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Understanding Sponsors' and Partners' Motivations

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Learning objectives

- Identify the range of wider event stakeholders who have an interest and/or involvement in a variety of events.
- Appreciate the objectives of sponsors and other event partners and the impact these can have on event design and delivery.
- Assess strategies that event creators can employ to balance the needs of sponsors and partners to achieve value adding event experiences.

Introduction

Beyond the event creators and the attendees, events of all types and sizes involve a whole host of other stakeholders including sponsors, suppliers and the media. Investment and support from these stakeholders provide a significant and essential source of revenue and other resources for a whole gamut of event types (Andersson and Getz, 2008) including sport, music, art, community and conferences. Without the involvement of these wider stakeholders, events could not take place (Getz et al, 2007) as they are reliant on their support, both monetary and non-monetary in a variety of ways.

As the event creators and attendees have their own motivations for attending, and objectives to be pursued through the event, so do these partners. However, the objectives of sponsors and other partners may differ from those of the attendees and the event creator. As such, in taking a stakeholder-centric view of Strategic Event Creation, it is vitally important

that event creators both understand and work with the motivations, objectives and goals of their partners to shape an event's design and delivery. It is the understanding of these objectives and motivations and how they impact upon an event that forms the basis for this chapter.

Who are the event partners?

Regardless of how they are categorised (see Chapter 2 for a comprehensive discussion of different stakeholders), event stakeholders (partners) represent a very wide range of organisations, both for-profit and not-for-profit. The configuration of partners will vary according to the event type. For example, a major sporting event such as the Olympic Games will have a huge number of partners including the media, sponsors, suppliers, governing bodies, governments and local community organisations to name but a few. In contrast, a community real ale festival may have a smaller number of partners, including sponsors, suppliers and the local council. Having a smaller number of partners for an event does not, however, in any way diminish their importance or the attention that event creators should pay to their desired event outcomes.

Client, attendee and community motivations and objectives are dealt with in Chapters 3, 4 and 6 respectively. This chapter will concentrate on the motivations and objectives of sponsors, suppliers, the media, government, general business and tourism organisations, in relation to a range of events. The literature on events primarily talks in the language of stakeholders, however, all of the stakeholders discussed in this chapter contribute to successful event creation and facilitate the desired event outcomes. Therefore, in light of this inter-dependence between the event and these wider stakeholders, this chapter will refer to them as partners. The only exceptions to this will be where other authors being discussed have specifically employed the term 'stakeholder' or where wider event stakeholders, such as attendees, are included in the discussion. These different partners are depicted below in Figure 5.1.

While all of the identified partners can be direct stakeholders of an event, there may also be relationships between different partners, for example sponsors and tourist organisations might work together on a joint advertising campaign to promote the event and their own brands/organisations. These inter-relationships are of particular interest to event creators, as they represent an opportunity not only for partners to derive additional value but also an opportunity to augment the event experience as a result.



Figure 5.1: Wider event partners

In many cases event creators may equate sponsorship with direct revenue generation, implying that sponsors pay in cash for the right to be associated with an event. Indeed sponsors are explicitly identified in Getz et al's (2007) facilitator category as providers of support to make events happen. However, a more comprehensive definition of sponsorship is advocated to encompass all stakeholders who pay in cash or in kind (i.e. through the provision of goods, services or expertise) in return for access to the exploitable commercial potential of an event (Meenaghan, 1991). Therefore, the term sponsor, in this chapter, includes both those stakeholders providing financial contributions as well as those adding value in other ways, for example through the provision of a venue, food and drink or marketing and technical support. While the objectives and motivations of sponsors vary according to their individual needs, it is unhelpful to distinguish between sponsors providing monetary and non-monetary support. If a sponsor pays money then this increases the event's revenues. If the sponsor provides resources (perhaps marketing support, venues, staging etc.) this then reduces the event's costs. It can therefore be simply argued that whether the sponsor provides direct monies or 'in kind' goods and services (or indeed a combination of the two), they may both be equally required and desirable to deliver an event effectively.

Regardless of the scale and nature of an event, the pivotal role of sponsors and other partners in delivering event success must not be underestimated and in all cases the event creator must understand and work with their

motivations and objectives, i.e. infuse the event design and delivery with a stakeholder-centric strategic intent. It is to the evolution of these sponsor and partner motivations and objectives that the chapter will now turn.

The evolution of partner motivations and objectives

Prior to selecting an event to sponsor or partner with, and certainly prior to selecting an event to become involved with, organisations should consider their overall objectives to ensure that the event aligns with their strategic priorities and allows them to meet their strategic objectives (Papadimitriou et al, 2008). In the same way, events need to be careful to identify and target organisations whose mission complements the event, making for a much more productive relationship. This section will firstly examine the objectives of sponsors and the impact these can have on event design and delivery, before addressing the objectives and related impacts of other partners such as suppliers, the media, government, general business and tourism organisations.

■ Objectives-driven event sponsorship

In line with their strategic priorities, potential sponsors will seek out events which they believe will best allow them to meet their particular objectives. As the need to demonstrate a return on sponsorship investment grows (Donlan and Crowther, 2012) so sponsors are becoming increasingly demanding of the events they sponsor and it is likely that many sponsors will want to influence the event's design and delivery so as to maximise their ability to meet their objectives. As such, it is vital not only for the event creator to have an understanding of the growing array and changing nature of sponsor objectives, but also to appreciate the impact of these on the event itself.

Sponsorship was traditionally used to pursue objectives of media exposure (Head, 1981), brand awareness (Thwaites, 1993) and corporate image benefits (Witcher et al, 1991). However, sponsorship objectives are rapidly evolving and according to both Ukman (2004) and Farrelly et al. (2006) sponsorship is now invested in to achieve a much broader range of business objectives. Clearly, the specific combination of objectives pursued will vary according to the nature and size of the sponsor and the sponsored event. Therefore, there is no one-size-fits-all piece of advice for event creators: they must take the time to understand the unique needs of their event's sponsors if they are to maximise the value creating potential of each sponsorship arrangement.