

Module 10

Marketing the Event

Marketing is essentially a matching process. This process, in the case of events, involves trying to create and maintain (if the event is to be an ongoing one) a match between the needs and motivations of:

- Those you are seeking to attract
- The programme of activities (eg displays/performances/shows/parades/exhibits)
- Supporting services (eg types of food and beverage outlets)

To successfully 'steer' this matching process it is useful to follow a series of sequential steps.

1. Key steps in event marketing

- Clearly identifying the target groups for the event
- Establishing and quantifying marketing objectives
- Determining what approaches to use to achieve the marketing objectives
- Deciding on the event 'ingredients' necessary to meet the needs of the target groups
- Establishing (if necessary) an appropriate pricing structure for tickets and services
- Establishing how to get the message about the event out to target audiences within budgetary limitations
- Determining how (depending on the nature of the event) to make tickets to the event easily available
- Making provisions for assessing the marketing efforts
- Putting in place a system to monitor marketing expenditure
- Including in the budget an amount for evaluating your marketing efforts
- Developing a system for documenting lessons learnt and making use of this information in future events.

2. Event Marketing Mix

The service marketing mix comprises of the 7'p's. These include:

- Product;
- Price;
- Place;
- Promotion;
- People;
- Process;
- Physical evidence.

2.1 Event Product

It must provide value to a customer but does not have to be tangible at the same time. Basically, it involves introducing new products or improvising the existing products.

2.2 Product Elements

Managers must select the features of both the core product and the bundle of supplementary service elements surrounding it, with reference to the benefits desired by customers and how well competing products perform. Product elements include all components of the service performance that create value for customers. It could be event programme, transport, accommodation, meetings etc.

2.3 Price

Pricing must be competitive and must entail profit. The pricing strategy can comprise discounts, offers and the like. Event service managers recognise and, where practical, seek to minimise other costs and burdens that customers may bear in purchasing and using a service, including additional financial expenditures, time, mental and physical effort, and negative sensory experiences.

2.4 Place

It refers to the place where the customers can buy the product and how the product reaches out to that place. Places of events could be public non public, mass, individual, in the open air and in the building.

2.5 Promotion

No marketing programme can succeed without an effective communication programme. This component plays three vital roles: providing needed information and advice, persuading target customers of the merits of a specific product, and encouraging them to take action at specific times. In service marketing, much communication is educational in nature, especially for new customers. Companies may need to teach these customers about the benefits of the service, where and when to obtain it, and how to participate effectively in service processes. Communications can be delivered by individuals, such as salespeople and trainers, or through such media as TV, radio, newspapers, Magazines, billboards, brochures, and Web sites.

2.6 People

People refer to the customers, employees, management and everybody else involved in it. It is essential for everyone to realise that the reputation of the brand that you are involved with is in the people's hands. Many services depend on direct, personal interaction between customers and a firm's employees (like getting a haircut or eating at a restaurant). The nature of these interactions strongly influences the customer's perceptions of service quality. Customers often judge the quality of the event service they receive largely on their assessment of the people providing the service. Successful event service firms devote significant effort to recruiting, training, and motivating their personnel, especially - but not exclusively - those who are in direct contact with customers.

2.7 Process

It refers to the methods and process of providing a service and is hence essential to have a thorough knowledge on whether the services are helpful

to the customers, if they are provided in time, if the customers are informed in hand about the services and many such things. Creating and delivering product elements to customers requires the design and implementation of effective processes. A process describes the method and sequence in which service operating systems work. Badly designed processes are likely to annoy customers because of slow, bureaucratic, and ineffective service delivery. Similarly, poor processes make it difficult for front-line staff to do their jobs well, result in low productivity, and increase the likelihood of service failures.

2.8 Physical (evidence)

It refers to the experience of using a product or service. When a service goes out to the customer, it is essential that you help him see what he is buying or not. For example-brochures, pamphlets etc serve this purpose. The appearance of buildings, landscaping, vehicles, interior furnishing, equipment, staff members, signs, printed materials, and other visible cues all provide tangible evidence of a firm's service style and quality. Service firms need to provide evidence of service manage physical evidence carefully because it can have a profound impact on quality, customers' impressions. In services with few tangible elements, such as insurance, advertising is often employed to create meaningful symbols. For instance, an umbrella may symbolise protection, and a fortress, security

3. Marketing Strategy

3.1 Market research

We learned earlier that a key component of the seven Ps of marketing is market research and analysis. Before one can effectively design and market an event, there is the need to determine the desires, expectations, and anticipations of the audience to whom that marketing will be directed. The event may be an original production—or a historic, traditional annual meeting— but research must be ongoing. By researching markets in depth, the event marketer will be able to spot trends in time to respond to changing needs as well as to resolve small problems before they become major ones. As demographics, desires, and issues change, marketing must be on

pace with change to address those market fluctuations in all available promotional media and marketing vehicles.

Quantitative/qualitative research

There are two basic categories of research instruments with which we should be familiar: quantitative and qualitative surveys. Either can be considered for both pre-event and post event research. And qualitative methodology is extremely effective during the event itself.

The major difference between the two is this: Quantitative research allows little room for interpretation; it is a snapshot of attitude or opinion based on numerical or analytical ratings systems. It is typically faster because it is easy to execute and tabulate, less expensive, and not as open to conjecture as qualitative research instruments.

On the other hand, qualitative research is more in depth, a study of opinions, objectives, visions, and experiential and performance observations. It is more time consuming, often more expensive, and more interpretive than the quantitative approach.

Again, both are often used simultaneously, as well as separately, and can be effective for prevent marketing and planning strategies as well as post event evaluations. You will need to determine

3.1.1 Quantitative research (hard data)

In most cases, this research is conducted on paper, electronically such as Internet applications, or through telemarketing. For example, assume you are considering two keynote speakers for your Mid-Year Event. In your pre-event quantitative research instrument, you ask your potential audience to rate which speaker they wish to hear, on a scale of 1 to 10 (1 being the lowest desirability; 10, the highest). Speaker A receives an average of 5.6 in your responses. Speaker B nails a 9.3. This result needs little interpretation. The data are "hard." Go for speaker B, or be ready to explain the alternative! This system works well for all aspects of event marketing and evaluation, including the ratings of multiple educational programmes, social events, and

overall experiential responses. Quantitative research instruments are objective.

3.1.2 Qualitative research (soft data)

What's the hidden meaning? What are the objectives of this event? What are the ranges of interests in the markets we are trying to attract? These are the kinds of questions that compel qualitative research, the probing inspection of attitudes, opinions, interests, and organisational directions. By its nature, this type of research is more time consuming and expensive, as well as more open to varied and sometimes conflicting interpretation by analysts. Qualitative research instruments are subjective. But qualitative research can be much more exciting! It's the "risk-taker research" if you are not afraid of what the answers may be. In other words, the results of qualitative techniques can take you to places you may not have thought of, lead you to fresh new concepts, perhaps all the way to the "Field of Dreams." There are several favoured ways to conduct qualitative research.

4. Marketing Strategy

Development of a strategic marketing plan for an event

The marketing plan is a significant component of the whole event management plan. The process is similar to the event planning process. A good place to start is to reflect upon the event's vision/mission statement, SWOT analysis and objectives. With this information move on to seek answers to the following questions:

Which groups are we seeking to attract to this event?

The SWOT analysis should provide insights into what markets (eg local, regional, interstate) the event is currently attracting, might attract or is not attracting.

The SWOT should also help to identify any factors that might be influencing the event's ability to attract specific groups. For example, if you were seeking to attract large numbers of people who lived some distance from the event at a

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time when petrol prices were rising rapidly, you might need to reconsider such a decision.

Event attendees can be grouped into several categories based on:

- Where you will be seeking to attract people, eg the local area, nearby regions, distant regions, interstate, overseas.
- personal characteristics - such as age, sex, family status (eg single, married, married with children, married with no children living at home), income levels, occupation and education levels will be of value in identifying groups to which the event might appeal. For example, when conducting an agricultural field day, farmers (an occupation group) would be the main target market.

A ticketed event allows the capture of basic name and address details via a ticket selling process. Once identified, potential repeat attendees can be encouraged to attend the event through special offers. Such offers might include invitations to special pre or post event functions or access to early tickets sales. To collect personal details through the ticketing process you will need the participant's written (ie tick box) agreement to place them on a mailing list.

5. Setting marketing objectives for the event

Having decided on the target groups, establish achievable objectives for the event. List out objectives relating to attendance levels, profit, overall revenue and ticket sales. For example:

Overall target attendance level - 5,000

- Local attendees - 3,000
- Regional attendees (radius of 160kms from event) - 1,200
- Intrastate (non-regional) and interstate - 700
- Overseas - 100

Overall revenue from sponsorship, ticket, merchandise, food and beverage sales - £40,000

- Entry ticket sales - £20,000
- Merchandise - £5,000
- Food and beverage £5,000
- Sponsorship £10,000 approaches are needed to achieve the objectives

6. Creating a unique or different event

It is likely that the people you are seeking to attract to the event have many alternative options for how they spend their leisure time. Consider how the event can be sufficiently special or different from similar events. To do this makes decisions in areas such as: theme; selection of performers/artists/speakers; venue; range and types of exhibitors/stallholders; quality and range of food and beverage; and activities (eg rides, side show games). Decisions will relate to the groups you are seeking to attract and increasing attendance from current groups of attendees. This approach involves encouraging more of the target market to the event without making significant changes. You can do this in a variety of ways including: increasing or broadening your promotional activities; adjusting ticket prices; and offering benefits to specific groups (eg opportunities to meet performers). Reliable research will identify why people in your target groups are not presently coming to the event

6.1 Focusing on a specific target group

This approach involves identifying a single group and designing an event to meet their needs. All promotional activities will be aimed at attracting people from this group, examples include business events such as exhibitions and conferences that target specific groups (eg Medical Specialist conferences), special interest events such as woodworking fairs.

6.2 Maintaining interest through change

If the event has been running for some time there is the potential danger that the audience might begin to lose interest if little is changed. To prevent this occurring consider 'reinventing' the event to some extent each year by, for example, using different performers, adding new elements (eg lantern

parades) and improving the range/quality of food and beverage. This strategy is common amongst events.

6.3 Attraction of new attendees

The event may have the potential to attract groups other than those have identified as currently attending.

7. How to put the approaches into effect

To put your chosen approaches into effect, consider four key areas:

- The 'ingredients' of the event programme
- pricing (if it is not a free event)
- Promotion
- Distribution (if the event is ticketed).

7.1 Event ingredients

The experience the event offers its attendees can be thought of as comprising certain key elements such as its programme, theme/atmosphere, venue, entertainment/leisure activities; food and beverage and on-site facilities and services. Additional to these are parking, security, and transport to and from the venue, level of access for people with disabilities and availability of shade/water. All of these elements are important to the overall experience offered by your event. For example, if parking or transport to the event is inadequate, the negative experience people have in this area could well colour their entire experience irrespective of other aspects of it being deemed of a high standard. The geographic location at which the event is taking place might be seen as part of the overall experience. Promoting the attributes (eg historic buildings, national parks) of the nearby area can significantly enhance the event's appeal to certain groups, especially those from outside the area.

7.2 Pricing

If the purpose of the event is to enhance the local economy, the event should aim to make a profit. When thinking about pricing consider: whether the event should be ticketed or not; and how much and who to charge (eg will

you charge children under a certain age). The decisions in this area need to be guided by understanding the groups you are seeking to attract and the extent to which funds can be raised from other sources such as sponsorships, grants and competitions.

7.3 Ticket distribution

Even if the event is small scale it is advisable to pre-sell tickets. Ideally the presales will cover costs and door sales will provide profit. Be aware of the expected attendance numbers for two reasons: to cover costs and not to exceed the physical capacity of the venue. If however, the event is to be medium to large in scale, the issue of making tickets available to people outside the immediate area will arise. In this case consider the following:

- Developing a business relationship with a local tour operator or travel agent to create 'packages' that include event entry and accommodation etc
- Contracting a ticketing agency or other specific organisations to sell tickets on your behalf
- Designing the event's website so that tickets can be booked and purchased on-line
- Employing a 1-800 number for out of area bookings.

7.4 Promotion

One of the major tasks when marketing the event is communicating with the various groups you are trying to attract to the event. Promotional choices will be constrained by budget and/or the amount of time that can be reasonably allocated to the task of promotion. A large cash promotional budget is not necessary to generate significant media coverage, particularly if the event or aspects of it are newsworthy. Monitoring and evaluating the event will assist in determining which marketing methods are the most effective for next time.

How will we know if the marketing approaches are working and expenditure within the budget?

Regular monitoring of:

- Ticket sales/registrations/numbers of enquiries
- Expenditure/income against budget projections
- Value of advertising leveraged and surveys of attendees, participants and local businesses will assist in determining the success of the marketing approaches.

8. How can we improve the marketing of the event?

The best way to increase the effectiveness of marketing practices is to evaluate them. To ensure that evaluation takes place, it is sound practice to allocate funds for it in your event budget and to give someone, or a sub-committee, responsibility for making sure it happens.

8.1 Marketing planning

There is no commonly accepted definition or approach to marketing planning. This is because of a number of problems that pepper the marketing planning literature relating to the size of an organisation, the market or sector in which it exists, its culture, and the human beings that work within it. There is a huge body of research that has considered marketing planning and its models, structures and processes, theory and typologies. The only one thing that is certain is that, after considering the findings of a number of studies and as the output of many informed views, there is no common agreement on a single definition or approach to marketing planning

A common method used to help plan a marketing plan is an acronym called AOSTC. It simply stands for :

1. Analysis - Of environment.
2. Objectives - Setting you SMART objectives.
3. Strategies - For segmentation and growth, targeting and positioning.
4. Tactics - Used i.e. marketing mix
5. Control. - How you will monitor that you are achieving objectives.

9. Structure of a typical Marketing Plan

9.1 Situational Analysis

Where are we now? Every good marketing plan needs to analyse the current business situation and ask a simple question, where is the business now? This involves the business firstly conducting an internal audit. An internal audit will look at:

- Past objectives and success rates.
- Past marketing mix strategies.
- Past budgets.
- Past segmentation, targeting and positioning strategies.

The internal audit aims to look at what you did in the past, was it successful, if not why not, if so, why so?

After the internal audit the next stage is for you to conduct an external audit. The external audit will involve:

- Conducting a PEST analysis, and discussing the impact of this on your strategy.
- Researching the industry you operate in. What are the trends within the industry you operate in?
- Competitor analysis. What are your competitors up to?
- A SWOT analysis to help establish your current strengths, opportunities, weaknesses and threats.

9.2 Set your objectives

Where are we going?

Set yourself SMART objectives so you know where you are heading. Remember SMART stands for:

- Specific - Clearly state what you want to achieve.
- Measurable - Is it easy to measure the objectives you set by monitoring sales, market share figures?
- Achievable - Set yourself attainable objectives.
- Realistic - Can you really achieve them with the current resources you have?
- Timed - Set a realistic time scale for the objectives.

What tactics or methods will you use to get there? How will you get there?

- Define your target market. Select your segment, your targeting strategy and positioning strategy.
- How will you use the marketing mix to assist you? What will be your product, price, and place or promotion strategy?

9.3 How do I evaluate the strategy? Are we getting there?

Are you achieving the objectives you set for yourself? To evaluate your plan some benchmarks may include:

- Market share data.
- Sales data.
- Consumer feedback.
- Feedback from staff.
- Feedback from retailers.

9.4 Executive summary - Write a summary of the plan.

Finally at the end of this task write a summary of the plan and place it at the front. Why? Well it acts as a quick reference guide to the plan you have just written.

This summary is what a typical marketing plan looks like.

10. Marketing Plan Structure

1. Executive Summary
2. Situation Analysis
 - 2.1 Market Summary
 - 2.1.1 Market Demographics
 - 2.1.2 Market Needs
 - 2.2.3 Market Trends
 - 2.2.4 Market Growth
 - 2.2 Swot Analysis
 - 2.2.1 Strengths

- 2.2.2 Weaknesses
- 2.2.3 Opportunities
- 2.2.4 Threats
- 2.3 Competition
- 2.4 Product Offering
- 2.5 Keys to Success
- 2.6 Critical Issues
- 3. Marketing Strategy
 - 3.1 Mission
 - 3.2 Marketing Objectives
 - 3.3 Financial Objectives
 - 3.4 Target Markets
 - 3.5 Positioning
 - 3.6 Strategies
 - 3.7 Marketing Mix
 - 3.8 Marketing Research
- 4. Financials
 - 4.1 Break-even Analysis
 - 4.2 Sales Forecast
 - 4.3 Expense Forecast
- 5. Controls
 - 5.1 Implementation
 - 5.2 Marketing Organisation
 - 5.3 Contingency Planning

11. Strategic and Tactical Marketing Plans

What makes a strategic marketing plan different from a more tactical marketing communications plan? The key difference is the focus on meshing overall customer situations with your overall company direction.

Without a strategic marketing plan a company could waste resources or miss an opportunity. What's the cost of missing an opportunity? Of course, it's impossible to know at the time the opportunity is missed, but years later it will become clear when a competitor opens a new factory or enters a new market -- and their revenue grows faster than their competitors. In other words, the annual cost of a strategic marketing plan review is miniscule compared to the revenue, market share, and profitability it can generate.

11.1 Developing the Strategic Marketing Plan

The strategic marketing plan process typically has three stages:

1. Segment the market

- ☐ Geographic
- ☐ Demographic
- ☐ Psychographic
- ☐ Behaviour

2. Profile the market segments

- ☐ Revenue potential
- ☐ Market share potential
- ☐ Profitability potential

3. Develop a market segment marketing strategy

- ☐ Market leader or product line extension
- ☐ Mass marketing or targeted marketing
- ☐ Direct or indirect sales

After analysing market segments, customer interests, and the purchase process, it's time to create the strategic marketing plan. The strategic marketing plan document usually includes:

- ☐ Situational Analysis - Where is the company now?

- a) Market Characteristics
- b) Key Success Factors
- c) Competition and Product Comparisons
- d) Technology Considerations
- e) Legal Environment
- f) Social Environment
- g) Problems and Opportunities

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☐ Marketing Objectives - Where does management want the company to go?

- a) Product Profile
- b) Target Market
- c) Target Volume in Pounds and/or Units;

☐ Marketing Strategies - What should the company do to achieve its objectives?

- a) Product Strategy
- b) Pricing Strategy
- c) Promotion Strategy
- d) Distribution Strategy
- e) Marketing Strategy Projection

11.2 How to Use a Strategic Marketing Plan

Once a company's executive team has approved the strategic marketing plan it's time to take the next step - create the tactical marketing programmes and projects needed to implement the plan.

These tactical programmes usually include:

- ☐ Product Development Plan;
- ☐ Marketing Communications Plan;
- ☐ Sales Development Plan;
- ☐ Customer Service Plan;

11.3 Benefiting from a Strategic Marketing Plan

The top-down process of developing a strategic marketing plan helps insure that all tactical marketing programmes support the company's goals and objectives, as well as convey a consistent message to customers. This approach improves company efficiency in all areas, which helps improve revenue and market share growth, and minimises expenses - all of which lead to higher profitability.

