



SPONSORSHIP'S

# SILVER BULLET



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# Our guide to land your favoured sponsor for your next live event

The value addition a well organised, memorable event brings to the power table is undeniable. It fosters a great culture, rakes in RoI numbers, and are good for business networking which is why, for it to be a twinkling affair, businesses spend a bomb. A prudent way to share the costs and benefits that entail from an event is through sponsorship.

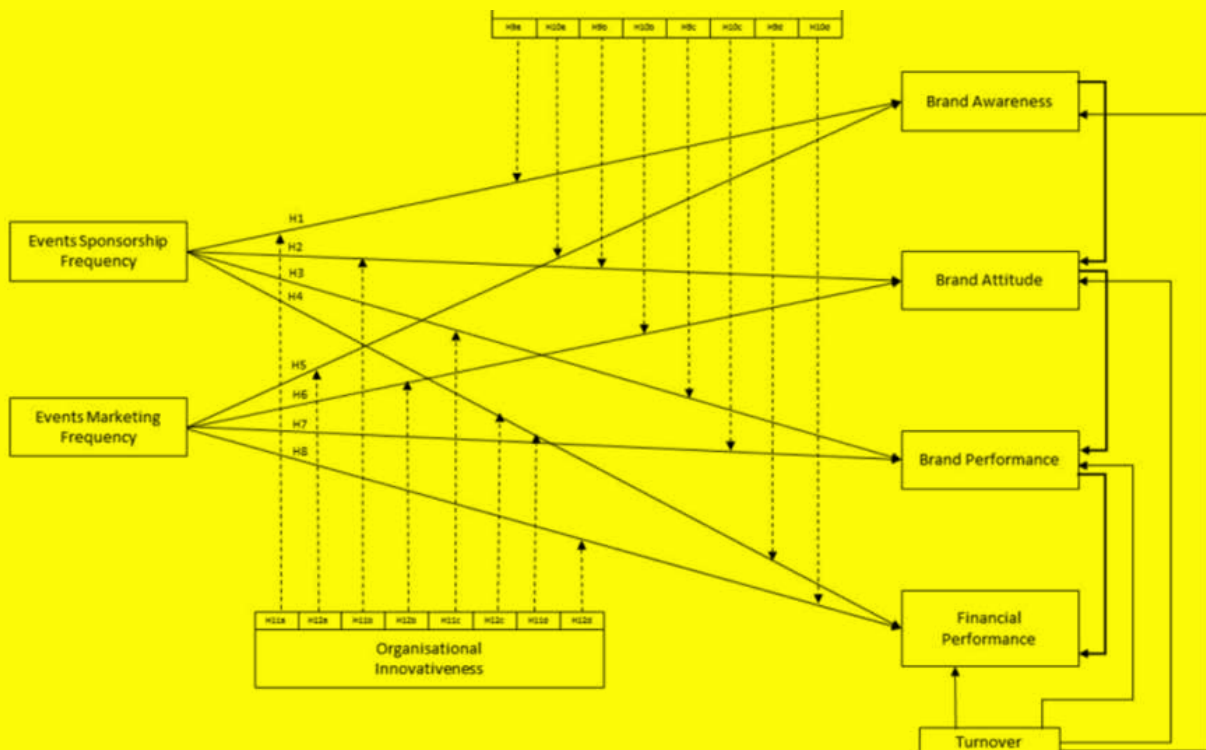
Sponsorship of live events is an attractive and fruitful way for brands to reach out to their target audience. Research shows that the effect of a brand-event congruence adds in terms of brand attitude and loyalty is positive . There is an underlying iceberg effect that sponsorship of an event brings in, especially in a day and age where businesses are unable to convey commercial messages to the consumer in a straight forward manner.

Sponsorship are not just symbiotic, but have proven to be extremely effective in reinforcing relationships, introducing new ideas or enhanced brand exposure through association. In this whitepaper, we look at the why, what and how of sponsorship of live events.

Sponsorship has therefore emerged as a consistent component in the marketing mix of any organisation. From an event organisers point of view, finding the right sponsor goes beyond the financial breather. Getting a right sponsor is crucial for creative legroom, a brand complement, and a partnership that is not limited to the event itself.

**The figure below illustrates the relationship between sponsorship and**

- brand performance,
- brand awareness,
- brand attitude,
- financial performance

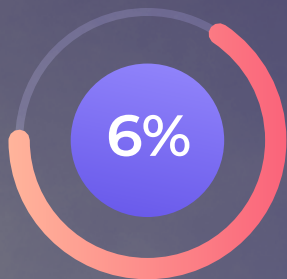


# Event Sponsorship & live events – an analysis:

Event sponsorship in layman terms is when one business provides financial or non-financial assistance for an event.

This could be an exchange of cash for advertisement marketing, or an exchange of products and services.

## Live event market: estimate – 2021-25



CAGR



Growth  
revenue



Contribution from  
APAC





Additionally, the live event industry is undergoing a churn, with the pandemic and strict lockdowns crippling the industry.

However, projections and trends show that streaming revenue and revenue from live events make up for the lion's share of total revenue across the globe. The Indian live event industry is not far behind.

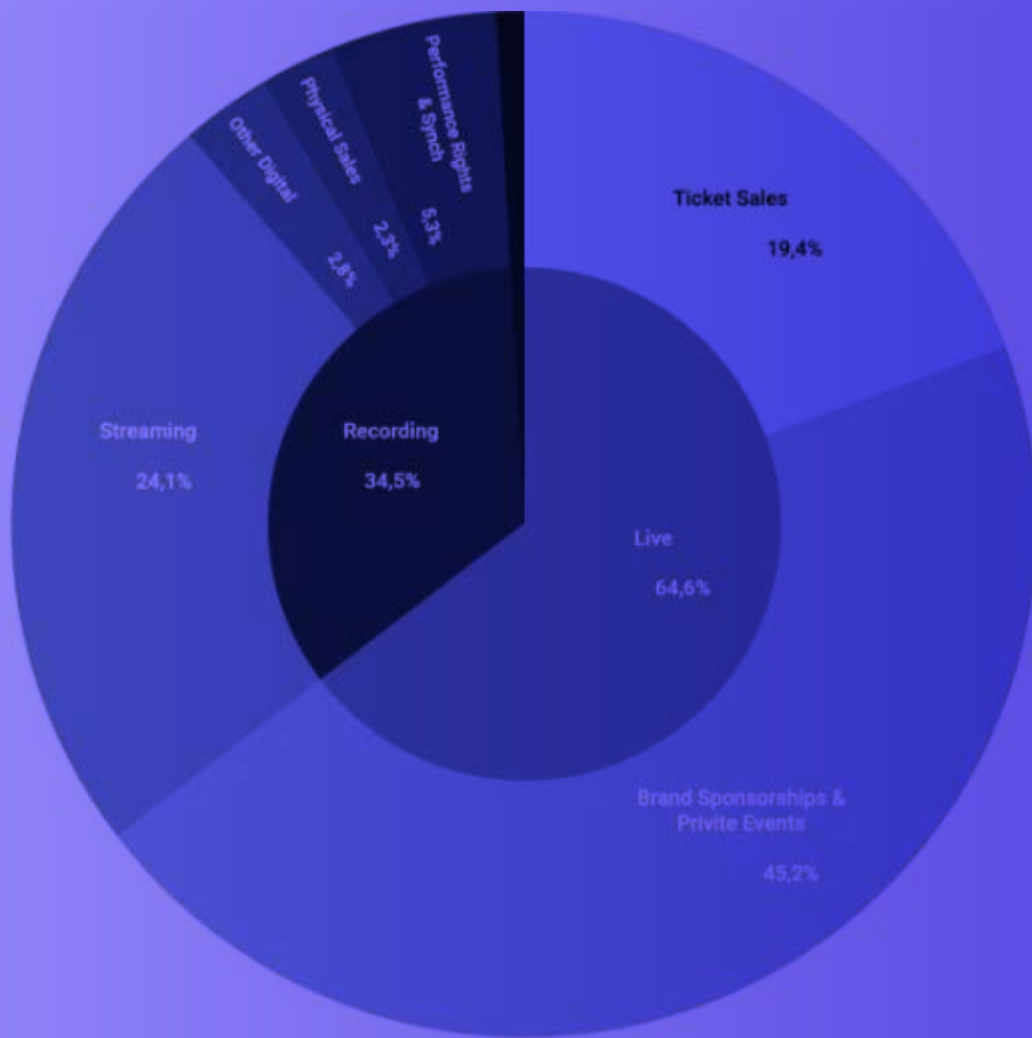
According to PwC, to host a live event in India:

**45.2%**

of the costs – Sponsorship & private events

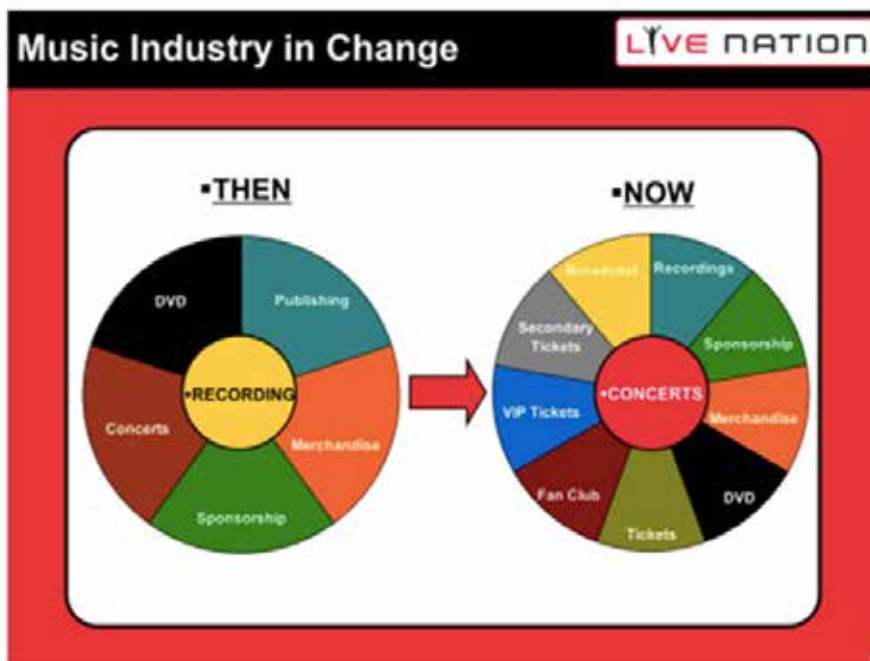
**19.4%**

Ticket sales



**From the artists' point of view, 'the 360 deal' an idea conceptualised by Live Nation, is on the rise.**





**Figure 1.** Slide from Live Nation investor presentation

*Note:* In Live Nation's new model, music publishing does not exist.

*Source:* Live Nation investor presentation, Goldman Sachs internet conference, Las Vegas, NV, 22 May 2008. Available at: <http://phx.corporate-ir.net/phoenix.zhtml?c=194146&p=irol-calendar#2008> (accessed 26 September 2008).

It shows that over the last two decades, the artists' revenue pattern has changed as well, making a strong case for sponsorships as a win-win for event organisers and artists alike.

## How do you land a sponsor?

As an event organiser, reaching out to sponsors is as important as getting artists and attendees on the platform. But sponsors need to be accessed with specific information not just about your event profile, but factors like visibility, target segments, access and more.

For this, it is first crucial to understand that the sponsor is not your cash cow, but a partner that can help you realise your event.

Here are a few best practices for you to land that plum sponsor you always wanted. While the process of sponsorship negotiation is unique for each organiser, considering these pointers will keep you in readiness, determine how effective the partnership would be for all stakeholders involved.

# Moolah matters

Money is central to sponsorship- the size of sponsorship is usually directly proportional to the time taken by the sponsor to commit. It is therefore important that:

- ☛ Planners need to calculate event RoI for the sponsor
- ☛ Justify the costs to the sponsor
- ☛ Track session and give sponsors updates
- ☛ Give sponsors proof of RoI post event – let them know this was a good call.





## Sponsorship size & the power table:

Companies bring different values and strengths to the table depending on their size. You need to have a clear understanding of

what small companies and large corporations can offer, so that the decision making process is easier and faster for both parties.

- Smaller companies – decision making could be faster, since the owner or partners decide sponsorship.
- Larger companies or corporates – decision making follows a hierarchy or workflow, and hence is slower. Plan accordingly.
- Understand what the organisational values are, and keep your pitch in line.
- Always have a back-up plan.
- Approach multiple sponsors.

## Pitch perfect, waltz away:

We now come to the most crucial aspect of sponsorship – pitching. A good idea is

to prepare your pitch, after putting yourself on their deck. Sell why, how and when of association.

- Always take a complete pitch – it helps streamline negotiations.
- Live event sponsorship pitches revolve around demographics. Pay attention to age, industry, gender, preferences.
- Show how the association complements the potential sponsor's philosophy, values and business.
- Your sponsor is not your cash cow. They are partners in the event.



## Dotting the i's, crossing the t's:

Once you have a warm sponsor, they might want to get into the details. Make sure you have everything readily available.

Being unprepared with asset lists, contracts or workflows can seem unprofessional and clueless.

- 🕒 Keep your entire proposal ready irrespective of the initial interest shown by the sponsor.
- 🕒 Streamline your sponsor outreach and deal workflow with the help of CRM tools.
- 🕒 Set timelines and milestones for document vetting, e-mail follow ups, to-do lists and outbound activity tracking.
- 🕒 As an organiser it is your obligation to stay on top of proposals that sponsors find irresistible.

## ROI – return on investment & ROO – return on objectives:

As the world moves towards a value driven approach to everything, organisers need to build their proposal around a blended ROO+ROI approach. Let us understand this with an illustration.

Begin with a shared goal. For the sponsor, this is a marketing activity, and therefore it must be in line with some set objective. Look at the mathematics:

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- A background image of a musician with a long beard and long hair, wearing a plaid shirt, playing an electric guitar on a stage. The lighting is warm and focused on the musician.
- 2000 people attend your live music event.
  - For the sponsor, this is a 8% probability of customer conversion, keeping in view the crowd demographics.
  - The customer lifetime value (CLTV) of the sponsor is INR 15,000/-
  - The returns for the sponsor would be  $(8\% \text{ of } 2000) \times \text{INR } 15,000 = \text{INR } 24,00,000$
  - So if the sponsor is ready to invest INR 12,00,000 in your event, their RoI could be 100%.
  - Also, if they are a start-up, or someone looking to on-board new customers, their ROO would be great.

## Quantifying ROO:

ROO is a tricky metric to quantify; especially when you are doing it for a third party organisation.

However, you can keep it simple and offer the potential sponsor numbers like

- 🕒 Visibility & outreach
- 🕒 Price per customer on-board
- 🕒 Consumer engagement value
- 🕒 Quantifying these will not only make your proposal attractive but also helps heighten the sponsor's trust.

## The Price prize:

While price is the most important element, remember that it needs to be a

win-win proposition for both parties in order to strike the winning deal.

- 🕒 Justify your price. If there is a premium, let the sponsor know it is worth the premium.
- 🕒 Compelling factors should include exclusive access, numbers, other brand associations or artists.
- 🕒 Cover your expenses. Do not compromise just because it is a big brand name.
- 🕒 Indicate that the sponsor is getting a great RoI and RoO out of it.

## On the billboard – visibility matters:

A discerning factor for sponsors and the prime piece of real estate for the organisers is visibility. The biggest organiser is the same thing – visibility. Takeaway for every sponsor,

The delta of visibility and price is your biggest USP

Evaluate all visibility avenues and approach potential sponsors

Be realistic. Do not oversell the visibility you can offer.





## The complete package:

Once you get the sponsor on board, you have a great responsibility to deliver.

Your delivery has to prove what you have committed to.

- 🕒 Execute marketing and communication with sponsors in loop.
- 🕒 Treat sponsors as your marketing partner.
- 🕒 Organise micro-marketing sprints with your principal sponsors.
- 🕒 Offer engagement and not just visibility. Give sponsors a platform to engage with their customers.
- 🕒 Create an interactive consumer framework involving customers, sponsors and your event.

## Relationships beyond the event

Treat sponsorship like a long term relationship. build these long term relationships offer opportunities to Using sponsorship perks beyond the event.

- 🕒 Interact and engage with the sponsor beyond the event timeline.
- 🕒 Include this in your pitch – the idea of an extended partnership between the audience, the sponsor and you.

# Sponsorship engagement:

The premise that a sponsor is not an investor but a partner who contributes to the event's success is the underlying factor in sponsorship engagement.

Partnerships with sponsors go beyond diamond and platinum packages to shared values and visions.

- ☉ Have skin in the game while forming connections
- ☉ Create value for your event and the sponsor at multiple events
- ☉ Approach sponsors carefully – with social media, ESG (environmental impact, social responsibility and corporate governance) gaining traction, brand association are under the scanner.



# Sponsorship empathy:

Empathising with the sponsor while not compromising on your set goals is a challenge for most organisers. However, asking the why question, and hitting the sweet spot with the sponsor with the answer – the sponsorship deal workflow is half done.

Your attendees, your venue, their buying capacity and real estate value – are your products to sell to the sponsor.

Get sponsor attention – create a sense of entitlement for the sponsor to be associated with your event.

Collaborate to build better – Actively look for avenues you can explore to build your value

Get creative with your sponsorship packages – skip the usual gold, silver; create customised packages.

Listen to your sponsors – Don't let them have a run over, but give them what they want.

# Key takeaways:

Do your homework. Engaging with sponsors should be burst of short spelled activities centered around the particular event, while not losing focus of a long term relationship.

Look for companies whose annual goals, vision and mission statements match with, and complement your event.

Creating a sense of belonging and familiarity goes a long way in forming meaningful partnerships.

Adopt an objective approach to sponsorship – help the potential sponsor understand their Rol and RoO by association.

With a few pointers, clear and crisp communication, you can land any sponsor you want to!

## Resources

<https://www.socialtables.com/blog/event-planning/biggest-event-planning-challenges/>

<https://www.cvent.com/en/blog/events/things-might-go-wrong-event>

<https://www.hoppier.com/blog/13-horrifying-event-planning-problems-and-solutions>

<https://medium.com/hubilo-official-blog/7-major-event-planning-problems-and-how-to-solve-them-e56e458acbee>

<https://www.eventfaqs.com/news/ef-13785/5-most-common-mistakes-in-live-event-management>

<https://www.econline.com/blog/health-and-safety-in-the-music-events-industry>

[https://trace.tennessee.edu/cgi/viewcontent.cgi?article=3353&context=utk\\_chanhonoproj](https://trace.tennessee.edu/cgi/viewcontent.cgi?article=3353&context=utk_chanhonoproj)

<https://www.vox.com/the-goods/2019/6/11/18661203/music-festival-scams-failures-fyre-woodstock-panorama>

<https://www.eventbrite.co.uk/blog/12-stories-of-events-gone-wrong-ds00/>

<https://medium.com/hubilo-official-blog/7-major-event-planning-problems-and-how-to-solve-them-e56e458acbee>

<https://www.thegreatevent.com/major-challenges-faced-in-planning-an-event-and-their-solutions/>

<https://www.usrisk.com/about-us-risk/news-and-articles-all/4-9-19-the-greatest-risks-currently-facing-the-entertainment-industry/>



Clubr is an omnichannel platform crafted for the Live Entertainment Industry that empowers them to build digital identity and achieve sustainability. Event organisers or Venue of any size can leverage our three-dimensional platform - Clubr (Discovery Platform), Clubr Backstage (Whitelabel Websites & Mobile Apps) and Clubr Tribe (Influencer platform for Live Entertainment Industry) along with Enterprise level digital marketing support to grow revenue by selling more tickets, Organise better events and Capture data and analytics. Clubr extensive product suite and feature stack are crafted exclusively for this industry to digitise every customer interaction and help them analyse the data in a way they could never do.

Clubr backstage empowers Nightlife Venues and Event organisers with new digital capabilities to sell tickets, Deals and Merchandise from their website. Venues and organisers can now host their own website/ Mobile Apps and start selling tickets in under 30 minutes with a simple subscription fee without investing heavily in technology with our Whitelabel offering. Please reach out to our sales team to set up your website for free for the first six months.