

Downtown Promotion Reporter

The tools you need to bring more people and business downtown



Economic Impact

Meeting sponsorship challenges

The recession, and attendant outcry about perceived corporate waste, has led to dwindling sponsorship dollars in many communities. Gail S. Bower, author of *How to Jump-start Your Sponsorship Strategy in Tough Times*, believes there is much a downtown organization can do to minimize negative impacts on event sponsorship dollars.

Bower says 20 important strategies will help downtown organizations and event planners remain strong partners with business sponsors.

“With your current sponsors, you have an opportunity to deepen your relationships with your contacts, strengthen the ties and all the ways your two organizations are interconnected, and enrich the sponsorship program for your partners and your own organization,” says Bower.

- **Look at the landscape.** “If you haven’t been doing this all along, take some time to develop an understanding of what your sponsors face in their respective industries and markets,” she advises. Visit websites. Read local and national business publications. Check social media sites to see what sponsors’ customers are saying. Pay attention to where advertising dollars are being spent.

- **Talk to your sponsors.** “Your primary goal is to listen,” says Bower. Find out what’s really going on with your client’s company and with your contact.

- **Work with sponsors to craft the sponsorship opportunity.** Determine what alternatives, additional value, reorganization of value or benefits, and new programs would be appropriate. “Work with your sponsors

to develop these ideas, flesh them out, and determine the implications,” Bower says. “Strive to create ideas and activation opportunities that address as many of the client’s circumstances as possible, integrating as many goals as possible.”

- **Measure the return.** “Everybody, right now, is questioning the value of each expense,” she says. “Make sure you understand how your sponsor plans to measure the return or value of its sponsorship program.”

- **Renewal deals.** Check in periodically to make sure everything is running smoothly. Conduct an evaluation after every event. Offer a discount for renewing early. If cash flow is a challenge, offer flexibility in payment terms for next year’s events, as long as you are paid prior to your events.

The list of possible assets you have to offer is more extensive than you realize.

Improve your program

“Improving your sponsorship program, especially if you suspect it lacks value, is an important and ultimately lucrative undertaking right now,” says Bower.

- **Assets.** “Chances are the list of possible assets you do have to offer sponsors is more extensive than you realize,” she says. Assets include communications materials, public relations, advertising opportunities, onsite visibility, event component opportunities such as naming rights, promotional opportunities, deeper audience access, and sharing mission-related areas of expertise, proprietary services, enriched connections to philanthropic efforts, and more.

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- **Marketing.** “Some organizations can benefit by improving the marketing and promotional efforts that support their events,” Bower says. Have a marketing strategy far in advance of events. Know who you want to reach, what you want to tell them, and how you are going to do it.

- **Know your audience.** Who comes to your events? Segment your audiences into groups based on relationships with your organization. Do you see patterns? Some sponsors, such as food manufacturers launching a new product, are looking to reach mass audiences. Others, however, such as a luxury car manufacturer, are looking to reach niche audiences.

- **Fees commensurate with value.** “Pricing sponsorships is both art and science,” Bower says. “Ultimately, it is based on the value your program provides to your partner, depending on the corporation’s objectives and goals. The fee has nothing to do with how much something costs you, though certainly factoring in hard and soft costs, such as materials and labor, respectively, is important.”

- **Tone things down.** Some corporations may choose to operate in a low-key manner, so as not to raise red flags with the media and others who might point the “corporate waste” finger. “Discuss how to handle certain benefits, like hospitality and client entertainment,” says Bower. A simple reception may serve better than an elaborate party, and your outdoor event may provide the perfect venue for a company picnic.

Enhance your operation

Make business development an art form. Have the procedures and infrastructure in place to support all the ideas that you generate for sponsorship clients. A few areas where there are opportunities for improvement include:

Securing new sponsors

Bring a discerning eye, along with a healthy dose of creativity, to your exploration for new sponsor possibilities. As you monitor the media, interact with the business world, and go about your daily life, look for signs of new life and evidence that maybe there’s another way of looking at things.

- **To secure new sponsors, be alert to the opportunities.** “Not every industry sector, not every business in troubled sectors, has collapsed,” says Gail S. Bower, author of *How to Jump-start Your Sponsorship Strategy in Tough Times*. Some companies “left for dead” in media reports may simply need help with an image problem, or may be seeking to build customer base. If your organization can assist with the image issue, has a customer base in common with the business, or can motivate customers to visit their stores or website, sponsoring your events may meet their needs.

- **Pay attention to who is in the news, and who is advertising.** How could their messages be delivered more effectively through sponsorship? Banks, for example, are advertising several incentives for opening new accounts. Obviously, they are looking for new customers.

- **Don’t just look at the Fortune 500.** “Small and medium-sized businesses also market their brands and have just as much to gain from sponsorship as the big guys,” says Bower. You may be able to cultivate certain businesses by creating entry-level packages. Educating the business owner about expectations and delivering clear value and a tangible return will be key.

- **Reduce risk and take a long view.** “You’re an unknown entity to this new sponsor; why should it invest with you? Your conversations, materials, and your event itself must address this question and overcome the perceived risks. Focus on building trust and rapport. Your goal should be for a long-term relationship.

- **Network.** “Boost your networking activities right now to meet new people with the decision-making authority to invest in your sponsorship program,” advises Bower. Ask your current sponsors for referrals. Talk to local media advertising staff, retail partners, and even your own board members to gain more introductions.

- **Knowledge and competence.** “Everyone on your sponsorship team should be conversant about your organization’s sponsorship opportunities and policies,” says Bower. “They should be able to answer questions about who your audiences are, the value of your opportunity, and about the different ways corporate partners may participate in your program.”

• **Customer Service and relationship cultivation.** “Identify who on your staff is responsible for each relationship, during all phases of the sponsorship process,” she says. Establish internal communications so that the sponsor is giving instructions, requests and necessary information to one person rather than many. Have a plan for communication onsite at the event, and during the evaluation period and beyond.

• **Audience research.** “Investing in research, even if gathered using low-cost or free online tools, can provide you with great information that will support your sales process and provide corporations with evidence they need to confirm a fit,” Bower says. At a minimum, gather demographic information about the people who attend your events, and find out what they liked, why it’s important to them, and what else they’d like to see happen.

• **Timing.** “Sponsorship requires a long lead-time to both secure and fulfill all the value — for your sponsors and for your operations,” says Bower. “You need to be working on sponsorship development at least six to nine months out for existing events, and 12 to 18 months out for new events.”

• **Your event.** “Sometimes annual events become boring and stale because their producers, too, have become bored,” Bower says. Is the event still dynamic? Does it still bring the community together? Does it sell out? Does it attract fresh audiences? Look at the event not only from your organization’s perspective, but also from that of your audience, and your sponsors, she advises.

Contact: Gail S. Bower, Bower & Company, (215)922-6937, gail@gailbower.com. **DPR**

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712 Main Street — Suite 187B, Boonton, NJ 07005

Phone: (973) 265-2300 • Fax: (973) 402-6056 • Email: info@DowntownDevelopment.com • Website: www.DowntownDevelopment.com

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