



# Building and Documenting Sponsorship Value

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**O**ne of the most daunting aspects of selling sponsorship is determining the value of the rights and assets package you're offering, which, in turn, helps you set an appropriate fee.

Most ICAS members selling air show sponsorship have "inherited" the fee from a predecessor. Others simply "adopt" historic requests. Still others have the fee dictated to them by a superior, who often has pulled a number out of thin air.

The first thing to know is that the price you set for a sponsorship package is not based upon how much you need to raise, nor what something costs you. Many event

organizers make the mistake of determining a sponsor fee by adding up the cost of an air show asset, say a children's STEM area, and setting the sponsor fee to recoup those costs.

Rather, the fee for a sponsorship should be based upon the value of the opportunity you are providing to the sponsor through the package of accompanying rights and assets. The good news is that by determining the value of the sponsorship in this manner, the appropriate fee is almost always far greater than the cost of the asset or activation.

# Elements of Creating Sponsorship Value

There are three valuation factors that go into setting a sponsorship fee:

- **Tangible Value**
- **Intangible Value**
- **Market Value**

The tangible value is the quantifiable value of all measurable benefits that you are providing to the sponsor. Typical quantifiable benefits include hospitality, (sponsor receives 20 tickets with a face value of \$40 each is worth \$800); sponsor recognition in advertising (generally 10% of the retail value of the ad rate); exhibit space (what is the fee you charge for a commercial exhibitor?); signage, program ads, etc.

The intangible value reflects the qualitative value of being associated with your air show. Sometimes known as the “halo effect,” this valuation factor looks at the benefit the sponsor receives by being associated with your event and is based upon such factors as the prestige of the property, event reputation, public recognition and perception of the air show’s name/brand, the historic media coverage or “buzz” your event will likely garner, the display of community involvement their sponsorship will create, and a number of other factors.

The market value takes into account what companies are willing to pay you in your specific community. This will vary widely from market to market and -- unfortunately -- is impacted by how sophisticated other events are in your community in their production and in their pricing.

To determine what fee to price a sponsorship, I add up the dollar value of all the tangible benefits a company will receive at a given level of sponsorship, amplify that by the intangible value of association with the event, and then factor in any local market pressures either up or down on the combined value in setting the fee.



# Air Show Rights and Assets That Build Value

Using proven techniques to put the power of your air show into delivering value to the sponsor should be a key undertaking of an air show event organizer. As you are creating sponsorship packages for sponsors, the most typical benefits that will provide the greatest value to your sponsors will fall into the following categories.

■ **Marquee Status** – Are they going to be a title or presenting sponsor, or something mid-level such as official or associate sponsor, or a lower or entry level sponsor such as supporting or contributing sponsor? This will determine the hierarchy and visibility of your sponsors in their onsite presence, marketing, and level of hospitality. Needless to say, the higher up on the marquee, the greater the value delivered.

■ **Advertising Recognition** – Based upon their sponsorship level, in what promotion and advertising will their brand be seen? Top level sponsors usually receive recognition in broadcast ads, print ads, billboards and printed materials. Mid-level sponsor brands only appear in print. Lower-level sponsors are generally not included in media advertising.

■ **Digital Inclusion** – Your sponsors will want brand identification and URL links in prominent positions on your air show website. Further, they'll expect to receive branding, editorial opportunities or ads in your event mobile app and electronic communications such as e-newsletters, and have the opportunity to utilize your social media platforms such as Facebook for deeper storytelling.

■ **Onsite Recognition and Spectator Engagement** – Of course, most sponsors expect to be provided with booth space at your air show. Be sure these are premium locations with great traffic. If you use a video wall, consider logo displays and perhaps running a 30-second spot for your higher-level sponsors. These will provide incredible value to your sponsors. They will also want to receive signage at the entry gate, on your fencing and any asset they might be presenting. There is also real value in regular audio recognition by your announcer. Consider pre-recording this and playing it between acts.

■ **Hospitality** – From private flight line chalets to general admission tickets, you should create hospitality packages for sponsors to use to reward staff or entertain clients. These types of benefits can include private receptions with your acts and teams, guests on honor flights, special ramp access/tours, invitations to the Commander's Chalet, private flight line tables, food and beverage service and up-close VIP parking. The rule of thumb is that the more exclusive, unique, and "unbuyable" the experience, the greater the value to your sponsor.



## Documenting Deliverables to Demonstrate Sponsors Value and ROI

Post-event or recap reports are an essential tool in renewing sponsors. While these can be time consuming to prepare, they provide the metrics sponsors want to measure the value proposition they have received.

Relax; it is NOT your responsibility to determine the value your sponsorship received. Rather, it is your job to provide the data and specific



information they need to make their own determinations.

To that end, it is helpful to establish your sponsors' expectations upfront. Once you start planning the implementation of their sponsorship, ask "At the conclusion of the air show, how will you determine if your sponsorship was a success?" If you know the criteria they plan to use to measure success, you can work to gather the metrics they need.

Is their objective brand exposure, to entertain key clients, collect email addresses, sample a specific amount of product or rub elbows with local officials? It really is up to them.

Certainly, it will include attendance numbers and audience demographic data. It will likely include media advertising affidavits and PR reports. But they will also want analytic data from your website including unique visitors, most active months, and sponsor clicks.





# Elements of a Sponsor Recap Report

It is important that you report accurate data on the deliverables you provided. Key contents of a post-event report should include:

## ■ Cover Page with Sponsor Logo and Event Logo

## ■ Two-Page Executive Summary

- Describe what happened
- Dates
- Attendance
- Audience profile
- Sponsors
- Event highlights

## ■ Site Map

## ■ Event Schedule

## ■ Event Advertising (newspaper/radio/TV)

- Placement schedules
- Media logs/affidavits
- Samples of print ads
- Radio copy
- TV copy
- Outdoor/transit advertising schedule and photos
- Audio/video files of radio/TV spots (.mov, .mp3 or .mp4)

## ■ Digital Samples and Analytics

- Website images and analytics
- Social media posts and impressions
- E-newsletters images, distribution and open rate

## ■ Collateral Materials

- Official program
- Posters
- Rack cards/brochures
- Invitations
- E-newsletters or blast samples, reach and open rate

## ■ Press Coverage/Public Relations

- PR coverage summary
- Copies of news releases/press kit
- Clippings (color copies if needed)
- Post-event TV clips on DVD or .mov or mp4
- Internet coverage

## ■ Community Relations

- Beneficiaries
- Community outreach activities
- Donation report
- Post-event congratulatory letters

## ■ Research

- Audience survey results

## ■ Video/Photos of Event with Captions Depicting the Following:

- Overall setting
- Participants
- Activities
- Sponsor signage



- Other sponsor promotions (e.g. inflatables, displays, signage, etc.)
- Crowds
- Hospitality

After receiving this information, sponsors will often “score” the value they receive from the sponsorship of your air show.

They use industry standards for signage exposure (cost-per-thousand used by billboard providers) public address announcements, sampling, (\$.20/sample is standard) digital exposure, and percentage of advertising value (10% typical for title sponsors). From this, they will calculate the tangible rights and benefits provided.

They will compare the total cost of the sponsorship (fee, activation costs, exhibit, staffing, etc.) against the results they received from their partnership with you.

Remember, your role is to provide tangible benefits of value to sponsors and report back on what they specifically received at your air show. It is their job to determine the return on investment that is provided.

Your air show already provides a great deal of sponsorship value. You just need to recognize the value you bring, and then demonstrate and document it to you sponsors. ✈️



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