**GUIDE**

**Mastering**   
**Regional Event Sponsorship**

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# The benefits of sponsorship partnerships

Event sponsorship should not be just a one-way donation, with a sponsor providing cash to an event. Event sponsorship should be a cooperative partnership that benefits both partners.

## Benefits for sponsoring businesses

Events can connect businesses with their target markets in a way that advertising can’t – and that’s how you can sell sponsorship to potential sponsors - as an effective marketing tactic. The sponsors are not doing a hard sell which people tend to ignore. They’re just there, helping out a good cause … “And by the way, this is what we do. Please let us know if we can ever help you.”

Sponsors leverage the hard work and marketing budget of event organisers to reach their target markets. Event sponsorship is a cost effective marketing tactic where businesses get multiple and varied brand exposures over a long period of time directly to target market/s.

Event sponsorships enable businesses to reach an audience of event attendees to achieve a desired outcome for their business, such as

* Engaging new customers by creating or increasing awareness of the business’ brand with its target markets or with a new target market.
* Re-engaging past customers.
* Build awareness of the business and what it sells by showcasing its products or services to attendees.
* Increasing sales of its products and services.
* Launching a new product or service.
* Introducing an existing product/service to a new market.
* Reposition a struggling product/service.
* Delivering information to the business’ target market/s
* Collecting information on potential customers (e.g. customer research or contact details, for example via a competition).
* Rewarding employees, such as with free tickets, or through an enjoyable teambuilding experience, such as through volunteering together.
* Establishing or improving the business’ image as a good corporate citizen that invests in its community, making people feel good about the business and increasing brand loyalty.
* Third party endorsement of the business by the event, aligning the business with the event’s brand (e.g. aligning the business with a sustainable event)
* Supporting the event’s economic benefit to the local business community
* Having an opportunity to network and build relationships with other stakeholders, such as other sponsors, local businesses and Government representatives

Sponsors can also be community groups and organisations, such as social services, who are trying to achieve similar outcomes as businesses.

## Benefits events can offer sponsors

Ideally, sponsors will add value for attendees in a way where the attendees can engage with the business in an uplifting way. This also helps the event organisers by enriching the event experience at no additional cost. Examples include

* Providing useful free giveaways to attendees such as branded sunscreen or hats at an outdoor summer festival.
* Hosting an event or experience as part of the program, such as a workshop or a photo booth with fun dress up items and props.
* Hosting a family tent with a quiet comfortable area for breastfeeding mums and a play space for little kids.
* Hosting a ticketed VIP networking event such as a cocktail party at the event (if high-income attendees are the target market).

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| * A major sponsor of a sporting event, a luxury jewellery brand, hosted a lounge beside their retail stall. It had comfortable seating, was close to the action, and also hosted VIP functions. * A solar farm provided a ‘recharge’ station at an event, where attendees could both recharge their phones, but also take a break from the noise and crowds, chill out on a beanbag, and recharge themselves. |

Other benefits include

* Complementary tickets (for example to offer to their customers via a competition, or to use to reward staff)
* Speaking opportunities
* Staff or ambassador involvement
* Exhibition or trade stall
* Demonstrations, giveaways, samples, discount coupons, and trials of products and services at the event (for example, letting attendees trial the business’ sporting equipment at a sports event)
* Networking opportunities e.g. with other VIP guests of the event

Marketing benefits include

* Promotion to attendees via the event’s database/mailing list, social media accounts, blog articles, media releases, the printed program, etc. This should be in the form of an authentic or engaging ‘story’ rather than as an ad or hard sell (which attendees are good at ignoring). A good example is [this blog article](https://polocrosseworldcup.com.au/news-2/2019/3/19/polocrosse-and-the-australian-stock-horse) which was written and distributed to horse sports enthusiasts by the Polocrosse World Cup as part of the Australian Stock Horse Society’s sponsorship benefits.
* Cooperative advertising opportunities (such as distributing the blog article using digital ads, with the costs shared by the sponsor and the event organisers)
* An opportunity to build a database of attendees, such as by running a competition for attendees
* Co-branded merchandise such as the volunteers’ t-shirts, and hats and water bottles for sale.
* Inclusion in a competition (such as by sponsoring the prize)
* On-site signage or other promotional opportunities e.g. banners, pavement stickers, theming of a stage or photo backdrop
* Information about the sponsor on the event’s website (e.g. logo, information on the sponsor business and a link to the sponsor’s website – again, where possible, make this engaging and personal)
* Verbal acknowledgement on the day via the PA or at events on stage
* Endorsement by the event organisers – particularly powerful if the event is well-loved and has a strong reputation (e.g. as being sustainable, or being the pinnacle of the sport)
* Inclusion in media opportunities

Most sponsors will want category exclusivity. For example, a bank likely wants to be the only bank sponsoring the event.

## Benefits for events

Of course, events benefit from the sponsor’s financial or in-kind support, such as by

* Providing cash to cover expenses
* Providing in-kind (complementary or discounted) goods and services that reduce the event’s expenses such as equipment, supplies, services (e.g. bookkeeping, waste management), technology, expertise (e.g. audiovisual management), prizes, or a venue.
* Supporting the event’s labour requirements (providing staff as volunteers for the event)
* Adding to the event experience offered to attendees (for example, if a sponsor runs an activity as part of the event program as a way to engage its target market).

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| To determine if a partnership is like to benefit both parties, consider the following:   * Does the event’s target markets match those of the potential sponsor? * Do both parties share the similar attributes or values? * Are both parties striving to achieve similar objectives? |

Sponsorship partnerships should be outlined in an agreement which outlines the obligations and responsibilities of both (or all) parties involved.

# Securing sponsorship

Events should aim to be financially sustainable from their own ‘owned’ revenue streams (such as ticket sales and profit from bar sales) without dependence on unreliable grants or sponsorship. Ideally, sponsorship should be treated as a ‘bonus’ when it comes to developing an event budget, enabling value-adding elements of the event, while the essentials are covered by owned income.

Sourcing corporate sponsorship is not easy, especially for volunteers who are already overcommitted, somewhat stressed, and trying to deliver an event which results in positive social, cultural and economic benefits for their community.

Whether you’re working on a small niche event, or a large community festival, this checklist will help you develop an attractive proposal and give you the confidence to pitch it.

Steps in securing sponsorship include

1. Identifying the benefits the event can offer potential and specific sponsors (different sponsors will want different benefits)
2. Developing a clear and personalised sponsorship proposition
3. Identifying potential sponsors – those businesses or organisations that are aligned with the event’s values and target markets, and could provide cash or required products or services
4. Preparing a professional proposal or pitch
5. Developing tailored packages that help sponsors meet their objectives   
   (the days of Gold, Silver and Bronze packages are over)
6. Manage the sponsorship relationship by delivering (preferably, over-delivering) benefits agreed to – it’s easier to keep a sponsor year after year than secure new sponsors every year

# Your Sponsorship Checklist

## Pre-event

1. Develop your event budget and identify

* Your cash sponsorship target
* Expenses which you may be able to offset through in-kind sponsorship

1. Consider the benefits the event could provide to sponsors that would help them meet their objectives, and the naming or presenting rights that the event could ‘sell’ to a business, such as

* Naming rights to the whole event
* Naming rights to events within the program, such as the fireworks, a fun run, or a fundraising activity for a charity
* Naming rights of venues, arenas, areas (e.g. children’s area, quiet area, VIP marquee), and stages
* Naming rights of hospitality areas (e.g. bar, food court) or block seating
* Naming rights of start/finish lines and entryways
* Presenting rights to headline acts and celebrity presenters
* Naming rights of the volunteer team
* Sustainability presenting partner
* Media partner
* Naming rights of intermission or catering breaks
* Naming rights of transport or transfers
* Naming rights to awards, trophies or scholarships

1. Assign a Sponsorship Coordinator and ensure they understand what the event can offer e.g. its target market, marketing reach, marketing opportunities, assets, etc and are prepared to explain how a partnership offering will help the business achieve its goals. Such preparation will help them to confident, up-beat, and process-driven in their approach.
2. Develop a sponsorship prospectus that will guide discussions with potential sponsors. The approach should be as a ‘problem’-solver with customised solutions. Make yours a personal approach. The prospectus should

* Provide an overview of the event
* How association with the event could benefit their business (e.g. shared objectives, target markets, values, and attributes)
* Include an outline of the planned marketing activity for the event
* Details on target markets
* Potential partnership opportunities
* Benefits sponsor can expect to receive.
* An agreement template with terms and conditions
* Information on what sponsors will need to provide and when
* Contact information for the Sponsorship Coordinator

1. Develop a database of potential sponsors that includes business name, business’s sponsorship policy, target markets, and values (if publicly available), contact name, phone number and email address, website, and identify which type of sponsorship opportunity you’ll pitch to them. (If you have multiple people working on sponsorship, divide up and communicate this list to all involved so there is no duplication of efforts.)

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| 6. Tips on approaching potential sponsors   * Approach sponsors well before your event, such as ten months prior. It is important to secure sponsorships before commencing the event’s marketing activity, otherwise you may not be able to honour all aspects of the agreement. * Do your research and prepare. Read about the company and its products before reaching out, particularly about their values and sponsorship goals, if these are on their website. Develop an understanding of the community involvement the business is looking for, and be familiar with events the business currently sponsors or has sponsored in the past. Take notes of any alignments you find (e.g. between the business’ target markets and users of the event’s Kids Play Area). If a business outlines their needs and requirements, make sure you adhere to them. * Put together a presentation or a 30 second pitch which summarises what the event can offer the business. Develop a cover letter and relevant supporting information which provides background and demonstrates professionalism and credibility. The main objectives of each potential sponsor will vary, so you may be asked to describe how your event could increase sales or brand awareness, help the business demonstrate its commitment to community, improve employee satisfaction, etc. * Call the company and ask who is the right person to speak with about sponsorships (sometimes it is the Marketing Manager), and get their contact details. * Call that person to ask a few questions. First take a deep breathe. Then smile and introduce yourself and the festival briefly e.g. “I’m [Name]. I’m calling from [Your Event] which attracts 7,000 attendees each June in [Your Town]. I’m calling to see if the event might possibly be good fit for a sponsorship partnership that would help [your company] meet its sponsorship aims. Are you the right person to speak with about sponsorships?” * Ask a few questions to see the event and the business would be a good fit for each other, such as: * “How do you normally engage in sponsorship?” * “What are you key marketing goals at the moment?” * “What would you consider to be the most important elements of a sponsorship partnership?” * “Do you still have budget for sponsorship for the coming year?”   This is about making initial contact, pitching the event’s potential benefits for sponsors, and gaining feedback so that you can tailor a proposal. Gauge interest and the fit at this point, because you do not want to waste their time if they are not interested or have no budget. If there is interest, ask for a face-to-face meeting to discuss what they are aiming to achieve for their organisation, and if event sponsorship could help them achieve that effectively.   * Once at the face to face meeting, negotiate benefits and the company’s contribution. |

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| Leave yourself plenty of time to liaise with major sponsors (particularly those involving cash sponsorships) as it may take six or more months to negotiate a package that suits both parties.  Commit to building long term, strategically sound partnerships that deliver bottom line results for both parties. |

1. As you sign up sponsors, develop and maintain a list of benefits which you have agreed to provide, and keep a record of when and how you delivered them.
2. Add the sponsor’s email address to your newsletter mailing list to ensure they receive the event’s updates, such as when the program is launched, ticket sales open, etc. You might prefer to phone them instead to build the relationship with them.
3. Encourage your sponsor to leverage the partnership by promoting their sponsorship of the event to their audiences.

## Two weeks before your event

1. Prepare run-sheets for your MCs which include verbal acknowledgement of sponsors.
2. Ensure sponsors are up to speed with the event e.g. if they will host a stall at the event, or be presenting. Collect sponsor signage and print collateral, and provide sponsors with any free tickets.

## During the event

1. Meet and greet your sponsors, and show then the VIP hospitality area, if you have one.
2. Capture photos of the sponsor, their signage, banners and activities at the festival.
3. If you’ve agreed to help the sponsor promote their product or service during the event, be sure to implement this.

## Post-event

1. Send a thank you letter with your record of the benefits you provided, photos of them at the event, and a copy of your post-event media release which outlines the overall success of the event, and its results and achievements e.g. attendance information, website visitation data, social media reach and engagement, competition entries, etc.
2. Undertake a debrief meeting with your sponsors – what worked well, what could be improved, were they happy, etc. Review the arrangement and ascertain their interest to be a partner of your next event – or perhaps the next 2-3 events. Sign this away if appropriate. Some companies may be interested in a longer term commitment, while others will be unable to commit their marketing budget beyond the current financial year. Nonetheless, committees should strive to secure major sponsor for a three-year term to ensure event sustainability.