
Sponsorship: Four Steps to Success

A Resource for
Administrators, Faculty,
Student Groups,
Development Officers and
Staff

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Sponsorship Steps to Success, Part 1:

Know your event and what you can offer

Before you approach your first sponsor, you must ask yourself some basic questions and prepare a brief.

Basic Event Overview

- Name of event, date, location and time
- Event summary (short description of event) – what is the purpose of the event/initiative?
- Is the event standalone or part of a series?
- Is it an annual event? Does it always take place in the same place?

Budget/Costs

What is your overall budget? Do you have any other funding for this event? Do you have any donors or sponsors or partners already? How much sponsorship do you need? How much will your activation costs be — that is, the cost to fulfill your obligations to sponsors (i.e., pay for the recognition that you are promising to them)?

Target Audience

There are a number of questions you should ask yourself when determining what type of audience you can offer a prospective sponsor:

- How many people will be involved in or attending your event? This should include not only the number of people attending, but also the number of people the event promotion will reach — those who will see promotion for the event through advertising, invitations, website traffic, etc.
- What is the demographic of people attending the event? Is it the general public, students within your faculty, researchers in a certain industry, women or men, older or younger, etc.?
- Who are these people and what do they buy?
- Why would a potential sponsor be interested in them? Your prospective sponsors will generally be much more receptive if you can show that your sponsorship opportunity offers exposure to the people they are trying to reach or for a cause that they support. For example, if a local company makes widgets, and your event is targeted at researchers who use widgets in their work, the local company might be interested in sponsorship due to the fact that they can reach potential customers.
- Is your event local, regional, national or international? The broader the reach of your event, the more opportunities you can offer to your potential sponsors in terms of advertising and promotion.

- Are there any VIPs attending the event? (This usually means that you will get more exposure for the event, and can offer greater networking opportunities to corporate sponsors).

Promotion

There are a number of questions you should ask yourself when determining what type of promotion your sponsor will be a part of when they support your event.

- What media do you have to get the message out about your event?
- Do you have your media partnerships in place? That is, have you asked local media outlets to promote your event in exchange for recognizing them as media sponsors for your events?
- Where and when will the event be promoted/advertised? This is good information to have on hand for interested sponsors.
- What collateral is there? Is there an event program? Website? Tickets, invitations, posters, sponsor boards, banners?
- Is there an opportunity for personal recognition, for example, speaker recognition? Knowing what vehicles you have available to promote your sponsors will help make your opportunity more attractive.
- Can you think of any other opportunities for the company to be promoted or to engage with the audience for this event? This could include attendance at VIP events, speaking opportunities, networking events, competitions, mailing list exchange, hosting an event with your keynote speaker, hosting a private reception for their clients at your event, etc. These “experiential” opportunities are of great interest to many potential sponsors, as they cannot generally purchase these opportunities outside your sponsorship package.

What specific involvement opportunities can you offer the sponsor?

How can you break down the components of your event to create a number of opportunities for sponsorship? For example, conference opportunities might include:

Presenting Sponsor
 Keynote speaker sponsors
 Session sponsors
 Breakfast/Luncheon sponsors
 Coffee break sponsors
 Reception sponsor
 Travel sponsor
 Hotel sponsor
 Print sponsor
 Business centre sponsor

It all depends on the nature of your event. In some cases, it might be simple to make it one level for all. In other cases, it might range from an exclusive higher-priced Presenting Sponsor and smaller level sponsorships to allow for various sizes of business to sponsor for varying levels of recognition.

Also remember that certain opportunities lend themselves to in-kind sponsorships, such as give-away bags with sponsor “swag” inside (company-branded water bottles, pens, etc.), provision of participant backpacks, provision of catering, print, travel/flights, hotel rooms, or provision of laptops for the business centre.

Understanding Why Sponsors Want to Get Involved

There are many reasons companies get involved with sponsorships, especially for educational institutions. For many it aligns directly with the company community investment strategy; for others, it’s all about reaching the student market.

Think carefully about the company. For most sponsorships, the key is exposure and increasing brand loyalty: the company sponsoring wants to gain market exposure by aligning themselves with your event to encourage people to continue supporting their brand/product/company. It is not necessarily about the “cause” as it is with traditional philanthropy. It may be as simple as outreach/advertising promotion, or more than that — an opportunity to really engage with your audience through reciprocal agreements to share access to the attendee list for further promotion after the event, or to gain close access to the participants through other methods such as on-site competitions, hosting a reception, providing samples or swag, etc. These reciprocal agreements often involve activation.

Another reason for getting involved might be stakeholder relations — to be seen as a good citizen in a particular market. Or perhaps the sponsor wishes to align with the cause — for example, an environmental conference may attract energy sector companies keen to show their commitment to being greener. Others may be involved in an event to support particular populations such as Aboriginal relations because they have a vested interest in working closely with Aboriginal communities.

Sometimes access to influencers and experts and networking in certain areas will be an incentive. Perhaps the sponsor wants to rub shoulders with the academics or the keynote speakers attending your event, or they want an opportunity to network that they would not normally get if they were not a sponsor.

What specific recognition opportunities can you offer the sponsors?

With all the different reasons that companies get involved in sponsorships, it can be tough to put together a package that fits each sponsor’s needs. Think about your sponsorship opportunities (presenting sponsor, session sponsor, hotel sponsor, etc.) so you have an inventory of recognition items to draw from. Rather than putting together a “one size fits all”

package for your presenting sponsor (e.g., gold/silver/bronze), work with the sponsor to choose recognition items from your inventory that fit the sponsor's needs.

Building an inventory means asking yourself: "What do we have to sell and what is it worth?" Your inventory of recognition opportunities could include:

Naming Rights:

- Naming rights to the event
- Naming rights to a related event or a session(s) within your event
- Use of your event logo by the sponsor (a great example of this is the CIBC Run for the Cure — CIBC uses the "pink ribbon" on everything.)

Pre-Event:

- Press release/press event signage
- Inclusion in pre-event advertisements
- Presence/logo on event website

On-Site:

- Sampling opportunities
- Demonstration/display/booth opportunities
- Venue signage
- Opportunity to introduce a keynote/session speaker
- Providing volunteer opportunities for staff from the sponsoring company
- Inclusion in on-site event signage
- Event participant uniforms/bags/t-shirts
- Event staff/volunteer shirts/caps
- Tickets for the sponsor to attend the event
- VIP Tickets/backstage passes
- Celebrity meet-and-greet opportunities
- Access to "what money cannot buy" experiences
- Hospitality/networking events
- Free parking at the event

Post-Event:

- Sharing your attendee database information

Some specific examples of benefits offered:

- A sponsor hosted a private reception after the main event where he hosted the speaker and invited some of his friends and contacts from the local community. The big driver of his sponsorship was the chance to meet the keynote speaker. (He paid for the reception in addition to his sponsorship fee).

- A summit brought together top-level academics from institutions all over the world working on the issue of economic sustainability. The sponsors — world-leading financial organizations — were invited to be at a reception to hear the findings of the conference firsthand. They had an inside track to the top minds, which contributed to their motivation to get involved.
- A company that got bad press for an environmental accident wanted to gain some ground in terms of its image. It made a point of sponsoring a number of environmental opportunities to get the message across.

Once you know what you have in your inventory, it is important to ask yourself what is the worth — or valuation — of each benefit.

Determining how much your sponsorship opportunity is worth (valuation)

Evaluating the worth of a sponsorship opportunity is one of the hardest things to assess. There are several approaches to valuing your sponsorship opportunities.

1. Benchmarking

Look at other examples of similar events on campus, and at other universities, to get an idea of market rates for the sponsorships. Think about the cost of an advertisement or similar benefit that a sponsor might use to reach the same target audience.

2. “Ends Meet”

Determine a budget for your event and how much external money you will need to cover your costs. Think about breaking down your total sponsorship needs into smaller pieces that you can offer sponsors.

3. Valuation

After you evaluate what it is that you have to sell, examine all of the opportunities for exposure for the sponsor. Assign a realistic value to each opportunity — this is a mixture of art and science. For instance, if you are advertising your facility or event, offer your sponsor a logo or mention in your advertisement. Then determine what it would have cost the sponsor to get its message to the people those ads are reaching. From those values, put together a package that reflects the value of the sponsorship — don't forget to include the value of your brand in this total.

Remember: valuation is part science (realistic costs on the advertising items you are offering) and part art (assigning a value to what associating with your brand is worth to your sponsor, what experiential items are worth, etc.).

Sponsorship industry experts use formulas like these to help determine the value of common recognition items offered to sponsors:

- Tickets to events: face value of ticket X number of tickets
If there is no face value to the tickets, divide your total event cost by number of attendees. This gives the value of a single ticket for the event to break even.
- Media exposure: take full retail value of media that includes sponsor logo and divide by number of sponsors = value to one sponsor
- Website value takes into account the number of unique visits to site
- Signage on-site at event: Cost to produce signage divided by number of sponsors = value to sponsor. You can also take into account the number of attendees at your event.
- Event announcements: Cost to buy an announcement divided by number of sponsors = value to sponsor. You can also take into account the number of attendees at your event.
- Some of the more intangible assets — for example, the opportunity to meet with faculty, speaking at events — are harder to value. The uniqueness of the asset, the number of sponsors who will have access to the asset, the intrinsic value to the sponsor for branding, sales or hosting, and the cost to you to make it happen must all be taken into account.

This seems like a lot of math, but is a starting point. It is basically just a way to break things down so you can value each component of the package and come up with a value for the package as a whole. If you're not sure on traffic in some of these instances, use the costs as a guide (e.g., website construction cost) and divide by the number of sponsorship opportunities available in your list.

Don't undervalue the benefits you're offering. Sponsors can't "buy" association with your brand in any other way, so it's important that you place a premium on that.

Remember: sponsorships are not money for nothing. All successful sponsorships are win/win situations. Your partnership with a sponsor should reflect a parallel in goals and audience, as well as a strong potential for successfully reaching both of those conditions.

Sponsorship Steps to Success, Part 2:

Identify Potential Sponsors

What kind of companies best match your event, its theme and your audience? Here are some ideas to identify potential sponsors for your event:

- A great place to start is asking your organizing committee for ideas. Who is on the organizing committee? Do they have any recommendations for sponsors or any personal connections to companies in the area?
- Make sure you ask past sponsors of your event if they are interested in participating again. It's easiest to ask those companies that have supported you in the past to sponsor again, as they likely know your cause and understand the sponsorship opportunity.
- You can also ask sponsors who have already committed whether they have any colleagues or partner organizations that might be interested in getting involved.
- Look at similar events on campus or at other universities and who their sponsors are. That will give you an idea of some companies to ask and might help ignite ideas for similar types companies you could approach.
- If you have alumni who are connected to the event, ask them if their companies or they personally would be interested in sponsorship.

Important Note: Once you have identified companies you are interested in asking for sponsorship, it is important that you contact your Faculty Development Office or the Office of Corporate and Foundation Relations (CFR) to have your list reviewed by an Advancement professional *if you are asking for any amount over \$5,000*. They can work with you to make sure you are complying with the university's Prospect Management Policy.

The University of Alberta's Prospect Management Policy

All staff at the University of Alberta are governed by the Prospect Management Policy.

This is a crucial policy at our university. Imagine: you are planning an event and want to ask West Edmonton Mall for sponsorship. At the same time, a staff member in another faculty is planning a different event and also wants to approach West Edmonton Mall for sponsorship. Meanwhile, a group of students looking for prizes for an event also approaches West Edmonton Mall for a donation. At this point, West Edmonton Mall is likely feeling a bit overwhelmed by requests from the U of A.

The Prospect Management Policy helps the university streamline its relationships with companies by assigning a relationship manager for larger companies to co-ordinate all requests made to this company. Checking with your Faculty Development Office or the Office of

Corporate and Foundation Relations allows them to check with the relationship manager on your behalf to make sure it's a good time to proceed with the request. If a company you are hoping to approach does not have a relationship manager, your Faculty Development Office or the Office of Corporate and Foundation Relations can offer tips on how to approach the company to start the sponsorship discussion.

Sponsorship Steps to Success, Part 3:

Plan your Sponsorship Activities

Steps to Securing Sponsorship and Managing Your Workload

Whatever the potential benefits you can offer the sponsors, it's essential to make sure they are feasible and realistic. There's a cost attached to providing these benefits. What can you afford to offer? How time consuming is it? Do you have the staff to work on completing these recognition items? Do they have time in their schedules to do this work?

Be sure that what you are offering as a benefit is feasible and realistic. Make sure you are fully aware of what benefits are available to you as an incentive for the sponsor to participate. It's important that you check with your faculty or department to ensure that hanging signage, website recognition, involvement in the event or other benefits all follow existing academic policies.

Think about the cost of the benefits and the time involved in delivering these benefits. Is it realistic and do you have the resources to deliver? As well, what is expected of the sponsor in achieving these recognition benefits? For example, will they provide a company banner for you to use or will you have to get one made for them — and who will cover that cost?

Once you have planned out your event, identified your sponsorship opportunities, come up with a list of potential sponsors and received the OK from your Faculty Development Office and/or the Office of Corporate and Foundation Relations on your list of potential sponsors, consider the following steps to get the job done.

1. **Prequalify your sponsors.** Don't rely on outdated lists or guesses to determine a company's decision-maker on sponsorship. Since not all companies name specific sponsorship departments, responsibility for sponsorships may fall in the public relations department, communications, advertising department, marketing department or within human resources, to mention just a few. Because each company is different, you need to pick up the phone and call your target companies and find out who handles sponsorship for that organization. Talk to that person before you send your proposal to make sure you have the right person on your list.
2. **Put together a package with the right information.** Your package should include a cover letter that concisely communicates key advantages of the sponsorship; a fact sheet with a range of sponsorship opportunities and target audience information; potential reach within the sponsor's market; and contact information. Don't overwhelm the sponsor: be sure to include enough information to interest the sponsor and generate a further

dialogue to discuss recognition items that could accompany the sponsorship opportunities you have put forward in your package. This tool kit includes a helpful guide on developing your sponsorship package.

3. **Ask early.** When you speak to the decision-maker, try to find out what time of year that company allocates sponsorship money and be sure to ask at least a few months before the budget is set. Call the decision-maker to ensure that the package was received. Continue to follow up on a regular basis, including around the time that the budget is allocated. Your chances of being considered decrease dramatically if you send your proposal just before the deadline — many will have gotten there before you.
4. **Keep in contact.** Don't expect great results if you simply send the package and drop out of sight. Send your target sponsor organization newsletters, press coverage that appears about your group or event, and updates on appropriate projects in progress. Include a handwritten note to the prospect. Communication throughout the year about the activities and accomplishments of your organization will help the sponsor become more aware of the advantages of being linked with your event or organization. Also, if you are working to renew an existing sponsor, this is great stewardship and growth for the relationship you already have in place. Don't just call when you need money.
5. **Ask for the money.** Once you have done your homework, found the sponsor and presented everything that you have to offer, always ask for the sponsorship. It's important that you're clear on what you're asking for — for example, asking them to be your title sponsor for \$5,000. Don't assume that they will understand what you're looking for from them. Make a deliberate request.
6. **Put it in writing.** Once the sponsorship has been closed, you need to formalize it with a sponsorship agreement. The Office of Corporate and Foundation Relations has developed a template agreement for use throughout the University of Alberta. This agreement should specifically document all of the activities that will take place, the responsibilities of the sponsor, the responsibilities of your organization and any agreements that were discussed as part of the sponsorship. Both parties should receive signed copies of the document.
7. **Be flexible.** Sponsors come in many forms, and not all are title sponsors. Consider the benefits of partial sponsorships or barter arrangements. For instance, a local restaurant may not be interested in paying for a title sponsorship but may offer to provide catering services for a preview party or luncheon. Also, a sponsor may want to buy some promotional opportunities, but not all of them. Work with the sponsor as much as you can, but be sure that you are still achieving the goals that you established in the beginning.

Timing is Key

Think about your own deadlines for the event. When will the website be live? What are your print deadlines for collateral material or advertising? When are you mailing or emailing invitations? What deadlines do you have that are important to potential sponsors in terms of recognition? It will be important to create a timeline for the event as a whole and then determine where sponsorship activities and deadlines fit within that timeline.

Timing is also important when thinking about the planning cycle of the potential sponsor. Plan your event early enough to fit in with budget cycles. Some companies plan their budgets in September for the next fiscal year, with many companies confirming all of the year's commitments by the end of January. For a significant sponsorship, you need to be working on a similar time frame and, in all cases, at least six to nine months ahead of your event, if possible.

Steps to Success, Part 4: Process Your Sponsorship and Steward Your Relationships

Congratulations. You have found a sponsor and are ready to move the agreement forward. If you are a staff member of the University of Alberta, please follow these steps:

1. Complete the Sponsorship Agreement Template with the information specific to your sponsorship. (See Appendix 1 to learn how. You can find a blank template in the Tool Kit on the Office of CFR website.) Send it to your sponsor for review and signature. If your sponsor would like to make changes to the agreement structure, please contact the Office of Corporate and Foundation Relations.
2. Have the agreement signed by the appropriate University of Alberta designate. At the faculty level, this is the dean. If you are not within a faculty, it is the vice-president. If you have questions regarding who should sign, consult the [Contract Review and Signing Authority Policy](#).
3. Keep a copy of your signed sponsorship agreement for your files and ensure the sponsor has a copy for their files.
4. Send the signed agreement and the cheque to the Office of the Recording Secretary (contact information is on the agreement template) to have the sponsorship counted within the fundraising totals for your faculty, or to your Financial Services representative in the faculty if you are not counting it in fundraising achievement.

If you are a **student group** and would like help in processing your sponsorship, please contact your Faculty Development Office or the Office of Corporate and Foundation Relations to determine the appropriate process.

Delivering on Your Promises

It's essential to make sure that everything you promised the sponsor happens. On-site management of sponsorships is critical to happy sponsors. Make sure banners are hung in the right location, logos appear in ads and all of the other pieces are in place.

Be sure to communicate these completed recognition items to your sponsors so they know they are being done. Do everything you can to help your sponsors reach their goals and, in turn, the sponsorships will help you reach your goals. Dropping the ball now could mean losing the sponsor forever.

Following Up With Your Sponsors

Follow-up with your sponsor is key. At the end of the project — or at periodic intervals in long-term sponsorships — submit a wrap-up or update report. In your report, spell out the goals you set, how those goals were achieved or are being achieved and activities that took place, as well as appropriate survey information, news clippings and other measures.

Most of all, ensure that you communicate the impact that your sponsor's support had on your event. Did their support allow you to have more people attend? Did it bring in new and exciting speakers? Allow you to access a great venue? Tell your sponsors what you accomplished with their help.

It is also important to outline how you recognized your sponsor at your event to show you kept your commitments to them. A great way to do this is to include pictures: of their banners displayed at your event, of their president introducing your keynote speaker or of their VIP reception at your event.

Issue these reports within 30 days of the event, or at predetermined quarterly or monthly periods for long-term sponsorships. Follow up with the sponsor to make sure that the report was clear and to get feedback. When sponsors begin to feel uninformed, they may begin to question their investment. Make sure they know what an important investment they're making by sponsoring your project.