

GET THE PLAYBOOK



## Lesa Ukman

**Founder & President | Lesa Ukman Partnerships**



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*Lesa Ukman is a thought-leading entrepreneur, writer and speaker renowned as a pioneer in assigning value to marketing collaborations. She has propelled sponsorship from a promotional sideline to a vital discipline by creating the methodology to value and measure investments in sports, arts, entertainment and nonprofits. Her analytics have been adopted throughout the world. Driven by the then-radical idea that businesses that partner with the things people love—sports, music, festivals and nonprofit causes—vastly outperform competitors, she founded IEG in 1982. Her ideas caught the imagination of the business world, giving rise to an industry now worth more than \$85 billion. Lesa is an avid champion of the industry and a keen observer of sponsorship's broader impact on society. This includes expanding the notion of ROI to incorporate social as well as financial outcomes. For over three decades she has piloted the annual IEG Conference, which remains a must-attend event for professionals seeking to make the most of their sponsorship relationships.*

### 1. WAS THERE A MOMENT THAT MADE YOU WANT TO GET INTO THE SOCIAL IMPACT SIDE OF THE BUSINESS?

I've been tracking the growing use of big data and social purpose—two of the biggest trends driving the sports business for years. The light went on when I realized that while metrics are now used to improve nearly every aspect of sport—player selection, stadium management, fan engagement, etc.—data is not being used to maximize the effectiveness of sports philanthropy.

Leagues, teams, and events all do good works out of community affairs, out of their foundation and in partnership with their commercial partners. Yet, unable to answer the question of where to invest to do the most good, decisions are based on instinct or personal preferences, rather than effectiveness.

This is exactly where sponsorship was 35 years ago when I started IEG. However, the stakes are much higher here because we aren't just using data to optimize ROI for the brand or the rightsholder but rather for our communities and planet.

### 2. CAN YOU GIVE AN EXAMPLE OF HOW DATA CAN BE DEPLOYED TO IMPROVE IMPACT?

Look at the annual report of any sports Foundation and what you see are outputs—things that are easy to count. For example, 3,000 underserved youth participated in the summer sports clinics. Outputs are not a proxy for impact. For that, we need outcomes. How, if at all, did the summer clinics impact the 3,000 participants? Were graduation rates increased among participants and if so, by how much? And, what is the value of someone graduating versus dropping out?

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### 3. WHAT IS THE PROCESS OF VALUING A SOCIAL GOOD PARTNERSHIP?

My partners in this are the co-founders of Performance Research. They have specialists in statistics, social sciences, analytics, etc., so the process may make your eyes glaze over. My elevator summary is that it's six steps that begins with the inputs, then outputs and outcomes, evidence-based research in which there is a proven correlation between a given intervention and a specific impact. Step four, we convert each unit of social capital generated into a metric understood by all: dollar equivalents. Some of what we measure, such as cost savings and revenue creation, are already expressed in this way. But, other outcomes such as attitude and behavior shifts, community capacity, etc. need to be converted. Step five is velocity—an algorithm that accounts for scale and six intangibles such as audacity and innovation. Finally, to allow apples-to-apples comparisons to be made, our Return On Purpose calculation reveals not just what's been achieved but at what cost. For example, for Homeless World Cup, ROP revealed that for every \$1 invested, the Tournament delivered \$7.50 in social capital.

The ProSocial Valuation Statement is totally transparent so anyone using it can see the underlying assumptions, the individual numbers for each outcome and a link to the raw data and research. We also value the social capital created by the commercial partners. In these cases, we look at the outcomes of the activation because it's not in buying the rights that sponsors create social good but in how they leverage those rights.

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### 4. MANY ORGANIZATIONS UNDERSTAND THE IMPORTANCE OF MEASUREMENT, BUT CANNOT AFFORD IT. HOW DO YOU CLOSE THE LOOP TO ENSURE THAT WE PROVIDE THIS QUANTITATIVE INFORMATION TO NGOS, TEAMS, ETC?

We are designing a DIY ProSocial Valuator that will be accessible to even the smallest nonprofit in any part of the world. It will be powered by our database and populated with normative data needed to gauge impact. And, it works for social capital of all types and kinds, health & wellness; sustainability; education; community development; fundraising; advocacy; volunteerism; cultural heritage; etc.

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### 5. WHAT SORT OF COLLABORATION IS THERE IN THIS SPACE? HOW DO YOU WORK WITH OTHERS TO AMPLIFY THE IMPACT OF YOUR WORK?

Our mathematical grounding and use of research, resonates equally with C-Suite executives; Donors and Investors; Governments, Community Trusts and Foundations. We've thus been able to team with corporate foundations, sports foundations, community trusts and government bodies - the funders of good - on the DIY version of ProSocial. They are licensing the rights to distribute the software app to the nonprofits they fund. This will enable instant scalability and an amazing normative data capture that will add value to all users.

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### 6. WHERE DO YOU SEE SPORTS PHILANTHROPY MOVING OVER THE NEXT 5 YEARS?

I see quite a few changes. First, quiet confidence about social impact will no longer be enough. Funding will be tied to outcomes.

Also, with the increasing use of real-time analytics, cause washing, green washing--programs that spend \$100 million promoting the sponsor but create little, if any, social capital, will not survive.

Also, social good will no longer be siloed in discrete departments; instead it will be integrated across the enterprise. Social good will be recognized for what it is, a core asset, like jerseys or stadium title. And, once it's treated as such, including demonstrating impact with measurement, will be used to recruit and retain the best talent, attract the best partners, engage new fans, demonstrate value to governments.

Finally, more than a tool for justification, the ProSocial Valuation Service leads to improvements in effectiveness and efficiencies.

It also unlocks new dollars. For example, our ProSocial Valuation of Homeless World Cup resulted in sponsors spending more and spending more on socially good activation. And, it attracted more funders and it now knows what data to track from its partners in 74 countries to make decisions around what's working where. So, in five years, I expect both more dollars to be spent on good works and a better use of those dollars.

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**7. WHAT ADVICE WOULD YOU GIVE TO SOMEONE LOOKING TO BREAK INTO THIS SIDE OF THE SPORTS INDUSTRY?** —

Carve out a specialization. It could be in the social sciences or anthropology—understanding intersections between fan interests and community needs. It could be research or creative services that bring a cause to life. Naturally, my lens of sponsorship, I see huge opportunity for marketers who can craft offers that integrate social good assets into partnership offers, rather than an add on after the deal is done.

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**8. WHAT'S A BOOK YOU'RE READING OR WOULD RECOMMEND?** —

*Good Is the New Cool, Marketing Like You Give A Damn* by Afdhel Aziz and Bobby Jones. This is a must read for both creators and funders of social good. People with sports for good programs in need of funding will gain insights on what matters to potential brand partners while brands will learn why it is time to un-silo social initiatives, shifting it out of community affairs and or CSR and viewing it for what it can be—a lead asset for engaging internal and external audiences.