

# Module 2. Workforce & Community - Making employees proud and neighbours happy

## Introduction

When executives think about sponsorships, more often than not, they have their eyes on consumer communication, fan engagement, and events. However, there are many other ways to extract values of sports and entertainment relationships for internal and external constituents.

In some cases, the very same contract that allows you to develop marketing campaigns will offer you ways to address completely different, and equally valuable, audiences. In others, you might need to sign a contract exclusively to get assets that allow you to talk to a very specific constituent. In this module, we will explore a few examples of both cases.

## 1. Employees

Company employees is a target group that is rarely considered by marketer. After all, they are too busy looking at the consumers and customers to care about their own colleagues. They might think “this is Human Resources’ job!”. But the reality is that for senior leaders, the employees are the key constituent for the success of the company. Everything starts with a capable, motivated, and engaged workforce.

Every professional has changed and will change jobs many times during his/her career. While from our own perspective this is great (we are likely to get a bigger job, a higher salary, to live in a new city and to learn something new), losing an employee creates many problems for the employers. Employee turnover is a very real challenge for leaders of all industries.

According to an article published in the Mercer website, “US companies had an average turnover rate of 22%\* throughout the survey period (2019) regarding total separations, which is the combined number of voluntary separations, involuntary separations, and retirement-based separations” (North American employee turnover: trends and effects, 2020, para. 6). The number varies greatly by types of job and region.



Figure 1: Average General Turnover Rates in Organizations in 2018.



From *North American employee turnover: trends and effects*. Mercer. <https://www.imercer.com/articleinsights/north-american-employee-turnover-trends-and-effects>

Figure 2: Job functions with the highest average voluntary turnover.



From *North American employee turnover: trends and effects*. Mercer. <https://www.imercer.com/articleinsights/north-american-employee-turnover-trends-and-effects>

Some industries, like Retail, sees almost 4 in every 10 employees leaving the organization. Contact centres, manufacturing and sales are also among the top turnovers.

Figure 3: Industry with the highest average voluntary turnover rate.



From *North American employee turnover: trends and effects*. Mercer. <https://www.imercer.com/articleinsights/north-american-employee-turnover-trends-and-effects>



From a geographic standpoint, the South-Central region (of the United States) had the highest total separation rate at 43.2% (the Northeast region had the lowest total separation rate at 20.8%).

People leave their jobs for different reasons. We all know the story...

Figure 4: Leading causes of workforce turnover in the US



From *North American employee turnover: trends and effects*. Mercer. <https://www.imercer.com/articleinsights/north-american-employee-turnover-trends-and-effects>

Unless we are the ones changing jobs, very few sponsorship professionals are aware or care about these movements in the companies. But they are not immune to the cost of the turnover. Every year, their leaders must spend a good part of their budgets to recruit new employees.

The Society for Human Resource Management's (SHRM's) estimates that "the average cost-per-hire is \$4,129, while the average time it takes to fill a given position is 42 days, according to new Human Capital Benchmarking Report" (Text Messaging: A Recruiting Strategy to Reduce Time-to-Hire, n.d., para. 2).

Do the math... a company with 1,000 employees and a 40% turnover needs to hire, onboard, train, and develop 400 new people per year. The cost of such an endeavour is estimated in over \$1.6 million. This is more than many companies' marketing budgets. If you think about a company like Walmart (1.6 million employees in the USA), the cost of turnover is astronomical.

Aware of the huge cost of turnover, most companies are constantly looking for ways to retain their employees for longer and reduce the constant need to hire new ones.

Sixty one percent of organizations surveyed [by Mercer] have practices and solutions in place to try to prevent employees from wanting to leave. The majority of these organizations are also not relying on just one practice but are engaging in multiple efforts to keep the employees they want to keep. The two most prevalent employee retention practices are continuous compensation reviews and regularly looking at engagement. (North American employee turnover: trends and effects, n.d., para. 12)



This is where sponsorships, surprisingly, can play an important role. A company that is involved with sports and entertainment sponsorships, the things that their employees deeply care about, have greater chances to retain their workforce.

There is incredible pride in being part of an organization that is involved with the Olympic Games, the Paralympic Games, the UEFA Champions League, the Special Olympics, athletes, cultural events, etcetera.

The status the brands conquer for being associated with valuable properties translates to every employee giving them a sense of pride and specialness. They love telling their friends in other industries “their company sponsors the German National Team”, or “the Formula 1 driver” or “the football club of their hometown”. In a very small way, every employee feels they are also very special, and that has an impact on engagement and retention.

When it comes to partnerships that employees care, very few are as powerful as the Special Olympics.

Special Olympics is a global movement of people creating a new world of inclusion and community, where every single person is accepted and welcomed, regardless of ability or disability. We are helping to make the world a better, healthier and more joyful place—one athlete, one volunteer, one family member at a time. (About, n.d., para. 1)

Figure 5: Special Olympics: global movement of people creating a new world of inclusion and community.



From Special Olympics, Reports, <https://www.specialolympics.org/about/reports?locale=en>

Attracted by its mission, many high-profile brands have joined the Special Olympics as sponsors. Today, brands like Coca-Cola (the founding partner in 1968), Bank of America, ESPN, MetLife, Microsoft, United Airlines, P&G, and Toyota are among their partners.

Figure 6: Coca-Cola donation promotion at the Special Olympics.



From *Coca-Cola / Special Olympics Donation Promotion*. TPG Rewards. <https://tpgrewards.com/index.php/portfolio/coca-cola-special-olympics-donation-promotion-2/>

Promoting the Special Olympics to consumers like any other sports asset is not a simple task. It is possible, but requires a lot of planning, good strategy, and skilful communication. Because it can be hard to check all these boxes, for years, many sponsors were not promoting it externally as they should. In fact, even at the host city of their global events, it was hard to find any messages to promote the events.

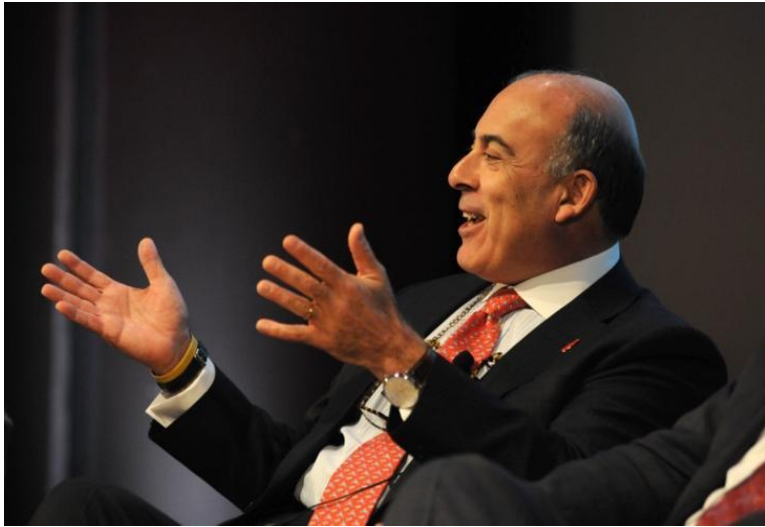
But when companies realized the high interest from their own employees in the Special Olympics, everything changed. Many of the original sponsors and many that came later started to tell Special Olympians stories through their internal channels, bring athletes to their offices, offer opportunities for their workforces to become volunteers at the events, among other courses of action. These activities have had great impact in how they feel about their companies.

Muhtar Kent, the former chairman and CEO of the Coca-Cola Company (and a board member of the Special Olympics International), used to talk often about how much "psychic equity" the Special Olympics was giving to Coke. He was referring to the good



feelings that come when you know you are doing the right thing. The brand experienced that, and so did all the employees.

Figure 7: Muhtar Kent, the former Chairman and CEO of the Coca-Cola Company.



From *Muhtar Kent: What I've Learned as CEO of Coca-Cola*. Fortune. <https://fortune.com/2017/01/15/coca-cola-muhtar-kent-leadership-lessons/>

After working in two companies that have sponsored the Special Olympics, I experienced that engagement first-hand. In no other sponsorship, I received random calls and e-mails from other employees thanking me and the companies for sponsoring the Special Olympics. The events we hosted in our offices were always packed and emotional to all. The impact of those investments in employee morale and engagement paid back many times in lower turnover and greater engagement.

A sponsorship signed exclusively with this purpose can have a very positive return on investment if well activated and used properly to bring all the employees of the company together and discuss inclusion as a business strategy.

Other companies can express their pride in being associated with sports in different ways.

For years, at the (former) headquarters of Visa, Inc in Foster City, California, there were three flags raised at the entrance of their main building (Metro 1): the American flag, the California State flag, and the Olympic flag with the five rings. Tell me about being a proud sponsor!

While some sponsorships might be signed with the employees in mind, most don't. But that is not a reason for not using them to talk to your internal audience. Every sponsorship contract offers ways in which the employees can get involved, help, and benefit from it. This is what most companies do.

A great way to use existing sponsorships to engage employees, still with the Olympic Games, is the Olympic Torch Relay. Carrying the Olympic Torch at the Relay is one of the greatest honours anyone can experience.



Every TOP Sponsor (the global partners of the International Olympic Games), has the right to appoint a very limited number of torch bearers. They will run alongside celebrities, change makers, former athletes, etcetera.

Many sponsors use their slots to recognize employees that have done exceptional work for their communities. It usually starts in the months leading to the Games, when HR will run internal campaigns where employees can nominate their peers for running with the Torch, explaining what they do and why they should be awarded this privilege.

*Figure 8: Internal campaigns where employees can nominate their peers for running with the Torch (Rio 2016).*



From Rio 2016: Olympic torch passes through host city amid samba, protests. Firstpost. <https://www.firstpost.com/sports/rio-2016-olympic-torch-passes-through-host-city-amid-samba-protests-2933482.html>

Once the lucky winners have been announced, there is a communications plan to create the excitement for their upcoming travel to the host country (or, if they are at the host country, to the location of the Relay). Internal communication is critical to share the updates and engage every other employee.

After the event, when the runners return to their offices with their torches, they will be hosted by senior executives in townhalls where they will describe the experience allowing all the attendees to take photos holding the torch. People will talk about it for months.

These campaigns are a great way to recognize and celebrate the workforce and give everyone a boost of excitement for being part of something as exclusive as the Relay.

But being among the privileged few winners of a sweepstake or voted by the peers isn't the only way to benefit from a sponsorship. For all sponsors of events, another interesting way to engage the workforce is by recruiting them as staff members of the activation programs.

FIFA World Cup, Olympics, Rugby World Cups, UEFA Champions League sponsors have a long tradition of doing just that.

When you attend one of these events, you will see hundreds of uniformed staff walking around the venues performing different jobs. They can be performing multiple tasks such as these:

- Marketing: making sure every concession stand or merchandising store is properly decorated and activated, guests are following the famous lollipop holders, the commercial displays (where the brand is showcasing its products) is working well and is properly staffed, etc.
- Logistics: delivering products, loading displays / refrigerators, etc.
- Technical: dealing with the payment terminals working, making sure the connectivity in the venue is performing as it should, (if the company has any technical equipment) showcasing new equipment and technologies, etc.
- Sustainability: recycling bins properly positioned and advertised, etc.
- Hospitality: having the guests arrived, doing the executives hosting customers at suites having all the materials they need, etc.
- Public Relations: meeting the demands from the press at the venue and looking for opportunities to promote the company and the brands.
- Hospitality: hosting clients, transporting clients, carrying out back-office management, planning and guiding tours, supporting the management team on meetings and travel, etc.

All of the jobs above can be performed by agencies' staff or—in a much better way—by the company's own teams. Using the own employees not only motivates them (for being part of the event): it is less expensive (no need to hire staff). It is a more genuine way to speak about the company; after all, everyone is well trained and likes the company, not just being paid for their work.

## **2. Community:**

Companies don't live in isolation. They are part of the place they were founded and locations where they do business. In today's world, every business must necessarily be involved with and be part of the communities they operate. This is a good business practice, not charity. Business leaders recognize that when these communities grow, their companies will also grow.



While many of these investments are not related to sports and entertainment, they are also important forms of sponsorships that every professional should understand. Very often, they open doors, build relationships, create a positive image for the company and brand, and drive business results.

Non-profit organizations and some government bodies (the ones authorized to develop public or private partnerships) are the main recipients for these forms of sponsorships. Unlike traditional forms of sponsorships –usually managed by marketing teams–, this type of relationship can be found in many areas of the company, making it difficult to track and control. Some of the events and “internal buyers” can be the following:

Figure 9: American Society of Gene + Cell Therapy logo. [Online Image].



Retrieved 2021 from <https://asgct.org/>. Screenshot by author.

If you work for a laboratory (like LabCorp), your Technical/Scientific Department may become a sponsor of the Reuters Event: Cell & Gene Therapy USA.

Figure 10: Wall Street Journal Pro Cybersecurity Webinars home page. [Online Image].



Retrieved 2021 from <https://cyberwebinars.wsj.com/> Screenshot by author.

If you work for an automaker (like Tesla), your IT Department may become a sponsor of the Wall Street Journal Pro Cybersecurity Webinar.

Figure 11: Partnerships and Business Innovation to Rein in Plastic Waste in the US and China.



From <https://www.visualcapitalist.com/china-plastic-ban-global-recycling-industry/> Screenshot by author.

If you work for a beverage company (like PepsiCo), your Sustainability Department may become a sponsor of the Partnerships and Business Innovation to Rein in Plastic Waste in the US and China, promoted by the Wilson Center.

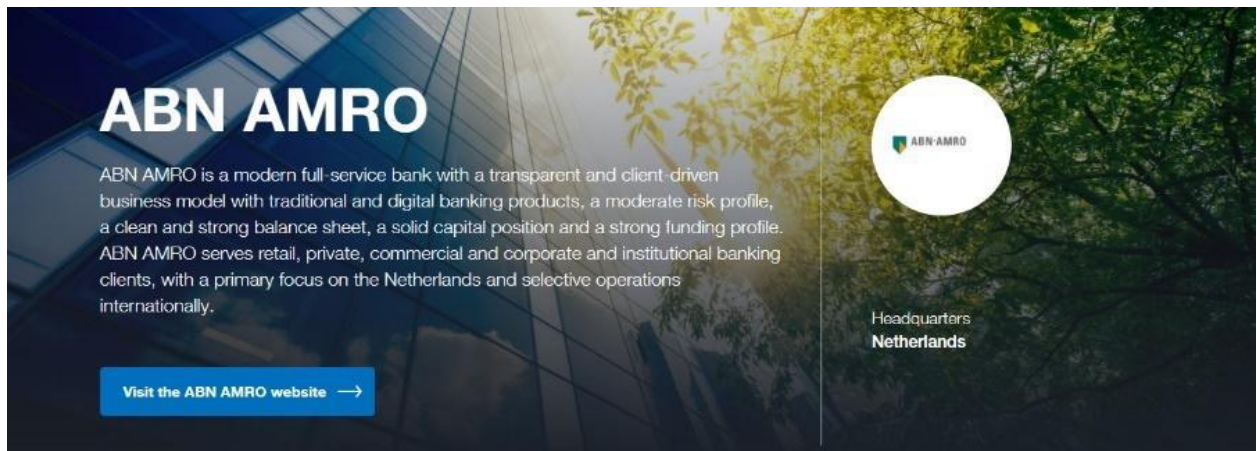
Figure 12: iWorkinSport Job Fair advertisement.



From *iWorkinSport Job Fair and Johan Cruyff Institute, partners one more year*. Cruyff Institute. <https://johancruyffinstitute.com/en/latest-news/iworkinsport-job-fair-and-johan-cruyff-institute-partners-one-more-year/>

If you work for a sports organization (like FIFA), your Human Resources Department may become a sponsor of the iWorkingSport Job fair.

Figure 13: ABN Amro home page. [Online Image].



Retrieved 2021 from <https://www.weforum.org/organizations/abn-amro-bank>

If you work for a bank (like ABN Amro), your Public Affairs and Communications Department may become a sponsor of the World Economic Forum in Davos.

Figure 14: Disability In home page. [Online Image].



Retrieved 2021 from <https://disabilityin.org/2020conference/>

If you work for an airline (like American Airlines), your Diversity and Inclusion Department may become a sponsor of the Disability In Conference.

Another element that differentiates community sponsorships from regular sports and entertainment ones is the commercial terms. While in traditional sponsorships, the financial component is usually the majority of the payment, community sponsorships can be more flexible with that accepting other forms of value, as described by Weiger (n.d.) in the Double the Donation website:

1. In Kind: An in-kind sponsorship involves a company donating goods or services to an event or project. For example, a restaurant might provide catering services, or a spa may donate free spa packages as a raffle prize.
2. Media sponsorships consist of a company paying for the cost of promoting the event. This could include radio promotions, TV ads, or printed advertisements (para. 8-9).

Another important difference of a community sponsorship is the source of the funds. If only the company budgets pay for a traditional sports sponsorship, the community ones can often be funded by their own employees through a “matching gift” mechanic.

Corporate matching gifts are the most popular type of corporate giving program. As part of a matching gift program, companies match donations their employees make to eligible non-profits.

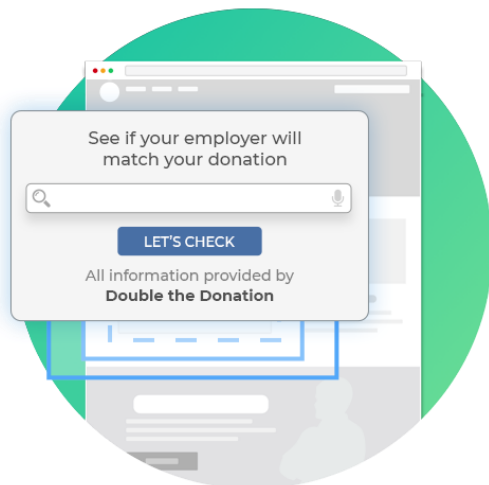
Corporate matching gifts pave the way for increased fundraising dollars, especially during a big fundraising campaign. If you’ve already set up a partnership with a company, their employees will be encouraged to donate to your cause. And if that company offers a corporate matching program, those donations can be doubled, or even tripled!

In terms of your non-profit’s fundraising event, there are even more ways to build support and revenue. Through fundraising matches, corporate employees who participate in your event (e.g., a walk, run, or bikeathon), can have the money they raise during the event matched by their employer.

While partnerships with a corporation can help bring in a lot of matching gift funds, matching gifts are still an overlooked source of revenue. That’s why it’s important to raise awareness among all of your donors and supporters, whether they’re connected to known sponsors or not. (Weinger, n.d., para. 95-98)



Figure 15 Corporate donations.



From *Employee Giving: 4 Ways to Make the Most of Giving Programs*. Charity Navigator. <https://blog.charitynavigator.org/2020/10/employee-giving-4-ways-to-make-most-of.html>

In many countries, employees' gifts are tax-deductible, making it a convenient and (almost) cost-free alternative for employees to do good in the communities.

Finally, community sponsorships can also come from individual donors. CEOs, Senior Executives, and wealthy entrepreneurs may decide to donate large sums (or, in some cases, most of its wealth) to the places and causes they are interested in or connected with. Depending on the country, this is a longstanding tradition. We can find the beneficiaries in sports, arts, education, etc., all over the United States, for example, where the culture of sponsoring (or giving back) is well established.

If you drive through the streets of many American cities, this phenomenon is at full display. In Atlanta, GA –the home city for the Coca-Cola Company– for example, it is common to see buildings named after some former CEOs and executives. The Woodruff Arts Center, the

Atlanta University Center Robert W. Woodruff Library (named after Robert W. Woodruff, the president of The Coca-Cola Company from 1923 until 1955), and the Emory University's Goizueta Business School (named after Roberto Goizueta, chairman, director, and CEO of The Coca-Cola Company from 1980 until 1997) are good examples.



Figure 16: Woodruff Arts Center.



From *Woodruff Arts Center*. ATL 2020. <https://www.atl2020.net/woodruff-arts-center.html>

Figure 17: Emory Goizueta Business School logo. [Online Image].



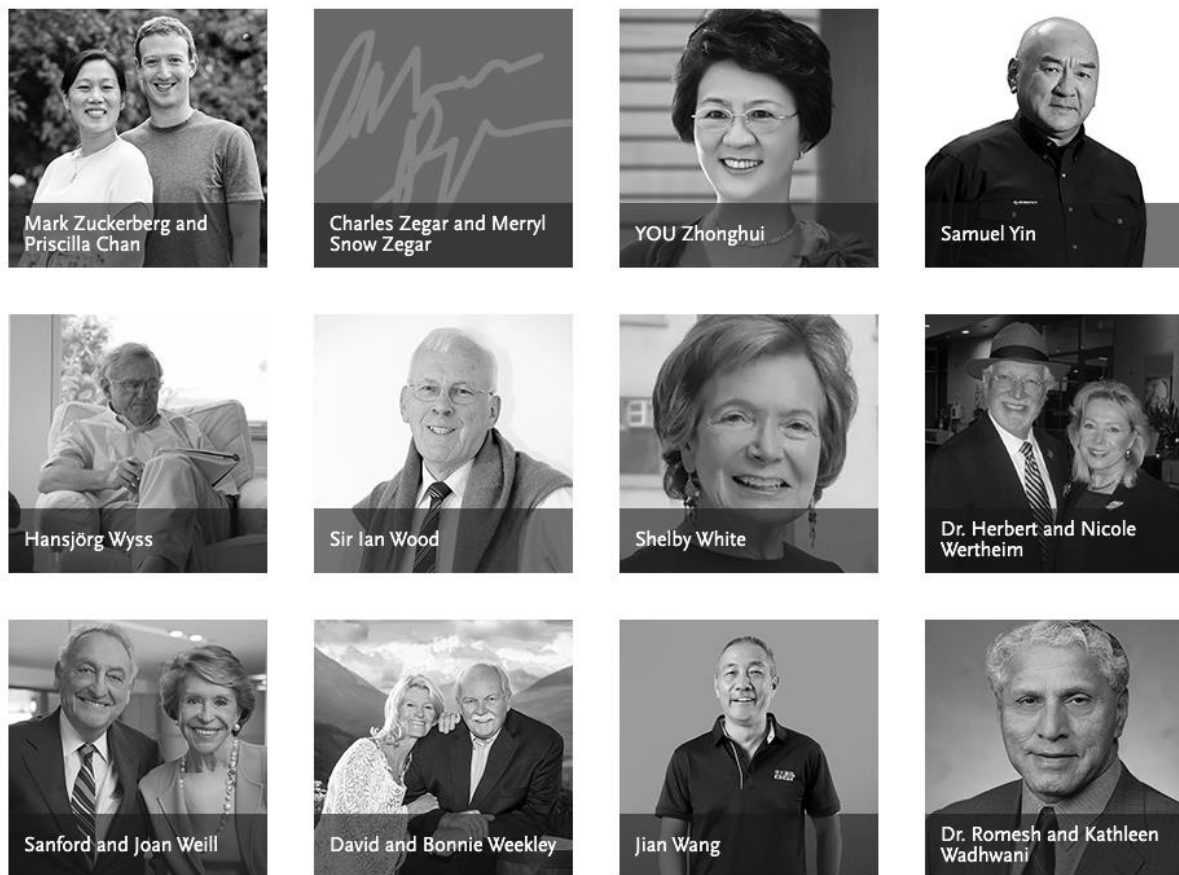
Retrieved 2021 from <https://goizueta.emory.edu/> Screenshot by author

Companies can also sponsor local events that have strategic importance for the city or state.

Then, there is the ultimate form of community support / sponsorship.



Figure 18: Giving Pledge home page. [Online Image].



Retrieved 2021 from <https://givingpledge.org/Home.aspx> Screenshot by author

In August 2010, 40 of America's wealthiest people joined together in a commitment to give the majority of their wealth to address some of society's most pressing problems. Created by Bill and Melinda Gates and Warren Buffett, the Giving Pledge came to life following a series of conversations with philanthropists around the world about how they could collectively set a new standard of generosity among the ultra-wealthy.

The Giving Pledge is a simple concept: an open invitation for billionaires, or those who would be if not for their giving, to publicly commit to giving the majority of their wealth to philanthropy. It is inspired by the example set by millions of people at all income levels who give generously – and often at great personal sacrifice – to make the world better. Envisioned as a multi-generational effort, the Giving Pledge aims over time to help shift the social norms of philanthropy among the world's wealthiest people and inspire people to give more, establish their giving plans sooner, and give in smarter ways.

Those who join the Giving Pledge often write a letter explaining their decision to engage deeply and publicly in philanthropy and describing the causes that

motivate them. Signatories fund a diverse range of issues including poverty alleviation, refugee aid, disaster relief, global health, education, women and girls' empowerment, medical research, criminal justice reform, environmental sustainability, and arts and culture.

While originally focused on the United States, the Giving Pledge quickly saw interest from philanthropists around the world. In February 2013, the pledge went global with signatories from Australia, Germany, India, Malaysia, Russia, South Africa, Ukraine and the United Kingdom.

Today, the Giving Pledge includes more than 200 of the world's wealthiest individuals, couples, and families, ranging in age from their 30s to their 90s. Globally, they represent 27 countries: Australia, Brazil, Canada, China (mainland, Taiwan, and Hong Kong), Colombia, Cyprus, Germany, India, Indonesia, Israel, Malaysia, Monaco, Norway, Peru, Portugal, Russia, Saudi Arabia, Slovenia, South Africa, South Korea, Switzerland, Tanzania, Turkey, Ukraine, UAE, the United Kingdom, and the United States.

Joining the Giving Pledge is more than a one-time event. It means becoming part of an energized community of some of the world's most engaged philanthropists to discuss challenges, successes, and failures, and to share ideas to get smarter about giving. Signatories are united by a shared commitment to learning and giving, and the Giving Pledge team provides opportunities for signatories to gather throughout the year to learn from experts how to best leverage their philanthropy to address some of the world's biggest challenges. (History of the Pledge, n.d., para. 1-6)

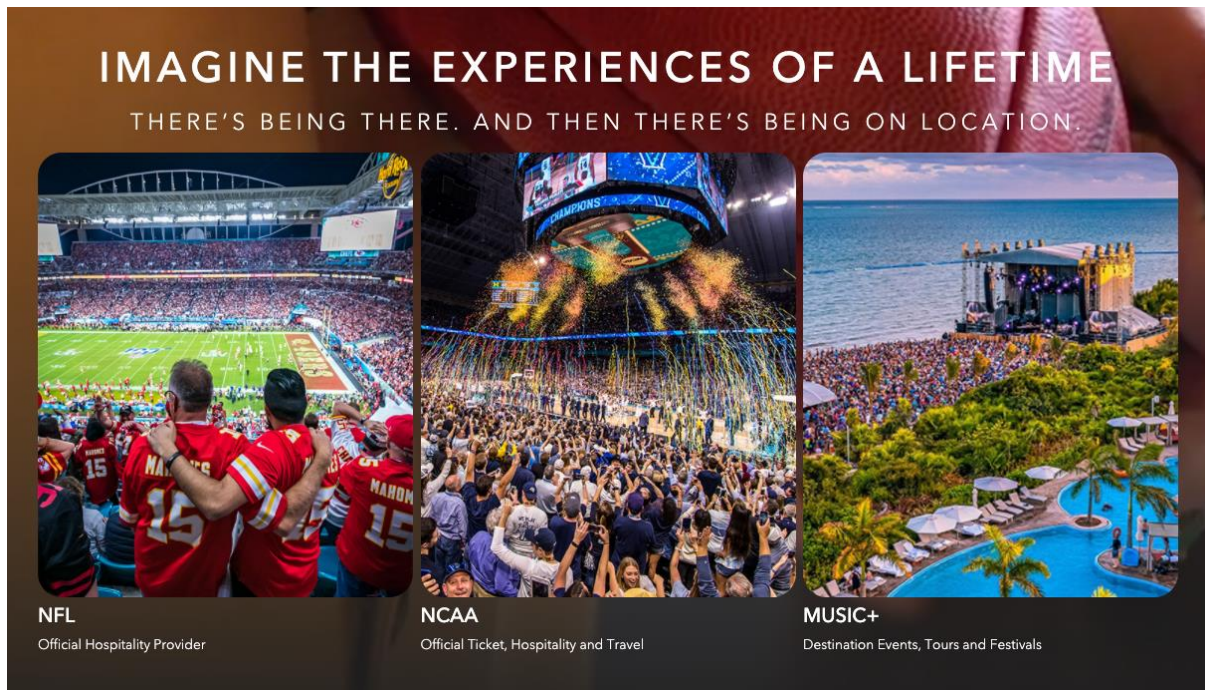
### **3. Hospitality:**

Being able to entertain multiple constituents at an event is a great opportunity for companies' executives to build relationships and generate leads and new business. While this is not an exclusivity of a sponsor, the sponsorship status offers many benefits to successful develop and program delivery.

In the next pages, we will cover the different forms of hospitality and some of the basics for a successful execution.



Figure 19: Different forms of hospitality in the On Location home page. [Online Image].



Retrieved 2021 from <https://onlocationexp.com/music#signup> Screenshot by author.

### Why companies invest in hospitality and who are their main target groups?

Table 1: Why companies invest in hospitality and who their main target groups are.

Target audience	Reasons to develop hospitality programs	Relationships	Drive sales	Media	Motivate
Influencers	Influencers: with the growth of the influencers, it has become common for brands to invite them to events in exchange for publicity. Brands use their access to tickets, flights, and hotels to pay for the media reach these influencers can offer.	X		X	
Target audience	Reasons to develop hospitality programs	Relationships	Drive sales	Media	Motivate



Customers	Developing relationships with your prospect and existing customers is hard. As most relationships are created and developed in formal meetings (during the months of the COVID pandemic, only video conferences), with limited time to engage and learn from each other, understating the motivations and interests of customers to serve them better and sustain the business is not an easy task. The hospitality programs allow management to spend more time in an informal and entertaining setting where people have better chances to open up and develop relationships.	X	X		
Employees	Employees: As previously discussed earlier in this module, it is critical to build the employee engagement. Inviting them to sport and entertainment events is always a way to recognize their work, celebrate achievements, and demonstrate their importance in a very exclusive way.				X
Consumer	Consumer: At every event, dozens of thousands of consumers are hosted by their favourite brands. The most common access to these programs is by participating (and winning) consumer promotions. The popular "Win a Trip to the Olympics" (or FIFA World Cup) is almost as old as the Olympics (and the FIFA World Cup).		X	X	
Others	Suppliers, business partners, NGOs, government and media partners: similar to the approach used for customers, many companies use hospitality access to entertain	X			X



	suppliers and business partners with the objective of developing better relationships.				
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Companies interested in hospitality programs have two alternatives: developing their own or buying off-the-shelf products. There is no right or wrong alternative, and each specific need should dictate the solution adopted by the company. Many use both approaches for different events. Understanding the specific benefits of each alternative is critical for sponsorship managers to make the best possible decisions.

Figure 20: Dead & Company's Playing in the Sand event ad.



From *Dead & Company Sell Out 2022 Playing in the Sand on Alumni Presale Tickets Alone*, 2021. Relix. <https://relix.com/news/detail/dead-company-sell-out-2022-playing-in-the-sand-on-alumni-pre-sale-tickets-alone/>

**Developing a proprietary program:**

You don't need to be a sponsor to develop your proprietary program. However, most sponsors tend to develop one (instead of buying products in the market). In general terms, the steps necessary to develop a proprietary hospitality program (according to iLuka Collective, a leading agency in the market) are the following:

1. Strategy:

Understand requirements and the personality of the brand to bring to life the company objectives across all of its business units and internal teams so that their clients and customers will have a deep emotional connection to your brand as part of their event experience.



## 2. Operational planning:

With large-scale sporting events, there are no dress rehearsals: you have to get it right the first time. It requires experience and attention-to-detail to guarantee that the whole organization achieves business success through your sponsorship activation.

Figure 21: Man explaining a plan.



From *Operational planning*. Iluka Collective. <https://www.ilukacollective.com/services>

This phase includes:

- Development of the customized plans by business unit. Within the same organization, different groups might have different needs when it comes to hospitality: your Marketing team may be looking at developing a consumer program in which promotions' winners can travel to the World Cup; your Sales Department may be interested in developing an incentive for the distributors; your Public Affairs may want to invite some reporters, and your Government Affairs, some politicians; finally, your executives may want to invite some investors. All at the same event. All at the same time.
- Guest invitation management. Inviting guests is a full-time job. In fact, it is a full-time job for many people. Once the list of guests has been finalized and approved by management, comes the time for each host to place the calls. In order to have the best possible list, you need a lot of coordination and control. Some people will take longer than others to reply, others will ask to come early or leave later, a few may want to bring more than a guest. All of those variants need to be properly managed to avoid issues later in the program. All of that needs to happen up to six months before the event, so guests have time to plan and issue eventual visas.

Figure 22: Guest invitation management.



From *The best-paid football tips in Kenya*. Atich Betting Tips. <https://atichbettingtips.com/category/accurate-football-predictions/>

- Merchandising. It is usual to gift the guests with some sort of customized merchandising. Months before you have your guest list confirmed, you will need to order them. You will be placing orders of shirts for people whose sizes you don't know, so there will necessarily be a lot of waste. Usually, companies try to order items that are not size specific (umbrellas, footballs, cups, etc.) to avoid this hassle.

Figure 23: Swag bags.



From *Clean out your swag bag*. Pinterest. <https://ar.pinterest.com/>

- Arrivals and departures. The logistics of arrival and departures can be one of the most challenging jobs at a hospitality program. Think about a UEFA Champions League program in which guests from all over Europe and some overseas travel to the same location. Your program will have to be at the airport with hosts, signage, and transportation to welcome everyone arriving the day before the match. At the end of the event, you will need to bring all the same guests to the airport on time for them to catch their flights, not to mention the need of accurate communication



about arrivals and departures. A guest that arrives and can't meet his/her host at the airport sets an awful tone for the entire experience.

- Transportation. In times of great demand, buses, vans, and cars vanish turning a fairly simple task challenging and expensive for the company. Depending on the location (like at the FIFA World Cup or Olympics in Brazil), you may also struggle to find bullet-proof cars for your executives. If you are in continental Europe, vehicles from other countries may be hired to reduce the gap. Once you have secured all the vehicles you will need, you will have to hire a good transportation manager to control all the movements while onsite.

Figure 24: Minivan.



From *Police in Townsville investigate local ECEC service after child is allegedly left in bus*. The Sector. <https://thesector.com.au/2021/07/19/police-in-townsville-investigate-local-ecec-service-after-child-is-allegedly-left-in-bus/>

- Accommodation. Hotels are the most expensive line item in any hospitality program. When a city is hosting large scale events, the organization usually takes control of most of the rooms available (this is a pre-condition for the rightsholder allocate the event to the city, part of the bid promises). Unless you are a sponsor, it is very challenging to find hotels available for your guests. Then comes the price increase, usually a 2 to 3 times higher when compared to the everyday rates. In some cases, like the 2020 Olympics in Japan, you also have an agency fee that is added to your bill as a mandatory cost of the organizing committee. It is also important to remember that you will be looking at hotels for each of your programs –customers and consumers shouldn't stay at the same hotel class– and for the staff working at the event.

Figure 25: Hotel.



From *Google Hotel Ads für mehr Direktbuchungen*. Online step. <https://www.onlinestep.ch/google-hotel-ads/>

- Accreditation. In every event, there are executives and staff that will require accreditation to access restricted areas. For security reasons and background checks, the rightsholder will require a lot of information about everyone that will be accredited. Collecting and providing the information is a time-consuming task. While the staff will collect their own accreditations, executives will need to be escorted to do it (usually, this is something that the individual needs to do themselves to collect biometric information).
- Ticketing. Most sponsorship contracts come with a certain allocation of tickets. They may be a free-right, right to purchase or a combination of both. Because this is such an expensive line item, it is important to be precise in your orders. The coordination of the requests within the company is a project on its own. Many departments may need tickets that must be coordinated in quantity, dates, events, sports, hotels, etcetera. Once you have collected all the details from all the groups, you will need to place the order, another laborious job, as you will need to input in a management system all the details (ticket number, name of guest, etc.).

Figure 26: Ticketing.



From *7 Ideas for Hybrid and Virtual Event Sponsorship*. The Learnplace. <https://e180.co/2021/04/22/virtual-event-sponsorship/>

- Food and beverage. Hotels are usually responsible for the catering of the hospitality programs. Depending on the profile of the guests, you will need to make sure that there is enough variety and diversity of meal options to cater to different origins of guests, dietary restrictions, etcetera. You will also need to define the availability of the meals during the day. As guests might be returning from events late at night or depart early in the morning, you may need to anticipate/extend catering times to meet the program needs.

Figure 27: Food and beverage.



From *Where To Celebrate New Year's Eve In Oslo*. Globuzzer. <https://globuzzer.mn.co/groups/268471/feed>

- Hospitality lounges. Where would your guests gather? When they are not part of any activity, you might want to create a space in which you can socialize with them. After all, this is one of the greatest benefits of the entire program. To secure

the space for these lounges, you will need to add the requirement on your hotel reservation. This is so important, sometimes you may select or rule out a property based only on their function space. Hotels usually require minimum guarantees of food and beverage consumption for booking the lounges.

Figure 28: Hospitality Lounge.



From *6 tips in achieving a cozy wedding reception*. Trusted wedding gown preservation. <https://www.trustedweddinggownpreservation.com/blogs/news/6-tips-in-achieving-a-cozy-wedding-reception>

- Staffing. The vast majority of the staff will be temporary hires. They will join the team for the duration of the event only. They will need to be selected, interviewed, trained, uniformed, managed, and paid. In addition to the work required to set up the team, you will need to fight for the best talent in the market (against all the other sponsors and agencies hiring at the same time). If you are bringing staff from another city or country, you will also need to take care of their accommodation and transportation. If you need bi/tri-lingual staff, you will need to check their language skills and pay more for their work. For a large-scale program, you might need up to 500 people. This is no simple task.

### 3. Event readiness:

Flawless execution requires endless preparation and boundless dedication to excellence. In the months leading up to the event, the company needs to brief and train internal teams (from communications to security) through a series of event-readiness workshops in order to validate all operations plans, mitigate any eventual event-time risks, and ensure the preparedness of the entire company.

### 4. Operational excellence:



Think of a live 24/7 operations hub dedicated to the program, helping to manage all aspects of the activation program and to ensure seamless collaboration with the event organizers, security forces, etcetera. Areas that need constant reporting to management are: Incidents, Guest Movements, Contractual Issues, Staff Performance and Wellbeing, IT and Data, Security, Commercial Results, as well as Key Learnings for continuous improvement.

### **Buying a program in the market:**

There are many companies specialized in designing and implementing hospitality programs that are sold in the market. They usually acquire the rights to offer these services in an exclusive basis for certain events. Their clients can be sponsors (not willing to develop their own) or –most common– non-sponsors.

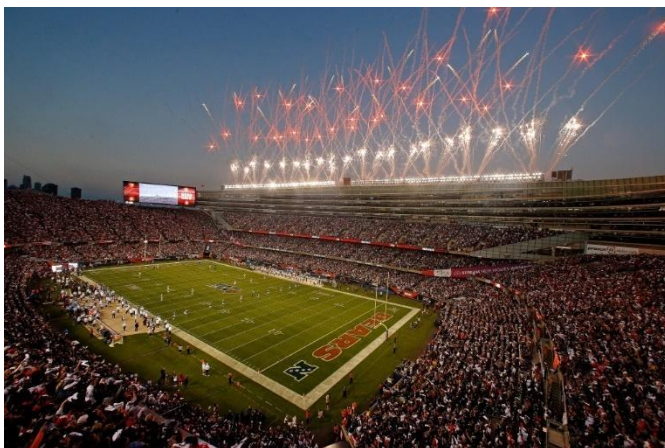
Because the non-sponsors don't have access to the tickets and hotels, they have no resource other than acquiring these assets in the market with one of these agencies.

The benefit of this approach is that you don't need to bother in developing all the work, as sponsors and their agencies have to do. The downside is that this access comes at a much higher price and with limited level of customization.

There are many players in the market offering great experiences for individual fans and companies. Here are some examples:

1. On Location – Olympics, NFL, festivals and much more.

*Figure 29: Sport event at an NFL stadium.*



From *All 30 NFL stadiums from oldest to youngest.* Touchdown wire.  
<https://touchdownwire.usatoday.com/2020/03/11/all-30-nfl-stadiums-from-oldest-to-youngest/>

This is how they define their services:

On Location is dedicated to curating premium live event experiences with the goal of creating memories that will last a lifetime for our guests. With over two decades

of experience, On Location has redefined luxury hospitality with unsurpassed access, trusted VIP service, and expertise in event planning, travel, hospitality, and corporate ticket sales, providing seamless convenience, comfort, and elevated entertainment for both personal and corporate clients. (About On Location, n.d., para. 1)

In addition to the sporting events, they also offer access to many festivals and music events, such as the Hootiest Festival and the Crash my Playa Festival:

Figure 30: Hootiest Festival ad.



From *Hootie and the Blowfish announce Hootiefest: The Big Splash*. The Music Universe. <https://themusicuniverse.com/hootie-blowfish-announce-hootiefest-big-splash/>

Figure 31: Crash my Playa Festival ad.



From *Luke Bryan announces Crash My Playa 2022*. The Music Universe. <https://themusicuniverse.com/luke-bryan-announces-crash-my-playa-2022/>

## 2. MATCH Hospitality – FIFA World Cup, F1 and much more.

This is how they define their services:

MATCH Hospitality AG is the leading player in sports hospitality. Since 2007 we have curated and facilitated premium hospitality products at some of the world's largest sporting events. MATCH Hospitality's global network of Sales Agents and



cutting-edge e-commerce platforms offer sports event owners/rights holders worldwide access to customers in the market for exclusive hospitality products. MATCH Hospitality is the trusted authority in production, marketing, sales, customer service and product development for major events, boasting extensive expertise and experience, including an ongoing responsibility for the entire operation of the FIFA Hospitality Programme. (World Leaders, n.d., para. 1)

Figure 32: FIFA World Cup Qatar 2022™ Official Hospitality packages.



From *FIFA World Cup Qatar 2022™*. Expa Sport. <https://www.expatsportfifaworldcuphospitality.com/>

Depending on the event, the scale and the customer needs, there will be different offers in the market to meet the hospitality demands of sponsors. When well used, hospitality can be a great tool for engaging with many audiences.

Alongside with the development of activities for the employees or the communities, hospitality is a sub-discipline of sponsorships that is important for the sponsorship professionals to understand the options well so they can negotiate the proper rights or simply source it in the market.

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