

IABC Wellington

Sponsorship work plan 2018

6 December 2018

Context

Wellington, Aotearoa New Zealand, is affectionately known as the coolest little capital in the world. It's a vibrant city whose diverse workforce makes our community a better place to call home through the reflection of the many nations from which they came. These people—and their native kiwi colleagues, are most likely to be employed by the city or nation's government and agencies, a booming tech sector, and world-leading motion picture production companies. Wellington is the city IABC Wellington has the good fortune of serving— a place where our members work to strengthen and improve the community, and the communications profession itself, through our chapter's efforts.

IABC Wellington is a medium-sized chapter, (re)-established in 2007 after losing membership and winding up in the late 1990s as a result of the economic downturn and associated foreign exchange fluctuation. We are proud 126 senior communicators have chosen to join IABC Wellington, which gives us a reach of approximately 530 communications professionals drawn largely from the public, private and not for profit sectors, agencies and freelancers.

IABC Wellington celebrated its 10th Anniversary in 2017 with an ambitious increase in its events calendar and other dedicated celebrations. The momentum created by the 2017 calendar of events generated a lot of hype, with positive, sustainable, and measurable outcomes. Membership numbers grew. IABC Wellington also introduced a 'Future of Communications' programme of events and video resources in 2017 to help tell the story of how technology is rapidly changing our profession. This programme demonstrated the chapter's ability to be forward-thinking, which positioned IABC Wellington as a thought leader for non-member industry professionals and chapter members alike.

IABC Wellington's calendar of events didn't come without a price and sponsor support was—and is— critical to the chapter's ability to continue delivering events that bring value to our members. That momentum achieved in 2017 would be easy to maintain in the absence of outside forces; however, IABC Wellington faces a number of outside forces, including the cost of flights, speaker accommodation expenses and venue hire fees, among others. These are each

essential costs if we aim to deliver presentations from well-respected national and international communications leaders.

To put it simply, IABC Wellington's success in 2018 depended on our ability to strengthen its relationships with sponsors, so we relied on a simple two-part equation, that must remain in balance at all times:

- 1) The first essential part of the equation was the clear demonstration to our members that a sponsor's relationship with the chapter provided them information, insights, and access that was relevant and meaningful.
- 2) The second part of the equation was providing our sponsors with uncluttered channels of communication and opportunities for in-person engagement with IABC members.

With both parts of the equation carefully balanced we have been able to provide sponsors with a clear return on their investment, without causing members to retreat from overzealous sales pitches.

The support of sponsors is what enables IABC Wellington to offer a strong, consistent programme of events with high quality content—complimented by the food and beverage selections our audiences have come to love. The chapter typically makes a loss on these events, and has traditionally sought only to cover the costs of running core monthly events through the annual member dues, event and core sponsor income.

Sponsorship overview

The chapter sponsorship model has consisted of two principal sponsors, including a recruitment company, with the main purpose of covering event programme costs. Isentia (an Australasian media monitoring company) continued as a principal sponsor at \$5,000 per annum, and the chapter gained a new principal sponsor in Momentum (a recruitment company) at \$5,000.

In order for the Wellington chapter to provide value to members we rely heavily on sponsors to help subsidise costs through cash and in-kind services. In 2018, major sources of Chapter revenue were IABC International membership contributions of around \$6,402; sponsorship income of \$11,500; and event net income of \$15,530. Proportionately, the value of sponsorship revenue is significant, and is therefore absolutely critical to the ongoing success of our programme. Without sponsor support, we would be constrained in our ability to deliver the quality and quantity of content that sets IABC Wellington apart from other local communications member organisations.

Events remain our largest category of expenditure. Income for events in 2018 totalled \$15,530; expenditure was \$15,649.41, with a shortfall of only \$118. Despite running a break-even calendar of events overall, we run a number of individual events at a loss for the benefit of our membership. We

accept this loss so our members may continue to take part in the exchange of information that may grow their career without having to pay additional costs outside of their annual membership dues.

IABC Wellington began to diversify its sponsorship offerings in 2017. These needed to be retained in 2018, or updated where appropriate.

Strategy

For the 2018 calendar year, the IABC Wellington board strategy overall was to advance the profession, create connection and develop strategic communicators; with the theme 'comms is critical' guiding our activities.

For the 2018 calendar year, the IABC Wellington board strategy specific to sponsorship was to retain and where appropriate further cancel, diversify or customise sponsorships to allow for a range of support levels.

Goals and objectives

Our goal was to increase our value for Wellington members, and our reach to the wider communications community, through diversification and more targeted sponsorship.

To achieve this goal, our specific objectives were to:

- Update our 2018 sponsorship brochure to bring clarity to the benefits and opportunities available through support of IABC Wellington
- Maintain sponsorship cash revenue at around \$11,000
- Enable the ongoing delivery of our quarterly boardroom lunch programme for executive communications professionals at no cost to the chapter by renewing our existing sponsor
- Maintain overall financial position through sponsorship, enabling more of event profits to be banked for future investment in professional development activity
- Retain existing sponsor relationships
- Maintain a sponsor to cover costs of our annual sell-out Budget Day event
- Attract our video content partner (who committed to supporting a one year programme) to seeing value in ongoing sponsorship

Measurement

We measure our effectiveness through a mix of output and outcome through qualitative and quantitative means, including:

- Actual current sponsor numbers – growth on year-start base
- Revenue generated from sponsorship
- Costs saved through sponsorship
- Overall financial position made possible by sponsorship enabling greater proportion of event profits to be banked
- Informal feedback

Budget

We will deliver all sponsorship initiatives on a zero budget, as a result of board volunteer time; in-kind sponsorships for design and print of sponsorship brochure; and deployment of free-to-use communications tools.

Implementation

The Director Sponsorship, with the support of other board members:

- prepares, produces and maintains a current sponsor opportunities document to assist in promoting sponsorships (*see attached brochure*)
- promotes the sponsor opportunities document and reports widely through members to interested parties to generate sponsorships
- engages all board members to further solicit suggestions on companies, and contacts who may be worth approaching about sponsorship. Personal and professional connections will be leveraged when appropriate
- meets with potential sponsors to ensure they are informed and comfortable with the IABC Wellington sponsorship proposition
- agrees, holds files and oversees individual contracts with each sponsor, and ensures benefits agreed are delivered either directly or through other directors
- ensures each sponsor receives the recognition agreed to, providing social media content, web content, logos, etc. for digital and print recognition
- meets with all sponsors regularly to ensure relationships are maintained and any issues resolved promptly
- Undertakes an annual survey of IABC Wellington sponsors to measure satisfaction.

Diversification

The Sponsorship Director's task, with the close support of the Directors Finance and Event Management in particular, was to further maintain our sponsorships.

See attached sponsorship brochure for full details of packages.

Focus on in-kind sponsorship relationships

With knowledge of our connections and their business interests, in-kind sponsorships quickly came into view as a way to provide a significant boost to programme resources. These sponsorships also proved popular for companies who wanted to support IABC Wellington, but didn't necessarily have large budgets for sponsorships. IABC Wellington continues to seek traditional cash sponsorships, but now also actively pursues key in-kind sponsors.

As a result of these efforts, we successfully secured in-kind sponsorships covering costs associated with:

- venue for our breakfast board meetings, including catered food and light refreshments

- venues for our evening events
- venue and catering for our boardroom lunch series for executive communications directors
- design and production covering our brochures, name tags, banners and associated event material
- print services for all marketing and member material.

Relationship management

We manage relationships with our sponsors closely, ensuring they receive their entitlements, are comfortable with the state of the relationship, and can provide input to our programme. We:

- meet quarterly with key contacts for all sponsors
- invite sponsors free of charge to all networking events
- seek input of sponsors ahead of our annual board planning session
- survey sponsors annually for their feedback.

An ethical commitment

For sponsors interested in business development, we take steps to ensure member information (such as email addresses) are protected. Sponsors are able to promote products/services through IABC Wellington channels, and not directly to members. This also ensures adherence to IABC brand and ethical standards. We also take care to avoid conflicts of interest when managing relationships, such as with multiple recruitment agencies, ring-fencing relationships to particular events or tailored benefits.

Sponsor benefits

A core set of benefits for each level of sponsorship is set out in our sponsor brochure. In addition, sponsorship agreements are tailored to the needs of the sponsor following discussion and negotiation.

Challenges

In 2017, a sponsorship arrangement was secured with a catering company for a 50% discount. This heavy discount was alluring, but during 2018 as we continued to work with this catering sponsor, the relationship became strained. It became apparent the discount agreed by the small husband-and-wife-led company was causing their business to lose money. We encourage all of sponsors to attend IABC Wellington events so they have an opportunity to communicate directly how their business may be able to benefit members. Unfortunately, the owners of the business never took advantage of this opportunity directly, or through representative attendance. When high expectations of new and repeat business from members didn't materialise within the first 60 days of the agreement, the company expressed its disappointment. Communication from company owners with board members was often sharp in tone, making exchanges unpleasant.

Board members found the company challenging to deal with interpersonally. Rather than negotiating for a lower discount, we decided to end the sponsorship agreement. Our board members are volunteers and their work for IABC Wellington needs to be enjoyable, we expect sponsor partners to

be professional and respectful. Through this experience, we articulated as a board that we want to work with sponsors who we have a strong relationship with in a mutually respectful and professional manner. We came to the conclusion that the catering industry has too small margins to commit to significant discounts, so this is not a high priority for us.

We also faced a challenge when our premium sponsor, Momentum (a recruitment solutions company), became uncomfortable with competitor Inside Recruitment's sponsorship of our annual Budget day event. This was a conflict that could have damaged key sponsor relationship—or worse, resulted in the loss of both sponsors.

Inside Recruitment has been a pleasant company with which to work, but their approach to Budget Day events had been hands-off and somewhat unengaged. This was contrasted with a dream team of professionals from Momentum who both regularly attend events, becoming the “go-to” recruitment team for many marketing and communications professionals.

It was apparent the relationship with Momentum has more long term value for our organisation, as well as its members. We successfully re-negotiated our sponsorship contract with Momentum, whereby they now cover the amount Inside Recruitment previously paid for the Budget Day event. —but strong relationship management and dedication of our Director Sponsorship ensured a positive outcome for both parties.

Generally speaking, our operating environment remains difficult. The environment for sponsorship in Wellington is challenging, with employment and financial conditions constrained, and a competitive market among communications organisations.

There are three other major players in the communications association space in Wellington: the Public Relations Institute of New Zealand, the Network of Public Sector Communicators, and the Internal Communications Network; along with a number of smaller non-profit specialist communications associations. These associations are competing for market share, brand position, reputation and sponsorship in the small Wellington environment. We have had to be mindful that our requests for support, particularly with recruitment agencies or communications suppliers, do not conflict or cut across support agreements for other associations.

This is especially important in a small communications environment, where we are all volunteers, all working for a common good, most of us know each other, and many of us work together, or may work together in future.

Results

We have maintained cash sponsorship and adjusted in-kind arrangements which helped grow the chapter's net cash position by \$11,322 to \$53,132 (21%). In addition to maintaining our sponsorship base, this significant improvement in net cash position has been driven by event registrations and membership fees retained.

- Update our 2018 sponsorship brochure to bring clarity to the benefits and opportunities available through support of IABC Wellington
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<p>Update our 2018 sponsorship brochure to bring clarity to the benefits and opportunities available through support of IABC Wellington</p>	<p>Exceeded Benchmark: Existing brochure Measure: Updated <i>Sponsorship opportunities with IABC Wellington (see attached)</i>, but this update was significant because it included the refreshed IABC Wellington branding which helps to reposition our chapter as even more attractive to current and future sponsors than event. It could be a powerful sales tool for our sponsorships in future.</p>
<p>Maintain sponsorship cash revenue at around \$11,000</p>	<p>Exceeded Benchmark: \$11,000 per annum Measure: \$11,500 cash sponsorship</p>
<p>Enable the ongoing delivery of our quarterly boardroom lunch programme for executive communications professionals at no cost to the chapter by renewing our existing sponsor</p>	<p>Met Benchmark: JacksonStone & Partners retained as Boardroom lunch sponsor for a second series; four lunches held (March, June, August, October) Measure: Retained JacksonStone & Partners retained as series sponsor, series adjusted to 3x events per year at breakfast rather than lunch in order to be more effective and manageable</p>

Maintain overall financial position through sponsorship, enabling more of event profits to be banked for future investment in professional development activity	Exceeded Benchmark: Cash position at year end 2017 \$41,810 Measure: Cash position at year end 2018 (forecast) of \$53,132
Retain existing sponsor relationships	Met Benchmark: Five cash/event sponsors in 2017 (Isentia, Momentum, JacksonStone & Partners (Boardroom lunch series and Global Chair visit), Wrestler (Future of Communications), Inside Recruitment (Budget Day)) Measure: See Sponsors section below. While one sponsor was lost, this was terminated by IABC Wellington by choice.
Maintain a sponsor to enable the ongoing delivery of our quarterly boardroom lunch programme for executive communications professionals at no cost to the chapter in 2018	Met Benchmark: Jackson Stone retained as Boardroom lunch sponsor for a second series; four lunches held (March, June, August, October) Measure: JacksonStone & Partners retained as series sponsor, series adjusted to 3x events per year at breakfast rather than lunch.
Maintain a sponsor to cover costs of annual Budget Day event	Met Benchmark: In-kind sponsorship with Inside Recruitment established Measure: Sponsorship with Inside Recruitment maintained during 2018. However we have negotiated with premium sponsor Momentum that in 2019 Momentum will cover this cost as they would like to increase their sponsorship to include this key event.
Attract our video content partner (who committed to supporting a one year programme) to seeing value in ongoing sponsorship	Met Benchmark: Sponsorship contract with Wrestler Measure: New sponsorship contract signed with Wrestler in 2018.

Sponsors

Cash sponsors

- Principal Partner: Momentum (\$5,000 per annum, plus board meeting venue)
- Principal sponsor: Isentia (\$5,000 per annum plus speaker)

- Budget Day Event sponsors: Inside Recruitment (\$1,800)

In-kind /event sponsors

- Future of Communications sponsor: Wrestler, content creators (filming and production of three videos, and hosting of one panel event on virtual reality (\$30,000 worth of costs)
- Boardroom lunch sponsor: Jackson Stone & Partners (\$6,000 worth of costs)
- Venue partners: ACC, MBIE, Transpower, Momentum, JacksonStone (Savings of \$800 in alternative venue hire per event)
- Catering partners: Seasoned and Dressed (To May 2018 - 50% discount on all food orders)
- Design and production: Capiche, (brochures, business cards, banners, letterhead and PowerPoint templates)

Attached in support of entry:

- Sponsorship brochure 2018
- Previous sponsorship brochure
- Current sponsorship contracts IABC Wellington December 2018
- Sponsorship contract - Seasoned & Dressed
- Termination notice - Seasoned & Dressed