

Strategies To Ensure You're Pricing Your Sponsorship Packages Appropriately



Chapter member sponsorship packages are a critical income stream for your association chapter. They're a key source of non-dues revenue, revenue that's necessary for you to continue to deliver all your members expect from your organization, because you know as well as we do that dues alone won't keep your chapter operating at a level that it needs to.



Getting sponsors for your association chapter doesn't have to be hard, if you manage your program correctly. Price your annual sponsorship program too high and people won't become sponsors. Too low and you won't bring in the income you expect, either because you don't make enough money from the sponsorships you sell, or people don't purchase chapter sponsorships because they don't believe you're offering something that will be valuable to them.

Here are three things you can do to help ensure your annual sponsorship program delivers the impact you and the members who purchase the sponsorships, expect. We spoke to one of our customers, Melanie Barest, Executive Director, Building Owners and Managers Association (BOMA) Greater Tampa Bay, who explained some of the reasons their chapter sponsorship program continues to be so successful.

Look up the Market Rate

How do you know you're pricing your packages appropriately and they're not too high or too low? Many chapters simply guess what they charge for different sponsorship levels, and often they don't get it right.

Do your research. Look at what other chapters of your organization in similar areas are charging for sponsorship and what that sponsorship includes. But don't just look at your own organization – look at other chapter organizations in your area.

What are they charging for their sponsorship packages? That information is often easy to find – there's a good chance if they have a solid website, they have a sponsorship page where you'll find their different sponsorship levels, with what's included and often pricing.

Determine the value of the sponsorship package – not just the price

Think about how potential sponsors will value what you're offering. Will they believe that what they get from sponsorship is worth what they paid? If your gold level annual sponsorship costs \$2500 a year, and you can show potential sponsors how they could bring in \$100,000 in sales from all the people they'll meet through your chapter, then there's a good chance they'll believe they're getting a good deal. And, with the significant difference between their perceived value and what they paid they might have even been willing to pay more.

The opposite could also be true. If that \$2500 package will only create \$750 in sales, it probably won't be something they're interested in. To determine the value of your sponsorships, ask potential sponsors what they'd expect in return from sponsoring your chapter and ask them to add a dollar amount to those expectations. And ask current and previous sponsors if they feel being a sponsor is/ could be a good value for them – ask for specifics.

Adjust your price points over time

Very few chapters get their sponsorship pricing right the first time, so don't spend a lot of time up front trying to find the exact price point. Instead, focus on delivering the expected value to your membership, and to your sponsors, and see how much it will cost you to deliver that value.



And remember that the value of sponsorship doesn't have to be something extraordinary right off the bat. Look to deliver value in small ways, like the exposure a sponsor gets from just having their logo on your website and in your marketing materials, and their company name announced at your events.

"I always say to start small," Melanie Barest says, "to see how it works, be patient as sometimes you need to give something time to grow and if something isn't working, change it. Don't be afraid to change or to fail."

Barest says they're always looking for ways to add value to their program. "We try to find benefits, she explains "that don't cost us money but are worth something to the sponsor. We added an Instagram account, and we are going to do a brief video message and email those out to the general membership, which doesn't cost anything but time."

Whatever you do, make sure to follow up with sponsors to find out if they felt the sponsorship was worth what they paid. Based on what you learn, you may need to adjust your pricing. If you're lucky, you'll be able to raise your prices, when you learn that your sponsors were thrilled with the value they believed they received from your program.

"We did finally raise the price by \$500 across the board for all three of our annual sponsorship packages," Melanie Barest said. "Prices had not been raised in well over seven years and our members understand the value, so we knew raising the price by \$500 would not create an issue. We built momentum," she added, "and members wanted to be in this exclusive "club" of annual sponsors."

An association chapter sponsorship program is necessary if you want to be able to hold all your programming, engage more people and remain active and viable. Price your sponsorship packages appropriately, and you'll be able to do all of that, and more.

