time, money and energy to cultivate a relationship (remember it’s not a business transaction), don’t throw that effort away attracting new sponsors. Cultivate past sponsors to be ongoing sponsors.

**Involve leadership** — On the hosting side and the sponsor side, it is important to foster internal buy-in. Everyone must be willing to use sponsorship in a meaningful way. This includes leadership, the board, committee chairs and development team. Many times the hospitality aspect of sponsorship may be a selling point. Rubbing elbows with senior executives may be attractive to sponsors.

**Focus on activation** — Communicate to sponsors that their sponsorship will be exponentially better if they focus on activation. For example, sponsors should budget money to participate in educational sessions and networking events.

**Be careful with words** — Do not endorse or license sponsors. Endorsement is a legal term that applies to completing a rigorous due diligence process that indicates that a product or service is considered the best of the best. Licensure is also a legal term that indicates that a product or service meets set performance criteria (Sunseri, 2004).

Ensure that your organization has (Sunseri, 2004):

- A conflict of interest policy
- Sponsorship program that operates in an ethical and responsible matter
- Policies on the release of financial and personal information
- Operating guideless which are reviewed and approved on an annual basis

**Additional benefits** — Meeting managers should consider how sponsorship makes annual meetings or other events more attractive. Consider whether sponsors are holding events in conjunction with the main event. Include the impact of those events into the overall impact of the meeting when negotiating and selecting sites.

## Summary

Sponsorship is an important source of revenue for many organizations. A well-honed sponsorship program creates great opportunities for sponsors, the hosting organization and the people involved in the meeting or event. Sponsorship has evolved from placing logos to integrating sponsors into events. The result is a more experiential, emotional encounter for both the sponsor and participants.

Sponsors objectives continue to be varied and organizations desiring sponsorship must be attuned to needs and ready to customize packages for sponsors. Sponsors must also recognize that sponsorship funding must be supplemented with an activation plan. And ultimately, organizations must also be prepared to help sponsors assess and value the results of their participation. Accountability and results is the bottom-line of any sponsorship program.

## Group Projects

1. How could a meeting manager use any of these websites to improve a meeting or sponsorship program?
  - [Sponsoraid.com](http://Sponsoraid.com)
  - [SponsorDirect.com](http://SponsorDirect.com)
  - [USsponsorship.com](http://USsponsorship.com)

Select one and analyze its use for a meeting or event sponsorship.

2. Is sponsorship money a necessary evil or free money or something else? Define a position on sponsorship.
3. Create a timeline for creating a sponsorship program for an association annual meeting.
4. How much input should sponsors have on venue and timing for an event?
5. Research the term “ambush marketing” and describe how this form of marketing might impact a meeting or event.

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