



strategies for success

The Business Case for a Better Sponsorship Model

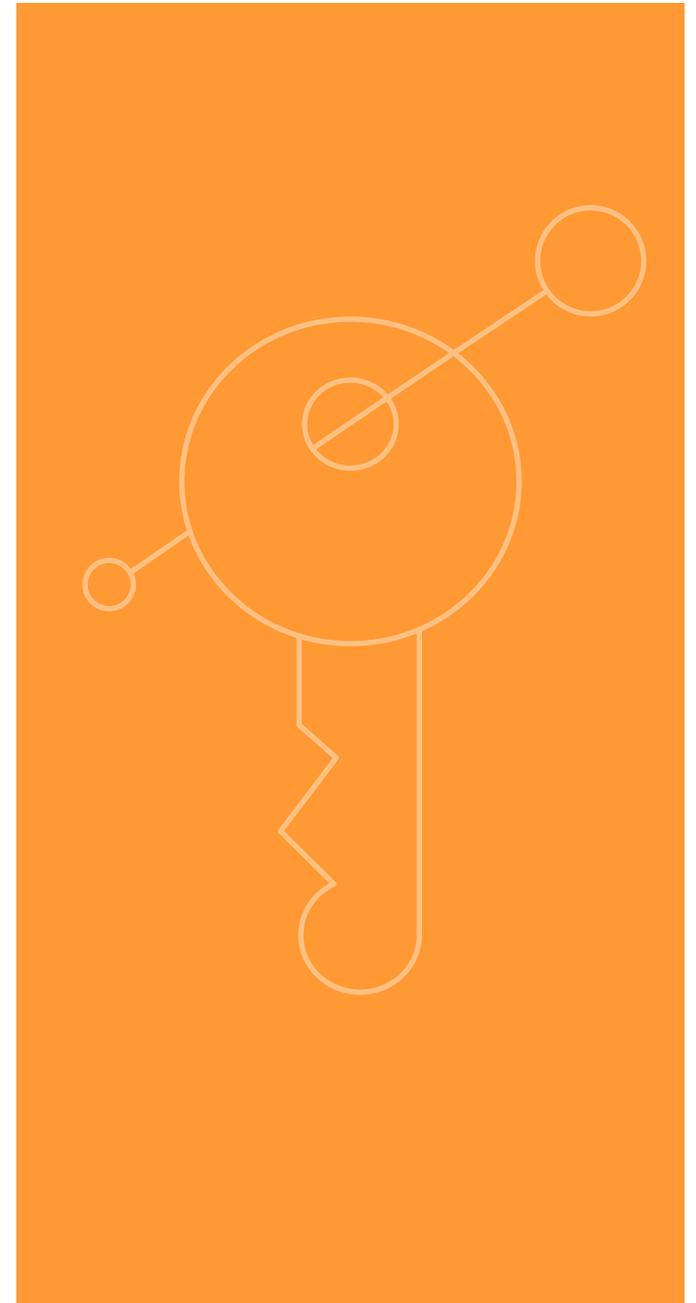


*Your events need to prove their worth.
To measure and demonstrate their value,
create sponsorship models that are tailored
to and deliver on business objectives.*

As corporate event marketers look to fully integrate events into their portfolios, event planning has evolved into a complex task. While the opportunities have grown, so have the challenges. There is an increased emphasis on creating a clear strategy, setting achievable goals, and establishing tangible key performance indicators (KPIs). All of this is prompting marketers to reconsider traditional event sponsorship methods and, instead, seek out models that are tied to specific objectives.

At the center of any effective program or event is the sponsorship community. Unfortunately, as the event marketplace has become more crowded and diverse over the past decade, a problem has emerged: event organizers and sales teams increasingly wind up “dialing for dollars” rather than strategically selling sponsorships. Then, when events underperform, organizations begin investigating systemic issues rather than the underlying reason for the failure. As a result, they are unable to fix the problem.

The answer? It’s critical to view events and sponsorships holistically, from pre-event to post-event. This means fully understanding the relationship with attendees. When an event planner adopts a best-practice approach — including the use of KPIs and metrics — it’s possible to identify key factors that lead to success or problems, such as why attendance is rising or falling or desirable sponsors are shying away. Organizations that adopt a best-practice sponsorship framework are positioned for better performance and profits.



breaking with conventions



A starting point for building a better sponsorship model is to recognize that partnerships and sales models are different than in the past. Today, maximizing results and revenues requires more than simply growing the partner community. It revolves heavily around improving the overall attendee experience. To do this, organizations need to grow their events purposefully through a 360-degree view — and this requires a high level of alignment between two critical priorities:

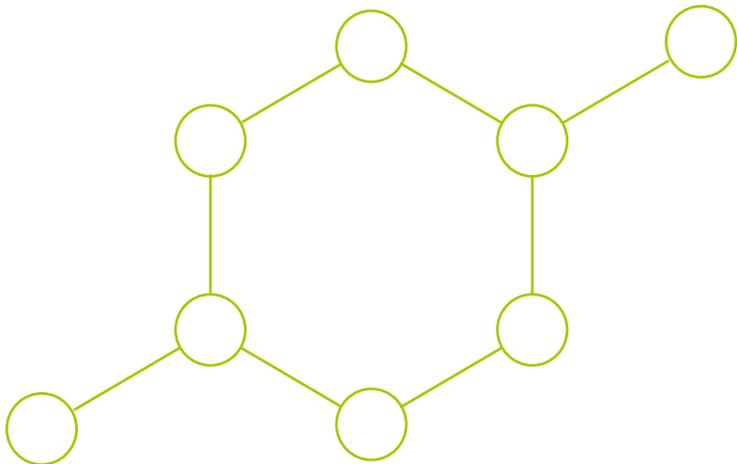


The audience experience. It's vital to ensure that attendees connect to exhibitors, content, and material that deliver maximum value. The types of interactions that take place must align with the company size, vertical industry interests, and more specific interest categories.



Sponsorship needs. In order to achieve success and build a long-term brand, sponsors must realize value as well. Consequently, it's important to focus on the goals and objectives of the sponsorship community. This requires event planners to plug in data about attendees, as well as the location, and ensure that there's a high level of alignment between the two groups.

When event planners get this proposition right, there's a high level of synergy that yields value for everyone. However, alignment doesn't just happen; it requires the right set of metrics, KPIs, and data – and the ability to put the data to use effectively.



CASE STUDY:

Breathing Life Back Into an Event by Aligning Sponsors and Attendees

In a recent case, one company witnessed a 70 percent drop in sponsorships from one year to the next, which puzzled executives. While the sales team exceeded sales metrics the first year, attendees gave the event negative scores.

The culprit? The long-term strategy was a failure due to misalignment. Attendees were not happy with the partner community because at least 20 percent of the sponsors were not relevant to them. Since the attendees didn't see value from these sponsors, they didn't interact further. The solution? The event organizer moved to a strategic sponsorship model, found the right set of sponsors, and connected everyone effectively, which raised attendance and scores.



choosing meaningful metrics

Event success is typically the result of applying data and information to produce insight. In order to achieve a high level of alignment between event attendees and sponsors, corporate event marketers need to focus on two things: identifying key factors and introducing ways to validate information. Make no mistake, it is paramount to develop a set of core metrics that are relevant to the industry and to the event.

Metrics should spin a tight orbit around the concepts of educating and engaging attendees. Marketers should focus on four key issues:



Thought
leadership



Brand
awareness



Lead
generation



Overall
education

With the right data on hand, organizations can use analytics tools to make informed and strategic decisions. Event stakeholders and planners are able to identify key patterns and trends, which provide a blueprint for how to map out highly aligned sponsorships.

In most cases, organizations benefit by establishing a core set of six to 12 KPIs, then creating a handful of metrics for each KPI. Yet, it's also important to recognize that metrics aren't a one-and-done proposition. Events are dynamic, evolving as competitive landscapes, the technology, and attendee requirements change. To be sure, it's important to reevaluate your metrics, KPIs, and methods every two to three years to make sure they provide an accurate picture of your event.

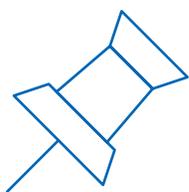
putting the pieces together

Best Practices in Developing a New Sponsorship



A best-practice approach to creating a successful sponsorship model follows a clearly defined, five-step path:

Step 1



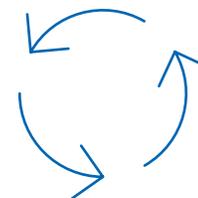
Step 2



Step 3

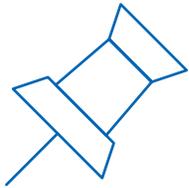


Step 4



Step 5





Step 1: Identify a strategy.

Among the key components are:

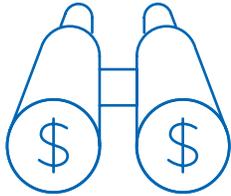
- **A competitive analysis.** Understand where your event fits into its competitive landscape and how it compares to others.
- **Stakeholder interviews to understand needs and expectations.** It's impossible to deliver a quality experience without a clear understanding of what various stakeholders expect and require.
- **An understanding of industry best practices.** This information aids in designing and aligning an event — including panels, workshops, exhibitor displays, and more — to deliver maximum results. It holds a mirror up to your current practices to show what you're doing well and where you can improve.
- **The ability to identify the value proposition.** It's vitally important to pinpoint how an event provides overall value. Does it aid in educating attendees? Does it introduce an unparalleled opportunity to network? Does it help attendees identify critical exhibitors?



Step 2: Design the event.

This includes:

- **Package design.** The right data can identify the look, feel, and overall aesthetic that will best suit the event.
- **Customer experience.** What are the interaction points and touchpoints for various participants?
- **Sponsor experience.** Likewise, it's important to gauge what factors are important to sponsors and understand exactly what they expect to gain from an event — marketing and brand exposure, or perhaps sales leads?
- **Event blueprint.** The structure and layout of an event must support alignment of key groups and create value for everyone.



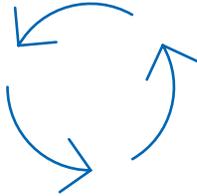
Step 3: Focus on sales.

Pay particular attention to:

- **Database development.** Analytics tools can help an organization measure results against KPIs and metrics. Today, sales teams and others require access to this information on a near-real-time basis, including via mobile devices.
- **Developing PNLs surrounding sponsorships.** It's vital to have a sales plan in place, though it may require periodic tweaks and updates. This may take the form of a quarterly, yearly, or even five-year objective to keep teams on track and focused on goals.
- **Acquisition strategy.** How can an event best connect to its potential audience and attendees? This may include direct mail, email, online advertising, social media, and other methods.
- **Targeted kits.** A one-size-fits-all approach will not produce the best possible results. Kits should be designed for the intended audience.
- **Actual sales.** With the right tools and materials, and a data-centric framework in place, it's possible to adopt a more targeted and strategic model for achieving sales objectives.

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Step 4: Manage fulfillment.

This includes:

- **A focus on partner relationships.** It's critical to interface with exhibitors, sponsors, and groups representing attendees, in order to keep the program on track. Appoint someone to spearhead this effort.
- **On-site activities that mesh with the strategy.** A strategy is only as good as the execution. It's crucial to put data, insights, and information into action by linking activities such as expos, sessions, workshops, and keynotes to the core strategy.
- **Surveys.** Few tools are as valuable as data. Surveys are among the best ways to understand expectations, preferences, and other factors. These should complement other data collected at various stages of the project.
- **Wrap up or SWOT analysis.** Conduct a postmortem to determine what went well, what fell short, and how gaps can be addressed in the future.

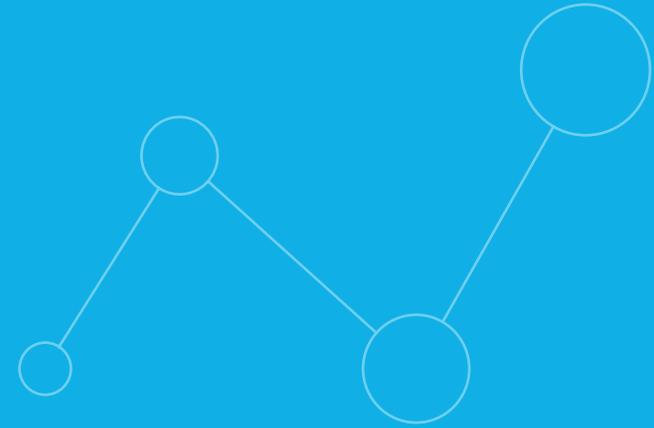


Step 5: Put data to work.

Gaining insight requires:

- **Quantified information.** When an organization has detailed and rich data that can be applied to metrics and KPIs, it's possible to turn goals and objectives into tangible results.
- **A view of the data.** Organizations that use dashboards, business intelligence reporting and analytics, as well as other tools to develop a plan, refine it, and make adjustments, are far more likely to follow best practices and achieve their objectives.

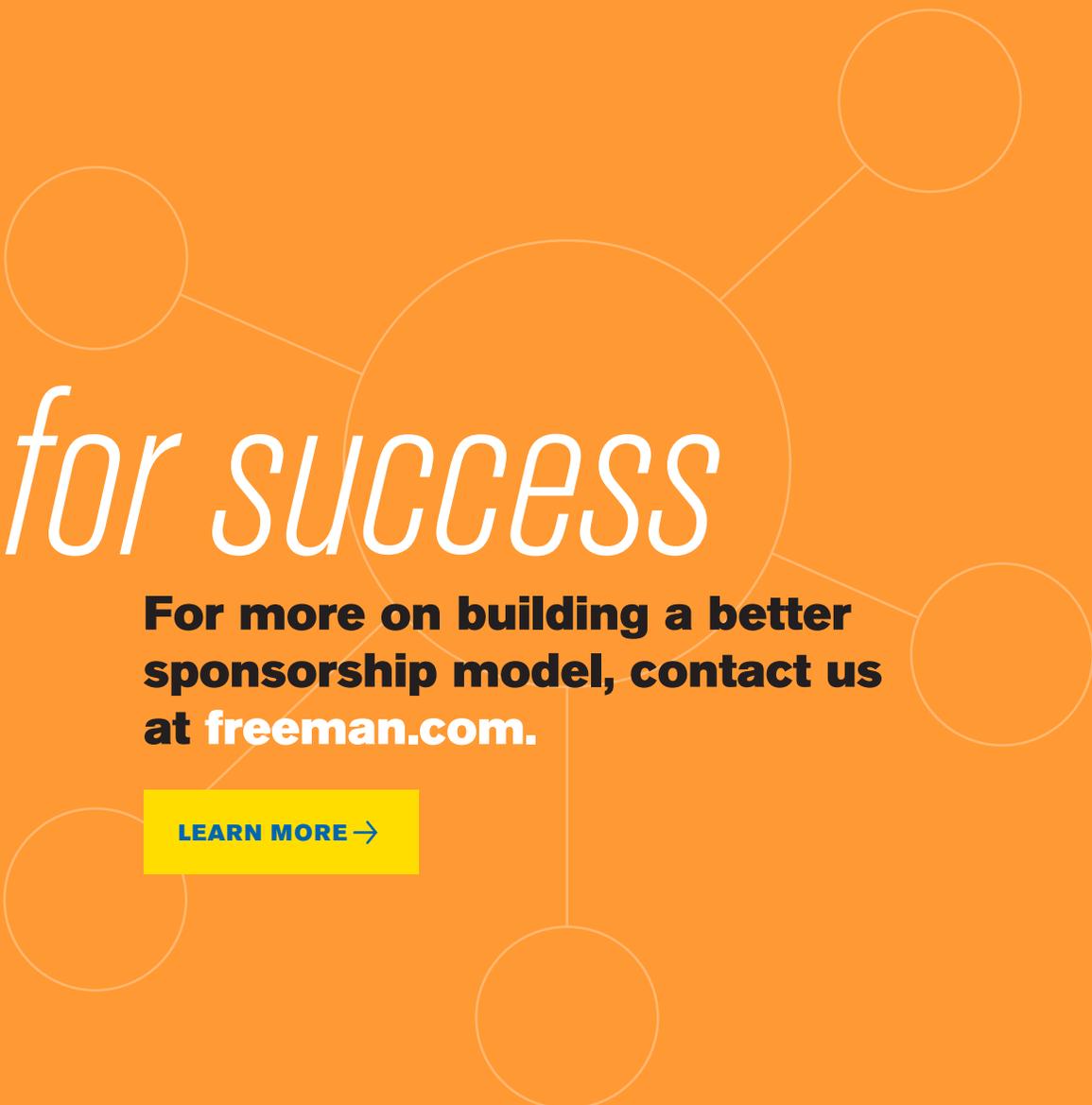
taking sponsorships to the next level



In an increasingly complex business and event environment, it's vital to ensure that an event is designed for maximum results. Matching the needs of attendees, sponsors, and exhibitors is vital to creating an effective sponsorship model. Organizations that achieve a deep and broad understanding of the factors required for alignment drive best-practice results — and bottom-line gains.

Ways to Make Your Event Successful

- 1* Use a program-specific CRM tool to understand constituencies.
- 2* Know and comply with government regulations.
- 3* Research VAT and other financial considerations.
- 4* Have robust analytics and reporting tools in place.
- 5* Ensure that an event management firm can provide “proof of delivery.”



set up for success

**For more on building a better
sponsorship model, contact us
at freeman.com.**

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