

Assignment Letter / Surat Tugas

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Dr.Phil. Deborah N. Simorangkir, BA., MS.**Lecturing Assignment At
SWISS GERMAN UNIVERSITY****Penugasan Perkuliahan Pada
SWISS GERMAN UNIVERSITY**

Head of Department of Global Strategic Communications

Ketua Program Studi Komunikasi Strategis Global

In consideration of:

Her appointment as the Dean of Faculty of Business Administration and Humanities under agreement no. SK/001/HR/II/2021

Mengingat:

Pengangkatannya sebagai Dekan Fakultas Administrasi Bisnis dan Humaniora dibawah perjanjian no. SK/001/HR/II/2021

And in deliberation of:

The learning teaching activity at SWISS GERMAN UNIVERSITY; and

The need for qualified lecturers for such learning teaching university.

Dan menimbang:

Kegiatan belajar mengajar di SWISS GERMAN UNIVERSITY; dan

Kebutuhan akan dosen-dosen yang memenuhi syarat untuk kegiatan belajar mengajar seperti itu.

DECREES**MEMUTUSKAN**

To assign:

Untuk menugaskan:

Name: **Dr.Phil. Deborah N. Simorangkir, BA., MS.**Nama: **Dr.Phil. Deborah N. Simorangkir, BA., MS.**

Position: Full Time Lecturer

Jabatan: Dosen Tetap

To participate on the following activity:

Untuk berpartisipasi dalam kegiatan berikut ini:

| No | Activity | Organized | Period |
|----|-------------------------------------|--|-------------------------|
| 1 | Module for Subject Event Management | Dept. of Global Strategic Communications | Even Semester 2020-2021 |

The appointed shall accomplish the task in responsible ways in line with the related guidelines and other regulations given by SGU

Pihak yang bersangkutan harus melaksanakan tugas dan tanggung jawab sebaik-baiknya, sesuai dengan petunjuk dan peraturan dari SGU.

Assignor/Pemberi Tugas:**Dr. Nila K. Hidayat, SE, MM.**Head of Department of Global Strategic Communications
Ketua Program Studi Komunikasi Strategis Global



**EVENT MANAGEMENT
COURSE MODULE**

PREPARED BY:

DR. PHIL. DEBORAH N. SIMORANGKIR

Global Strategic Communications Study Program

Faculty of Business and Communication

2022

TOPIC 1
EVENT INDUSTRY KNOWLEDGE

WHAT IS AN “EVENT”?

- “Events are temporary occurrences ... They have a finite length, and for planned events this is usually fixed and publicized.” (Getz 1997, p 4)
- Getz (1997) further comments that “events are transient, and every event is a unique blending of its duration, setting, management, and people”.

NATURE OF EVENTS

- They are often ‘once in a lifetime’ experiences for the participants
- They are generally expensive to stage
- They usually take place over a short time span
- They require long and careful planning
- They generally take place once only or annually
- They carry a high level of risk, including financial risk and safety risk
- There is often a lot at stake for those involved

DEFINITION: SPECIAL EVENT

Professor Donald Getz (2005), a well-known writer in the field of event management, defines special events from two perspectives, that of the event manager (A) and that of the customer (B) as follows:

- A. *A special event is a one-time or infrequently occurring event outside normal programs or activities of the sponsoring or organizing body.*
- B. *To the customer or guest, a special event is an opportunity for leisure, social or cultural experience outside the normal range of choices or beyond everyday experience.*

WHAT IS “EVENT MANAGEMENT”?

- Event management is the application of project management to the creation and development of large-scale events such as festivals, conferences, ceremonies, formal parties, concerts, or conventions.

Ramsborg, Miller, Reed & Rushing (2008)

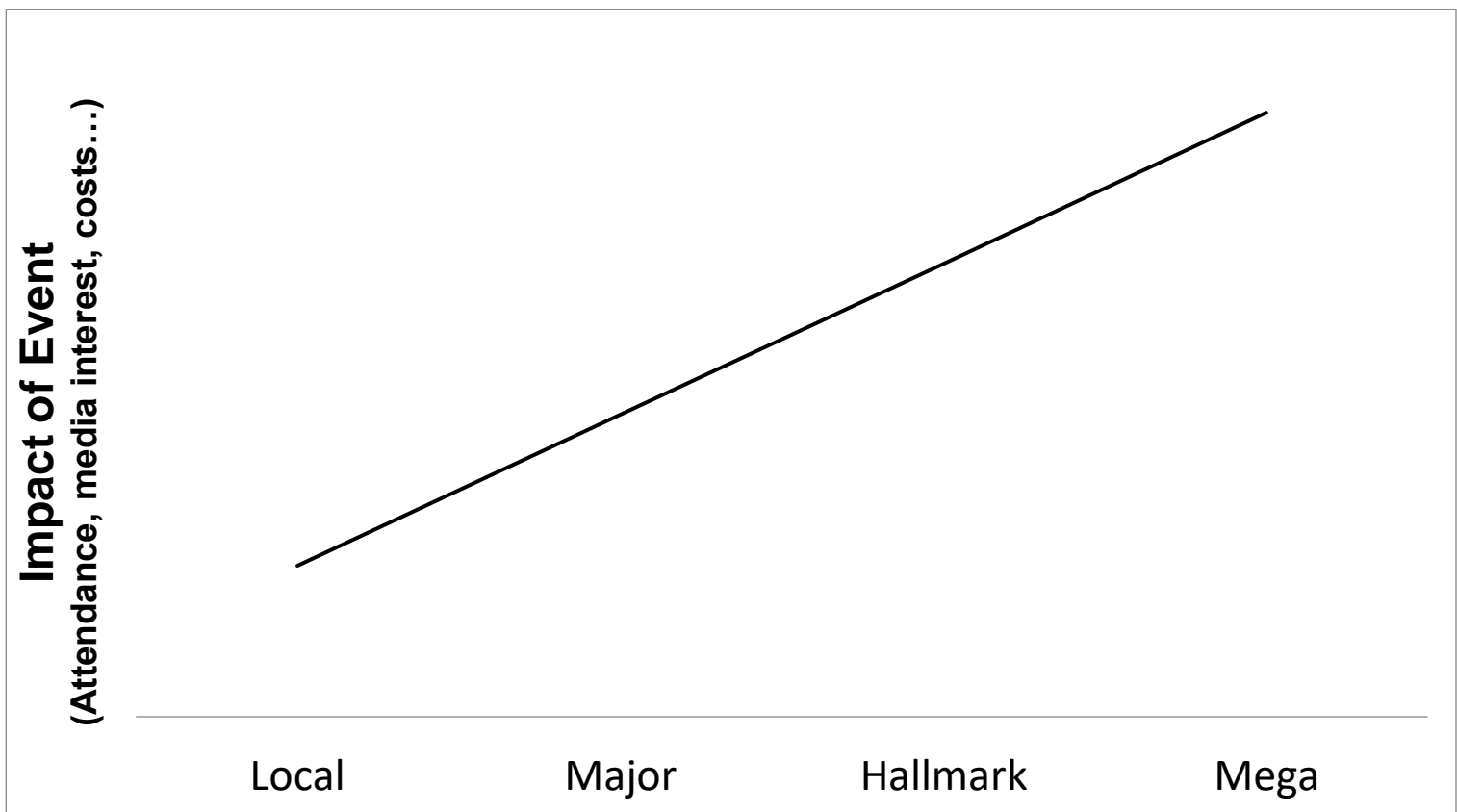
EVENT CLASSIFICATION

- Size of the audience
- Motivation (e.g., raising money, selling products, providing entertainment)
- Event Characteristics
- Public vs. private
- Profit vs. non-profit

SIZE OF EVENTS

- Mega-Events e.g., Olympic Games, Soccer World Cup
- Hallmark Events e.g., Jakarta Fair, Indonesia Fashion & Food Festival
- Major Events e.g., Robbie Williams Concert, Asian Paper 2015
- (Minor) Local Events e.g., Carang River Festival on Bintan Island, Bogor Botanic Gardens Anniversary

ABOUT EVENT IMPACT AND SIZE



EVENT IMPACTS

- Economic (profit-making, general impact on economy)
- Social (cultural, historical, religious, social significance)
- Political

EVENT CATEGORIES

- Conference
- Symposium
- Exhibition
- Festival
- Promotional Event
- Sporting
- Parade
- Cultural Celebration
- Trade & Consumer Show
- Social Event
- Private or public Event
- Corporate Event
- Charitable or fund-raising event

EVENT DIFFERENTIATION

- Purpose / Objective
- Scope
- Nature of Audiences
- Marketing & Distribution Channel
- Key Stakeholders
- Key Elements of Staging



CULTURAL EVENT (FOLK FESTIVAL)



BUSINESS EVENT (EXHIBITION)



SPORTING EVENT



COMMUNITY EVENT

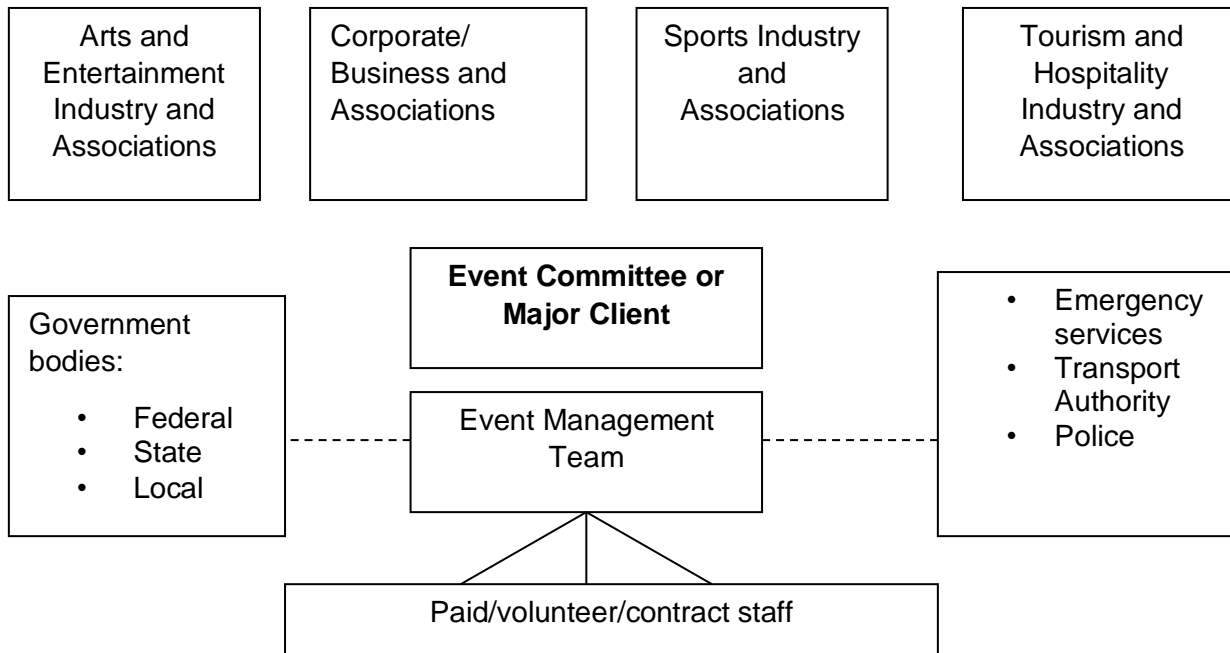
EVENT TEAM

- Venue Manager
- Event Producer
- Event Coordinator
- Stage Manager
- Lighting and sound technician
- Decorator/Florist
- Public Relations Company

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- Security Company
- Catering company
- Rental/event supply
- Cleaning and Waste Management
- Ticketing organisation
- Printer

STAKEHOLDERS



INFORMATION SYSTEMS

- project planning software
- venue booking systems
- audience reservation, ticketing and registration systems
- identification and accreditation systems
- employee records and police checks
- security systems
- CAD systems (Computer-Aided Design)
- timing and scoring systems
- broadcasting systems
- communications systems



LEGAL ISSUES OF EVENT

- General Law (drugs, alcohol, protection of minors, fraud, copyrights, ...)
- Local authorities (administration, police, ...)
- Safety & Security
- Cancellations

CODE OF ETHICS

The International Special Events Society (ISES) has the following code of ethics:

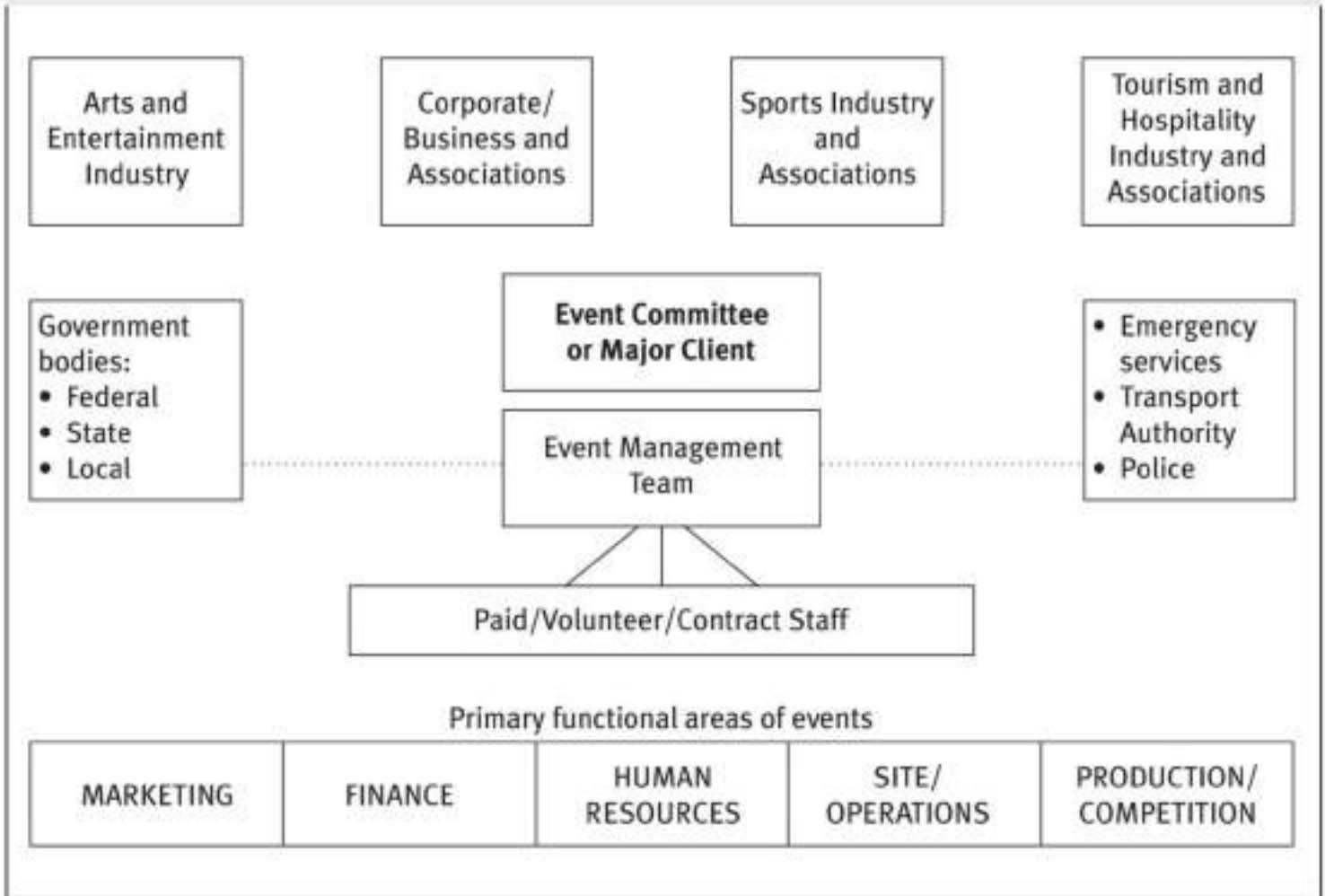
- **Promote and encourage the highest level of ethics** within the profession of the special events industry while maintaining the highest standards of professional conduct.
- **Strive for excellence** in all aspects of our profession by performing consistently at or above acceptable industry standards.
- **Use only legal and ethical means** in all industry negotiations and activities.
- **Protect the public** against fraud and unfair practices and promote all practices which bring credit to the profession.
- **Maintain adequate and appropriate insurance coverage** for all business activities.
- Maintain industry standard of **safety and sanitation**.
- **Provide truthful and accurate information** with respect to the performance of duties. Use a written contract stating all changes, services, products, performance expectations and other essential information.
- Commit to **increase professional growth and knowledge**, to attend educational programs and to personally contribute expertise to meetings and journals.
- **Strive to co-operate** with colleagues, suppliers, employees/employers and all persons supervised, in order to provide the highest quality service at every level.
- Subscribe to the ISES Principles of Professional Conduct and Ethics, and abide by ISES By-laws & Policies.

STAYING UP TO DATE

- reading newspapers
- attending industry seminars
- participating in training seminars
- upgrading and extending qualifications
- joining relevant associations
- participating in industry association activities
- networking with colleagues
- reading industry journals
- subscribing to industry magazines
- web research

Fig. 1.1

Relationships within the event industry.



TOPIC 2 EVENT CONCEPT

THE CONCEPT

There are numerous elements which need to be considered in developing an event concept. They include the purpose of the event, the event theme, the venue, the audience, available resources, the timing of the event and the skills of the team. The most important of these is the purpose, although the purpose is strongly linked to both the theme and the venue.

EVENT PURPOSE

There are numerous elements which need to be considered in developing an event concept. They include the purpose of the event, the event theme, the venue, the audience, available resources, the timing of the event and the skills of the team. The most important of these is the purpose, although the purpose is strongly linked to both the theme and the venue.

THEME

The theme of the event should be

- *linked to the purpose.*
- It should be completely *compatible with guest needs* and
- *consistent* in all respects.

Example: colour scheme that is repeated on all items produced for the event, such as tickets, programs, uniforms, décor, posters and merchandise.

THEMES

- historical
- geographical and cultural
- sporting
- film, music and entertainment
- artistic
- food
- objects (e.g., boats, fashion, luxury goods).

CHOOSE CAREFULLY: EVENT VENUE

The event manager needs to carefully consider the planning implications of choosing an unusual venue in preference to a standard venue requiring decoration only to match the theme. Lighting, sound and catering also provide challenges in unusual settings.



EXAMPLES: VENUES

- demolition site
- parking lot
- tunnel
- museum
- research facility
- amusement park
- vineyard
- aquarium



VENUE CONSIDERATIONS

- potential to fulfil the purpose of the event
- ambience
- location
- hire cost
- service and facilities provided
- access by public transport
- parking
- seating capacity
- built features (such as stages)
- cost of decoration, sound and lighting
- cost of labour
- logistics of setting up
- food and beverage facilities
- safety

DEVELOPING THE EVENT CONCEPT

Audience

There is a need to consider audience attributes and the suitability of the venue to meet the needs of everyone in the audience.

For example, a children's event would usually be held at a local venue which is child safe such as a fenced park. One question is how far would the audience travel?

Financial considerations

Initial financial estimates can get out of control very easily, and the choice of event concept can certainly contribute to this. It is possible to come up with concepts that are startling in their simplicity and also cost effective. This is where the creative and rational aspects of the event manager's abilities can come into conflict.

Timing of the event

The timing of an event is often linked to the season or weather. For example, a food and wine festival would be better programmed for early autumn than for mid-summer when the heat would be intolerable for both the audience and the stall-holders. While this might seem obvious, it is surprising how often events are programmed to occur at very unsuitable times. The timing of sporting events is, of course, limited by the sporting season and their traditional competitions.

Evaluation of an event concept must take into account the following four time-related factors:

1. season
2. day of the week
3. time of day
4. duration
5. the lead time for planning the event

EVENT STAKEHOLDERS

The skills of the *event team* and, just as importantly, the *contractors*, such as lighting technicians and *catering* staff, are an important consideration in terms of concept development.

Staff working at most events have very limited opportunity for training, making job breakdowns and task sheets essential aspects of planning.

In addition, stakeholders such as the *waterways police*, the Environmental Protection Agency and the *transport authority* have all sorts of requirements that could challenge the feasibility of an event, and these must be investigated.

Event stakeholders

- event principal/client
- talent/performer/team & manager
- cast and crew
- local community
- organising committee
- local and government authorities
- emergency services
- customers
- colleagues
- contractors

ANALYZING THE CONCEPT

Competition

Prior to involvement in any event, it is essential to conduct an analysis of your competition. This involves looking at the timing and duration of other events, even if they are unrelated. People have limited disposable income and festivals and events tend to be non-essential items in most family and tourist budgets.

Regulations

A wide range of laws and regulations have an impact and these can severely limit creativity. Parking, traffic and neighbourhood impact, especially in terms of timing and noise, are all aspects that require the event manager's liaison with local or state government.

Marketing

How to sell an event is a very important part of the initial planning, the timing of your marketing efforts being crucial. Do you advertise months beforehand or the day or week before? Will the audience turn up on the day? How can you encourage them to do so? Should you sell tickets in advance? (Many events actually have no advance ticket sales.)

Community impact

The impact of an event on the local or wider community and others is a major consideration of the planning stage. Local traders and other lobby groups can raise hell for the unprepared event organiser, so it is absolutely essential that community benefits are explained and other impacts considered as part of the event proposal.

Risks

There are many risks associated with events. They may include, amongst many others:

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- cancellation by a key performer
- non-arrival of equipment
- technical failure
- transportation crisis
- accidents.

Revenue and expenditure

Losing money is the fastest way to get out of the event business. The event concept (and the investment in event design) needs very careful analysis. So too does the topic of cash flow. In almost every case, contractors for catering, security and other services require deposits and payment in full prior to the event, which can cause cash flow problems.

EVALUATE YOUR CONCEPT

- Competition
- Regulations
- Marketing
- Community Impact
- Risk
- Revenue & Expenditure

DESIGNING THE EVENT

- Theme
- Layout
- Décor
- Suppliers
- Technical Requirements
- Staging
- Entertainment
- Talent
- Catering
- Service
-

Theme

As Goldblatt (1997) points out, *the theme should ideally appeal to all senses*: tactile, smell, taste, visual and auditory. If the aim of the event is to transport the audience, appeal to all the senses will contribute positively to the outcome. Keep in mind, once again, the needs of the audience when planning, for example, what music will be played. As we all know, taste in music and desirable sound level vary enormously from one audience to another.

Layout

This creative element is so often given far too little consideration. Consider events that you have attended in which you have felt socially uncomfortable. Your discomfort was generally the result of too much open space, too much light or the limited opportunity for people to mix.

The audience needs to comfortably fill the venue to create a positive ambience.

Décor

Fabrics, decorative items, stage props, drapes and table settings can all be hired and it is generally worthwhile investigating these options before settling on the event theme as hiring items can reduce costs enormously. Floral arrangements need to be ordered from florists experienced in larger events.

In many ballrooms the floral arrangements are elevated above the table, on tall stands, so that guests can talk to each other more easily. The effect is quite dramatic, with the floral arrangements dominating the décor.





Suppliers

Good relationships with suppliers of all commodities will ensure that only quality products will be received, including the freshest flowers and the best produce the markets can supply. During most large events, suppliers are pressed for the best quality from all their customers at a time when volumes are much larger than usual. This is when a good long-standing relationship with a supplier is invaluable.

Technical requirements

Technical glitches by the contracted company are unacceptable. Microphones must have back-ups, the power supply must be assured, stages and video screens must be visible to all in the audience. There is no substitute for wide-ranging experience and this is a key attribute that should be sought when choosing technical contractors. New technology, especially anything used to demonstrate new products, needs to be tested thoroughly, through many rehearsals. A back-up system is essential.

Staging

Staging refers to the construction of the stage and set, with a focus on setting up and managing the performance.

While the term emerges from the entertainment business, a major sporting event is also staged, often with opening ceremony, half time entertainment and prize giving.

For example, New Year's Eve fireworks are also supervised by a Staging Manager.



Entertainment

For some events, entertainment is central; for others, it is peripheral. The most important thing is that the entertainment should suit the purpose of the event, not detract from it. The needs of the event audience must be carefully considered when making this decision.



Talent

Closely allied to the previous point, talent may come in the form of musical performers, dancers, athletes, golfers, conference speakers, etc. When the 'talent' is the focal point for an event, management of the talent is exceptionally important. This includes meeting their essential needs as well as their many personal preferences. Many international performers will bring their entire production crew and equipment with them.

Catering

Nothing makes participants at an event more frustrated than delays in service and poor-quality food — except, perhaps, lack of toilet facilities! While guests may have patience with other delays, they will become very agitated if time is spent in queues. Food quality and quantity is an important feature of the event product, whether the event is a sports match or a conference.



LOGISTICS OF THE CONCEPT

- Access to the site (For example, can vehicles come close enough for off-loading or to park?)
- Physical limitations (For example, will the size or shape of the stairs make it impossible to move heavy equipment?)
- Dimensions of the site (Is it too high, too low, too narrow?)
- Refrigerated storage (Is it sufficient, can it be brought on site?)
- Physical space for food preparation (Is it too small?)
- Toilet facilities (Are they fixed or portable?)
- Cleaning (Is it contracted?)
- Catering (Will there be any physical problems with transporting, storing and serving food?)
- Safety (Are patrols, exits, fire procedures, first aid, etc. all in place?)
- Potential damage to the site (Is there a danger of flowerbeds being trampled?)
- Provision of basic services (Are water and electricity laid on?)



TOPIC 3 EVENT VENUES AND SITES

VENUE ACCESSIBILITY

Many requirements need to be fulfilled to meet legal obligations on access to public places. Building codes ensure that most modern buildings comply with disability specifications, for example, doorways would be wide enough for wheelchair access. For the event manager considering an established venue, a site inspection would determine whether the venue was suitable for the planned event, particularly from a functional perspective.

When planning an outdoor event, the onus is on the management team to ensure that the infrastructure meets the needs of everyone in the event audience as well as the performers.

EVENT VENUES

The terms '*venue*' and '*site*' are used almost interchangeably by event managers, with '*venue*' used mainly for built structures and '*sites*' for outdoor spaces. '*Site*' has more general use for a range of locations, which in turn can be transformed into event venues.

Events are also held at convention centres, hotels, clubs, restaurants and many other places. The term '*facility*' is also used extensively, particularly in North America in the context of a '*sports facility*' or '*convention facility*'.

CREATIVITY AND FUNCTIONALITY

When evaluating the suitability of a venue or site, there are two main considerations: the functionality of the venue and the suitability of the site for its creative purpose. Natural features of some sites lend themselves well to creating an extraordinary event experience. Concerts held in caves and natural amphitheatres are good examples.

In such situations, however, the event manager would need to be mindful of the costs of using unusual, untested sites and the functional problems inherent in using such sites. The role of the event manager as a walking, talking checklist will become clear in this chapter with its focus on site specifications.

VENUE CONSIDERATIONS

- ❖ creative theme or image required
- ❖ estimated numbers
- ❖ capacity of site or venue
- ❖ audience composition
- ❖ facilities and services to be provided
- ❖ staging/competition requirements
- ❖ budget parameters
- ❖ **location**
- ❖ **timing (including availability and access for set-up and breakdown)**
- ❖ **accessibility**

STAKEHOLDER CONSIDERATIONS

Stakeholders may include:

- ❖ attendees/delegates/guests/spectators
- ❖ host organisation
- ❖ sponsors
- ❖ contractors
- ❖ emergency services
- ❖ regulatory authorities

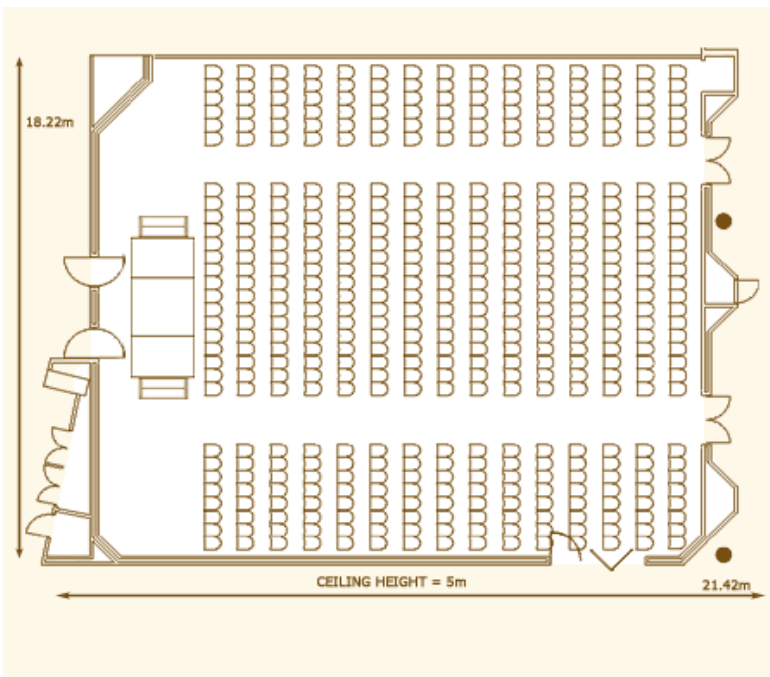
RESEARCHING VENUES

Information about venues can be found by conducting research into:

- ❖ local/regional/state tourism organisations
- ❖ convention and visitor bureaus
- ❖ venue publications and directories
- ❖ destination brochures
- ❖ trade journals
- ❖ Internet searches

In conducting such a search, it is useful to compare services and specifications. Some venues have interactive websites that allow you to configure function rooms, depending on whether the event is a cocktail party, meeting or dinner function. These CAD designs are most useful in showing the space available (not forgetting any space needed for a stage and possibly wheelchair access).

Floor plans can be useful for decision making



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Example:

- ❖ Dedicated sales team
- ❖ Can be divided into three smaller areas
- ❖ Large foyer areas and a fully serviced information desk available
- ❖ Special menus can be created on request
- ❖ Crystal chandeliers
- ❖ State-of-the-art audio-visual, lighting, telecommunication and computer facilities with highly qualified, on-site technical support staff
- ❖ Presentation aids
- ❖ Power distribution in all areas, TV cabling for live broadcast and tele-conferencing
- ❖ Communications System & Network
- ❖ Private offices and Reception areas
- ❖ Dedicated business centre with full secretarial service, colour photocopying, printing, facsimile and internet access

ACCESSIBILITY

Check for:

- ❖ way-finding
- ❖ signage
- ❖ transport
- ❖ parking
- ❖ footpaths
- ❖ ramps
- ❖ stairways
- ❖ Lifts
- ❖ surfaces and finishes
- ❖ entries and exits
- ❖ doorways and doors
- ❖ toilet facilities
- ❖ emergency provisions



SITE INSPECTIONS – OUTDOOR EVENTS

For an outdoor event, considerations would include:

- ❖ Access for emergency services
- ❖ Public access / public transportation
- ❖ Service access, incl. loading docks
- ❖ Parking
- ❖ Competition/performance area cleanliness, maintenance and safety
- ❖ Competition/performance area clearly marked
- ❖ adequate lighting for competition/performance area
- ❖ spectator area cleanliness, maintenance and safety
- ❖ marked out-of-bounds area
- ❖ perimeter fencing
- ❖ buffer between spectators and competitors/performances
- ❖ Competitor/performer change rooms
- ❖ equipment of appropriate standard
- ❖ all areas clear of non-essential equipment
- ❖ Sanitation
- ❖ exits and entrances clearly marked and unobstructed
- ❖ Power supply (electrical systems in good condition)
- ❖ waste containers provided
- ❖ walkways clean and well-maintained
- ❖ stairs non-slip
- ❖ wheelchair access to all areas
- ❖ compliance with fire safety regulations in all aspects.

FIT WITH AUDIENCE PROFILE

An overriding consideration in the choice of an event venue is the fit with audience needs. It is easy for an event manager to lose sight of this when inspired by a concept and unusual location or bogged down with checklists.

Will the event audience travel to the venue? Will the venue provide too little or too much space for the number of people?

This psychological factor contributes a great deal to the event experience.

What is the event purpose?

Being constantly mindful of the event purpose and the needs of the event audience is necessary throughout the venue selection process.

VENUE SAFETY

Staging an event at a modern, state-of-the-art stadium, using the best known contractors is a low-risk option from a safety point of view.

Running a conference in a purpose-built conference centre is also a low-risk option.

Outdoor events using hire equipment present a much higher level of risk. Checking engineering and other certification, as well as contractor references, can reduce this risk.

There are no short cuts or savings in the area of venue safety — old buildings may not meet fire safety standards — and attention to detail is essential.

TOPIC 4
EVENT FEASIBILITY

PROJECT PLANNING



LONDON'S FIREWORKS CANCELED

'Fireworks supremo Mr Syd Howard had been dumped from London's New Year's Eve celebrations after London's Lord Mayor cancelled the evening's festivities over transport and security concerns. A dispute erupted between transport organisers, police and the office of the Mayor, which was co-ordinating operations. A director of Howard Fireworks, Mr Garry Suprain, said it had been an 'unfortunate incident'. 'We're philosophical about it but it's a shame for London because they could have had the biggest and the best New Year's Eve [but] they were scared of "could have's" and "mights".'

KEYS TO SUCCESS

The following keys to success were developed by Ernst and Young:

- Is the event a good idea?
- Do we have the skills required to plan and run the event?
- Is the host community supportive?
- Do we have the infrastructure in the community?
- Can we get a venue at a price we can afford?
- Will the event attract an audience?
- Will it attract media support?
- Is it financially viable?
- Are the success criteria reasonable?

(adapted from Catherwood and Kirk, 1992):

RISKS

Final question: 'What are the risks?'

Risk management is one of the most important concerns for the event manager.

Events can go spectacularly right, but they can also go spectacularly wrong. For an event manager involved in an event that goes wrong, it is not career limiting, it is catastrophic.

IS THE EVENT A GOOD IDEA?

Establishing a clear purpose for the event is more difficult than one imagines. The various participants (especially if there is a committee) often have different ideas, and the event concept is in danger of drifting.

The best event organisers use the event purpose to drive all planning. Every new concept is measured against the original idea, "how does this element contribute?"

DO WE HAVE THE SKILLS?

- Every event, whether community or private, requires organisation. As the complexity of the event increases, the level of professional expertise required for planning increases.
- For most public events, a council submission is required and this requires a sound knowledge of all event related issues and regulations.
- The different skills required for event operations is almost endless, and in some regional areas this expertise is not readily available.

IS THE COMMUNITY SUPPORTIVE?

- Community support is required for two main aspects of event planning. If the community does not support the concept it will not get council approval. For some major events (such as the Grand Prix in Melbourne) public opposition can be extremely vocal.
- Further, if the community does not support the event, publicity efforts will be in vain.

DO WE HAVE INFRASTRUCTURE?

The infrastructure for the event can include:

- Buildings (public and privately owned)
- Public spaces e.g., parks
- Transport e.g., trains, buses
- Roads, tracks
- Exhibition areas
- Equipment (permanent and temporary)
- Accommodation

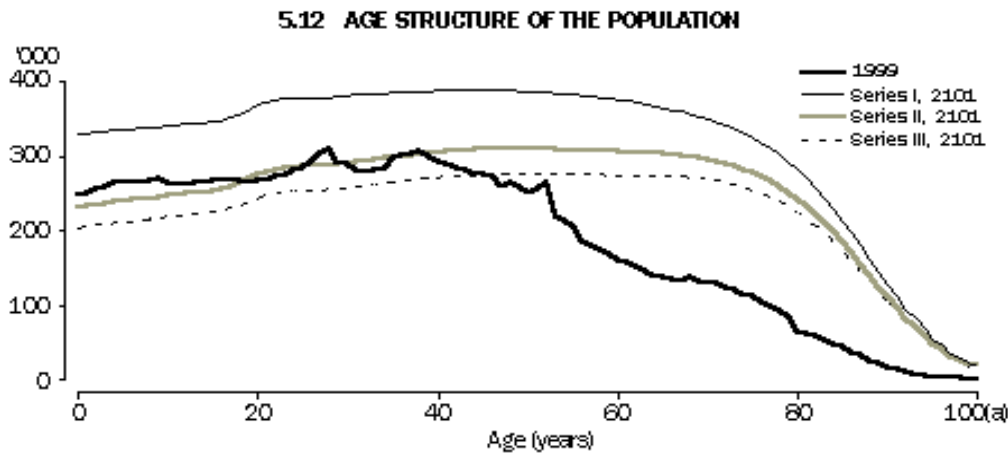
IS THE PRICE OF THE VENUE AFFORDABLE?

For most event organisers, the cost of venue rental is a key consideration. Many are tempted to save money by hiring marquees and using temporary accommodation, but this can prove a false saving since the cost of décor, lighting, catering and the like is generally more expensive and riskier. The benefits of function rooms include tried and tested facilities, safety plans and insurance, as well as numerous other features. The expertise of venue managers cannot be underestimated and this can contribute to the technical success of an event.

WILL THE EVENT ATTRACT AN AUDIENCE?

Market research into current trends is essential for event feasibility planning. An extensive range of reports is available from tourism authorities, at both state and federal level. For example, findings from a report on the seniors market show that this age group is a tourism market segment with significant potential. These statistics, combined with Australian Bureau of Statistics reports on the changing demographics (including age groups) of the Australian population, clearly point to the size of this market now and its potential in the future.

Market research



(a) The 100 years age group includes all ages 100 years and over and therefore is not strictly comparable with single year ages in the rest of the graph.

Source: Population Projections Australia, 1999 to 2101 (3222.0); Population by Age and Sex (3201.0).

Market research

- Age
- Economic Status
- Mobility
- ...

WILL THE EVENT ATTRACT MEDIA SUPPORT?

Media support is essential. An event can be ruined by negative press. Media support for a new product launch, for example, is one of the main criteria by which the event is judged successful.

IS THE EVENT FINANCIALLY VIABLE?

An event that is financially viable and brings benefits to the community can defeat any objections. One that is not viable will have a short life span.

ARE THE SUCCESS CRITERIA REASONABLE?

There are many potentials aims and objectives for an event, and these are the criteria for measuring success, for example:

- Attract 1200 international tourists to the destination event
- Increase employability of event volunteers
- Increase product sales by 5%
- Sell 90% of tickets and \$9300 merchandise
- Inject \$23,000 into the local economy
- Raise \$30,000 in grants to fund the event
- Some of these may be reasonable, others not.

TOPIC 5 SPONSORSHIP

FIT BETWEEN SPONSOR AND EVENT

Discuss the following events and identify one sponsor that would fit well with the event concept and image and one that would not. For example, a motor magazine would not sponsor a food and wine festival as readily as a wine producer.

- Rock music festival
- Dog show
- School fete
- Fundraiser for a school band to travel overseas
- Soccer match

DEFINITIONS: SPONSORSHIP

- A. 'partnership' between an organisation and another organisation or event in which the sponsor publicly endorses an activity and ties its reputation with that of the organisation or event being sponsored.
- B. Sponsorship is a business relationship between a provider of funds, resources or services and an individual, event or organisation which offers in return some rights and association that may be used for commercial advantage.

Most large organisations have long-term strategic plans for sponsorship that are closely linked with their marketing plans. Most large organisations also have policies with regard to sponsorship and for this reason will reject a request from a fringe arts festival, for example, if this is not consistent with their marketing plan and policy to support a sporting code.



If a straightforward donation is made to an event, without strings attached (no logo, publicity etc.), this is known as philanthropy or patronage.

When seeking assistance for an event, it is important to identify whether the request is for a donation or a sponsorship arrangement.

PATRONAGE

The key distinction between sponsorship and patronage is that no commercial advantage is sought or expected in return for the support of a patron or donor.

POTENTIAL SPONSORS

Potential sponsors can include:

- individuals
- private companies
- government agencies
- industry associations
- educational institutions.

COVERAGE

Sponsorship may cover:

- naming rights for events or event venues (for example, Toyota National Country Music Muster)
- media coverage (for example, a particular channel always broadcasting a particular series or event creating viewer loyalty)
- staging or performances costs
- telecommunications expenses (for example, providing communications equipment and service for the event)
- IT support (for example, scoring)
- overall sponsorship of the event (for example, agricultural conference sponsorship)
- physical items (for example, satchels, prizes)
- food and beverage (for example, morning and afternoon teas)
- travel for performers, artists or athletes
- entertainment (for example, National Anthem, new talent)
- speaker sessions (for example, supporting topical research such as salinity)
- ongoing organisational activities (for example, annual publications)
- one-off promotional activities or projects.

MOTIVES FOR SPONSORSHIP

Sponsorship may be motivated by:

- Broad corporate and social objectives
- Product/brand related objectives
- Sales objectives
- Media coverage
- Corporate hospitality

LEVELS OF SPONSORSHIP

- There are ways in which sponsorship packages can be developed to meet the needs of different types of sponsors; for example, there could be six levels: platinum, gold, silver, bronze, trade and special sponsorship.
- Each level costs a certain amount and the benefits are commensurate with the sponsorship level.

- A gold level sponsor would expect significant profiling, media exposure etc. while a bronze sponsor might simply provide a brochure for all conference attendees and may be given the attendance list for future direct mail activities.

VIK

- In many cases, however, sponsorship is provided as 'value in kind'. This means that the sponsor provides its goods and services free as part of the sponsorship arrangement. For example, air travel could be sponsored by Virgin, vehicles provided by Holden and advertising could be underwritten by Fairfax Publications. A value is placed on this contribution and this value must be reflected in the event budget even though there is no cash contribution.
- Sometimes this is also known as a 'contra' deal.

IMPLEMENTATION

Implementation stages include:

- printing brochures and posters
- developing a website
- ticketing
- merchandising
- staff training
- signage
- catering and hospitality

PROCESS

- Plan the sponsorship program/target potential sponsors
⇓
- Develop specific, measurable sponsorship objectives
⇓
- Negotiate and finalise the sponsorship plan
⇓
- Implement the sponsorship plan
⇓
- Evaluate the success of the sponsorship plan
⇓
- Provide feedback to the sponsor

SPONSOR EVALUATION

There are numerous sponsorship evaluation methods, including:

- spectator demographics
- sponsor name recalls surveys
- product awareness surveys
- alliance with other sponsors (value of business generated)
- increased product sales post-event
- success of hospitality provided
- analysis of corporate image (need pre- and post-event surveys).
- Research is generally undertaken by a professional market research organisation in order to produce reliable and valid statistical information for reporting.

MERCHANDISING

Merchandise is increasingly popular with event spectators and audiences. Big shows sell CDs, soft toys, caps, pens, posters, mouse pads and any number of other merchandising products. At sports events people buy hats, T-shirts, pins and stickers. The event audience wants a tangible reminder of their event experience.



TOPIC 6 FINANCES

DEFINITION: BUDGET

- An estimate of costs, revenues, and resources over a specified period, reflecting a reading of future financial conditions and goals.
- One of the most important administrative tools, a budget serves also as a
 1. plan of action for achieving quantified objectives,
 2. standard for measuring performance, and
 3. device for coping with foreseeable adverse situations.

BusinessDirectory.com

BUDGETS

According to Goldblatt (2002) there are three categories of event budgets:

- profit-oriented events where revenue exceeds expenses (for example, ticketed events)
- break-even events where revenue is equal to expenses (for example, community events)
- hosted events where the client meets the cost of the event (for example, product launch, celebration)

QUESTIONS

- Is the aim to make a profit?
- How much will the event cost?
- What are the revenue sources?
- How many tickets must be sold to break even?
- What is the cash flow situation?
- What control systems are needed to avoid fraud?
- How will legal and taxation obligations be met?

PROCESS

1. Draft the budget, based on analysis of all available information, ensuring that income and expenditure estimates are clearly identified
2. Analyse the internal and external environments for potential impacts on the budget.
3. Assess and present alternative approaches to the budget.
4. Ensure that the draft budget accurately reflects event/business objectives.
5. Negotiate the budget with all relevant stakeholders, including the client where relevant.
6. Agree and incorporate modifications to the budget.
7. Complete the final budget in the required format within the designated time.
8. Inform colleagues of final budget decisions and ramifications in a timely manner.
9. Review budget regularly to assess performance against estimates.
10. Analyse and investigate deviations (variances).
11. Collect information for future budget preparation.

MANAGEMENT FEES

In many cases, an event organiser charges a management fee to oversee an event. As a ballpark figure for planning purposes, this is generally in the region of 10–15 per cent of total costs.

TERMS

In the budget preparation phase, it is essential to identify:

- *Variable costs* (usually linked to the number of guests; visitors; spectators) e.g., food and beverage
- *Fixed costs* (usually office related expenses, web design, insurance etc)

EXAMPLE FIXED COSTS

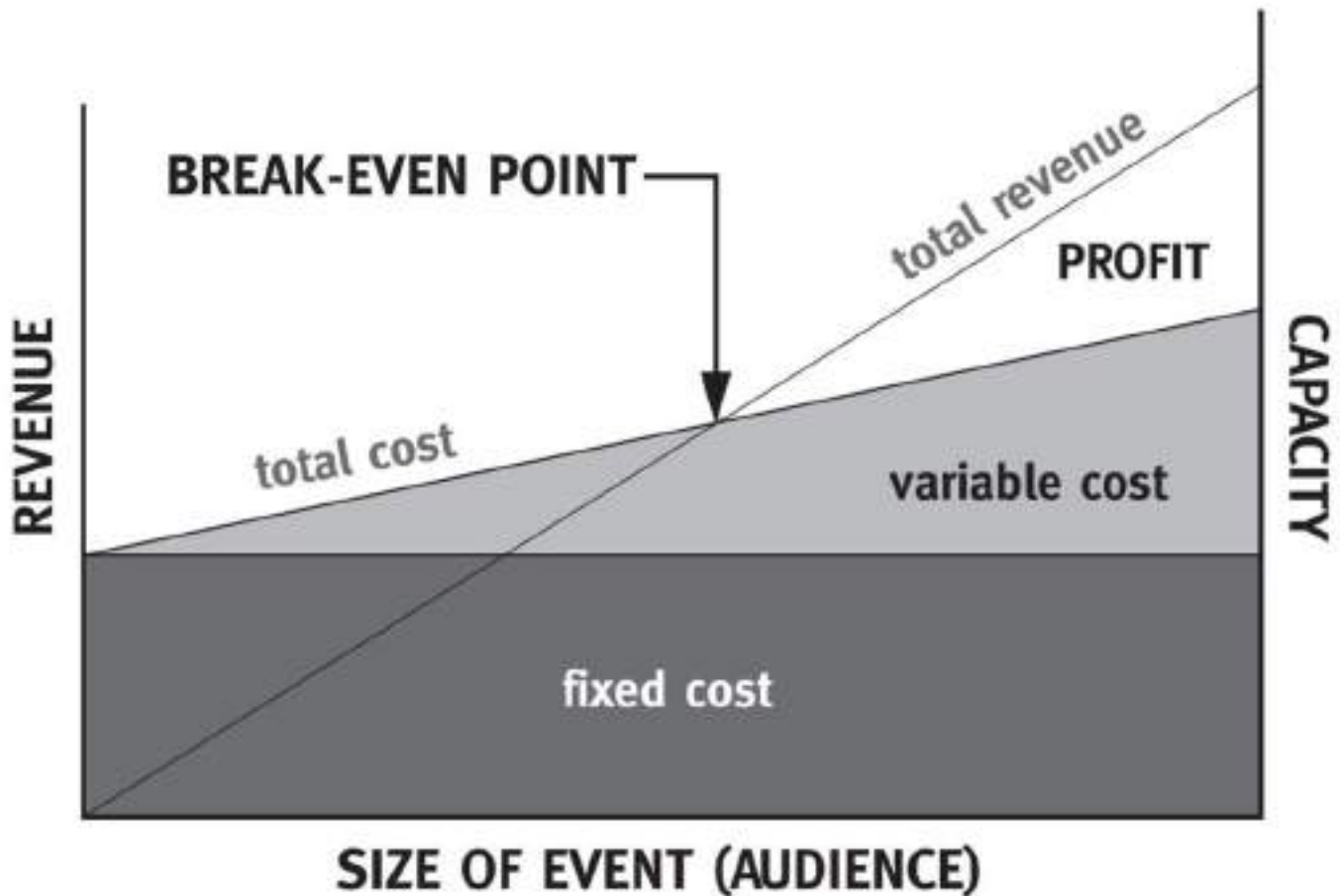
- Artists
- Speaker
- Actor/scriptwriter
- Singer/composer
- Choreographer
- Technical director
- Set designer
- Make-up designer
- Props designer
- Production Team
- Stage manager
- Asst stage manager
- Asst technical

EXAMPLE VARIABLE COSTS

Catering

- Coffee on arrival @ \$
- Morning tea with muffins @ \$
- Lunch — working type @ \$
- Afternoon tea @ \$
- Canapé and buffet dinner @ \$
- Beverage @ \$

BREAK-EVENT POINT



- To work out the break-even point, the event organiser has to estimate the number of tickets that need to be sold in order to meet expenses. These expenses include both fixed costs and variable costs.
- Fixed costs, such as licensing fees, insurance, administrative costs, rent of office space, advertising costs and fees paid to artists, generally do not vary if the size of the event audience increases and are often called overheads.
- Variable costs increase as the size of the audience increases. If food and beverage were part of, say, a conference package, clearly these costs would escalate if the numbers attending the conference increased. So too would the cost of accommodation for overnight conference delegates. Variable costs are directly linked to the number of attendees
- Note that variable cost does not mean 'it might vary'
- Once the total revenue is the same as the total expenditure (fixed and variable) then break-even point has been reached. Beyond it, the event is profitable.

INCOME SOURCES

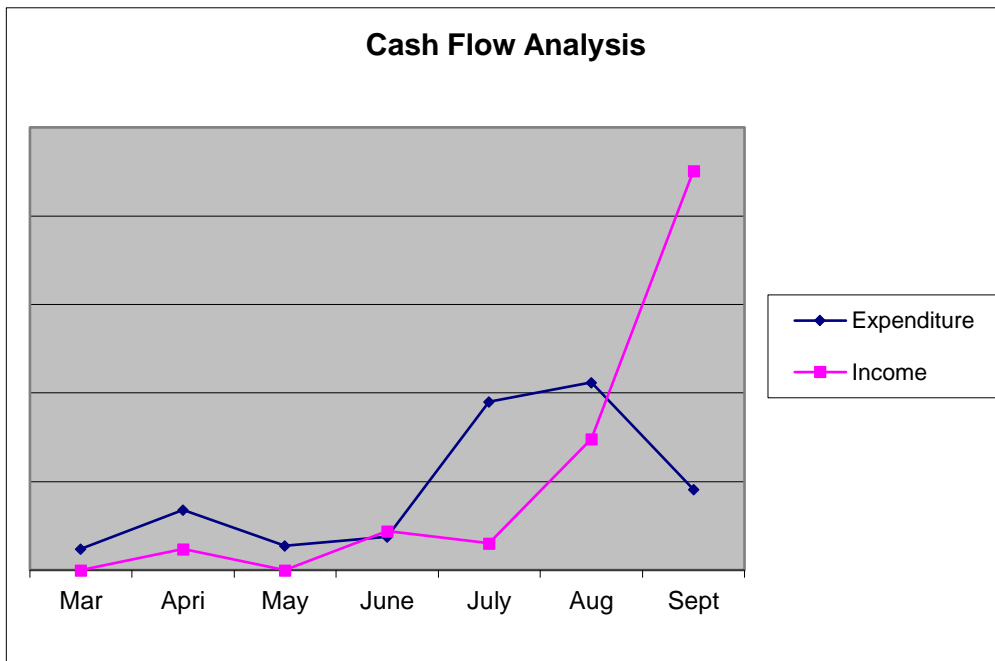
Income sources can include:

- entry tickets
- rental for stalls, stands and exhibitors
- merchandise sales (hats, CDs, etc.)
- licensing

- sale of programs
- sale of food and beverage
- sponsorship
- grants
- parking fees

CASH FLOW

Capital is required to set up any business and even more so in the event business as the planning phase can be quite long and the period for capturing revenue very short. For example, an event team may spend a year planning an event during which period costs will be incurred, all of which have to be paid long before there is an opportunity to recoup any money. Having spent a year planning, it is possible that tickets will be sold at the venue and all revenue will be collected on the one day.



PROFIT AND LOSS

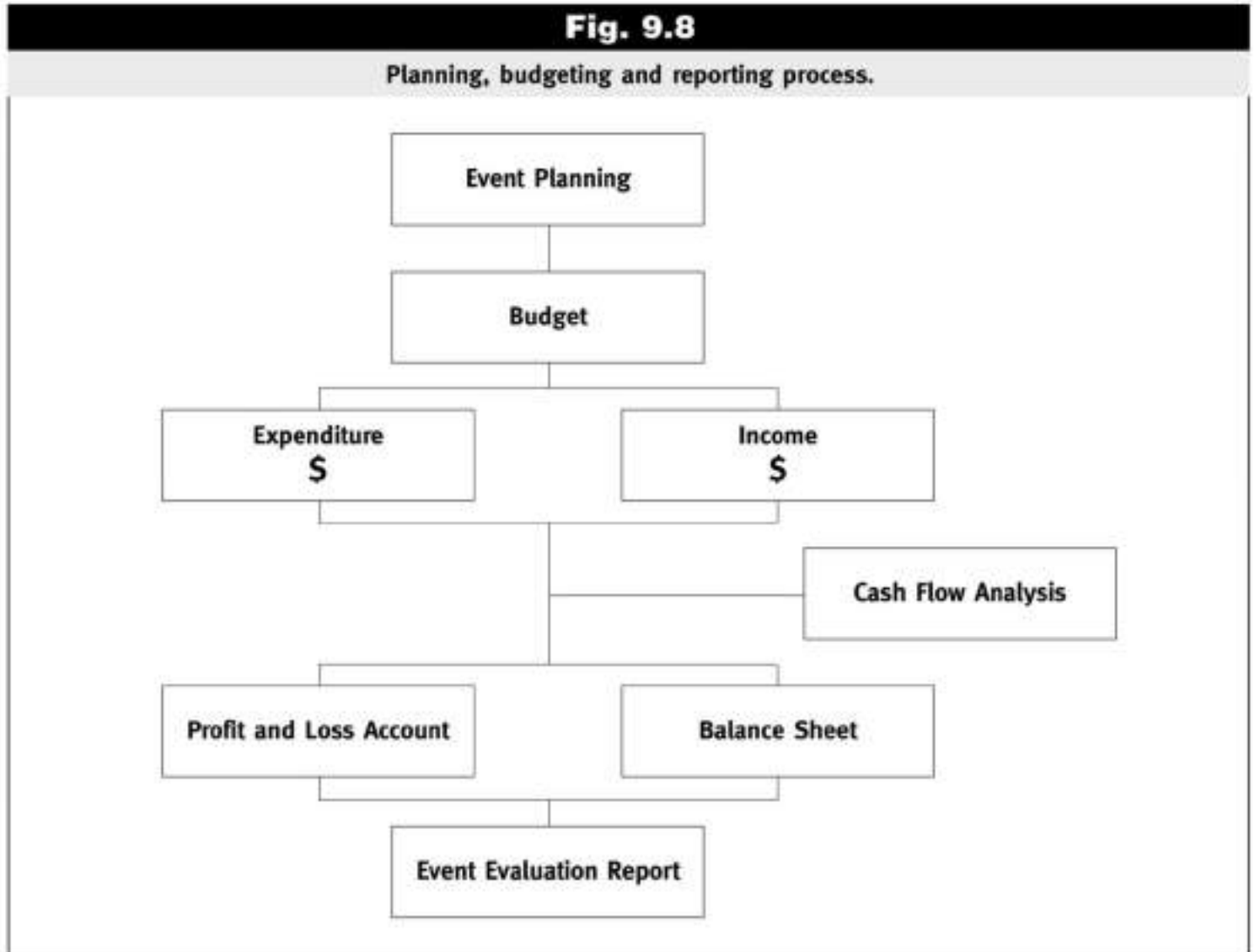
This is a list of an organisation's revenue, expenditure and net profit (or net loss) for a specific period. In many cases the profit and loss statement (or income statement) is prepared after the event.

In a perfect world, the profit and loss statement would match the budget. The budget is the plan, and if everything went to plan this would be reflected in the profit and loss statement.

BALANCE SHEET

While the profit and loss statement capture results for a given period, such as a financial year, the balance sheet gives you an idea of what a business is worth at a certain point in time. Where the owners of the business have acquired assets, such as

sound and lighting equipment, this becomes very relevant. Likewise, if there were outstanding bills to be paid. The balance sheet shows what the result would be if all bills were paid and everything were sold (assets minus liabilities). This result is the owner's equity in the business.



CONTROL SYSTEMS

The following financial control systems need to be in place

- purchases or other expenses are approved
- goods and services meet specifications
- payment is approved
- accounts are paid
- incoming revenue is checked and banked
- revenue totals are recorded correctly

Event Management Course Module

- debts are met
- all transactions are recorded and balanced
- taxation requirements are met
- financial matters are correctly reported to stakeholders.

TOPIC 7 MARKETING AND PROMOTIONS

DEFINITION: MARKETING

The UK Chartered Institute of Marketing defines marketing as: *“The management process responsible for identifying, anticipating and satisfying customer requirements profitably”*.

The American Marketing Association provides the following definition: *“Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals”*.

DEFINITION: EVENT PROMOTION

As part of the marketing strategy, *event promotion involves communicating the image and content of the event program to the potential audience*.

Broadly, the aim of a promotional strategy is to ensure that the consumer makes a decision to purchase and follows up with the action of actually making the purchase. It is essential to turn intention into action and this is often the biggest obstacle of a promotional campaign.

EVENT PROMOTION

Image/branding

The first step for most events is the development of a name, logo and image for the event. This includes the colour scheme and graphics that will appear on all event material ranging from registration forms to tickets to merchandise.

The design must meet the needs of all stakeholders, as well as appealing to the event audience, particularly if the design forms the basis for merchandise such as T-shirts and caps. A slogan is sometimes developed as part of the image for an event and incorporated wherever possible. The result should be a consistent theme and colour scheme for all promotional materials. In most cases, the colour scheme is also carried through to the décor, including signs, fencing, flags, table settings, banners and posters.

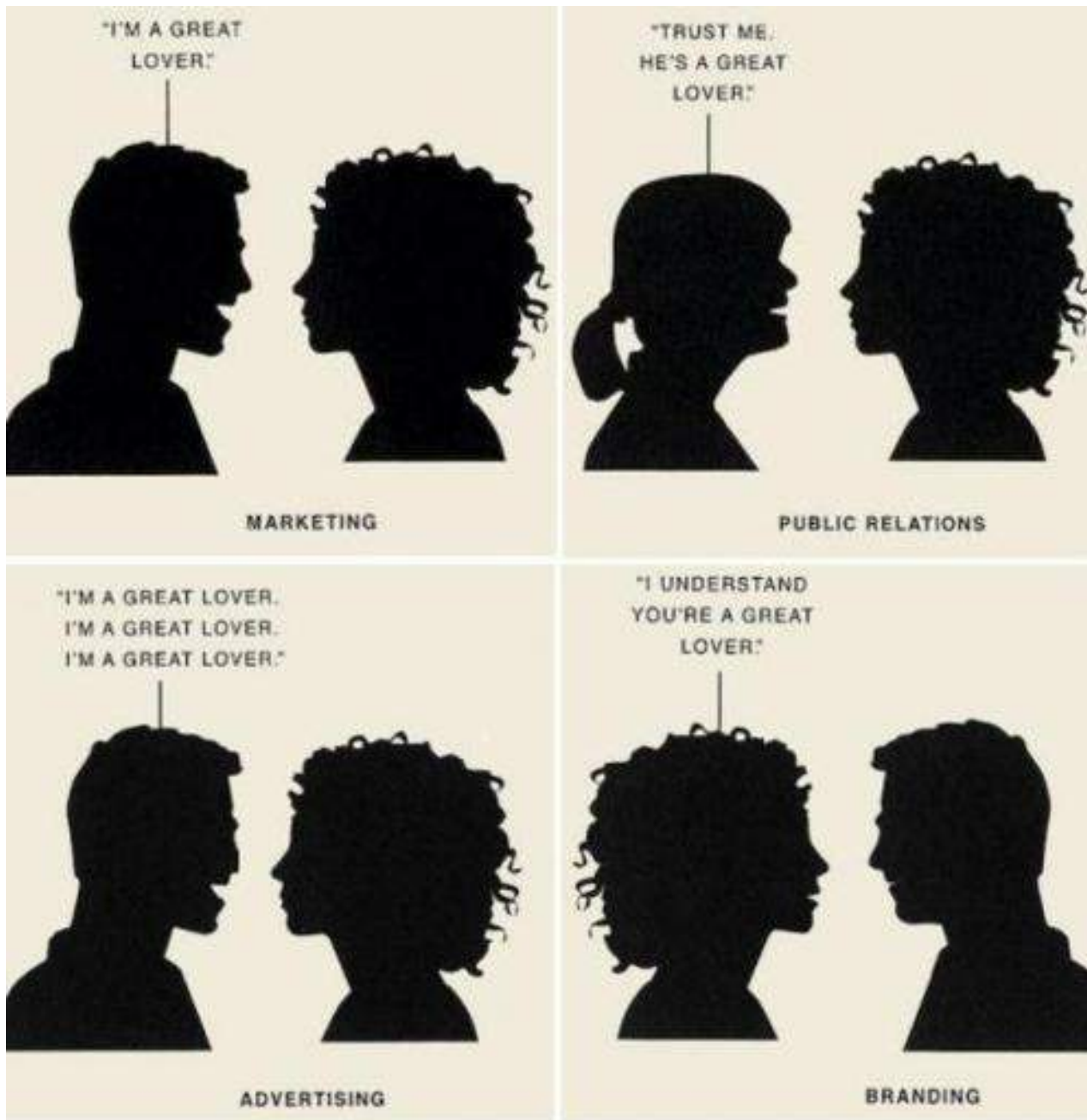
PROMOTIONAL ACTIVITIES

Promotional activities include far more than advertising. Indeed, most community events rely on editorial publicity in the local media. Other forms of promotional activity include direct marketing, sales promotion and personal selling.

Advertising vs. PR vs. Marketing

| | Advertising | PR | Marketing |
|----------------------|--|--|---|
| Messages | Mass Media outlets: - Radio - TV - Billboard - Internet - Print | Specific tools: - Special events - Press conferences - News releases - Feature stories - Speeches - Social media | Branded Materials: - Brochure - Website - Flyers - Banners - Catalog - Promo products - Newsletter |
| Cost | Paid Expensive | Free or low cost | Paid Range of costs |
| Audience | External, primarily goods and services based "Consumers" | Specialized external audiences "Publics" | General external audiences "Target Market" |
| Support | Supports PR | Creates and manages marketing and ad messages | Supports Advertising |
| Function | To sell good and services by promoting brands. | To manage relationships between audience and brand by building and maintaining environments. | To increase demand and interest by building and maintaining markets. |
| Control | By the organization | By both the organization and media outlets | By the organization |
| Scope | Specialized communication function | Broad: deals with policy, performance, research, strategy | Targeted to special demographics based on supply and demand |
| Communication | One-Way | Two-Way | One-Way |

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PROMOTIONAL PLAN

1. Review marketing plan and objectives
2. Determine promotional plan and budget
3. Integrate promotional activities
 - advertising

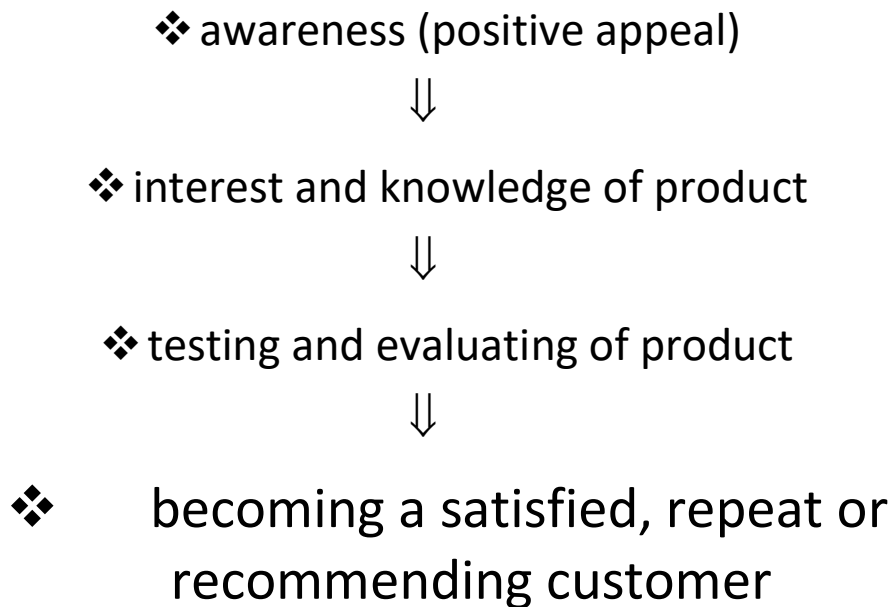
- direct marketing
- sales promotion
- PR/publicity
- personal selling

4. Monitor and evaluate promotional program against marketing objectives

ADVERTISING

Advertising is paid communication, using one or more types of media to reach potential buyers. It can be extremely expensive, particularly radio and television advertising, and for this reason it is essential to accurately identify the market and target the advertising as cost effectively as possible.

STAGES IN BUYER BEHAVIOR



PRINT ADVERTISING

Newspapers and magazines are the media most commonly used for advertising, although a *Yellow Pages* listing is essential for most small event operations. Cost is related to the medium chosen and to the size and positioning of the advertisement. The front and back covers and inside front and back covers are usually the most expensive spaces to purchase, followed by the top part of right-hand pages.

Choosing the appropriate newspaper or magazine is essential, as wide coverage or untargeted advertising tends to produce a very limited response. The circulation statistics for the publication need to be analysed, including the demographic profile of readers, and matched to event target markets.

As part of the marketing plan, it is necessary to identify the market to be reached and then to establish where these people live and which of the print media would be most likely to reach them. When selecting the most appropriate media, cost is generally the biggest issue. Then you need to decide when to advertise — a month before, a week before or the day before? Faced with budget limits and potentially expensive advertising, these are all crucial decisions.

RADIO ADVERTISING

Radio advertising is effective if the message is clear. However, it is not possible to show images or provide very specific information and is thus used infrequently by all but the biggest event operators.

TELEVISION ADVERTISING

While the impact of television advertising is greater than for most other media, it is extremely expensive. Specific marketing objectives would need to be developed and an advertising agency fully briefed on the proposed campaign. The timing of the advertising campaign should be linked to consumer decision-making, which is generally possible only when market research has been conducted on similar previous events.

DIRECT MAIL

A substantial client list is a valuable resource for direct mail advertising and selling. A client list can be developed rapidly if an organisation is promoted at trade exhibitions where the list of attendees is made available to exhibitors. If the market can be clearly identified, then direct mail is a most effective form of advertising, and one that is cost-effective too. Where customers are transient, the expense of direct mail is unwarranted. Of course, an invitation is a form of direct mail advertising.

DISPLAYS AND SIGNS

Signs are one of the most effective ways by which small event businesses advertise, even though most councils place limitations on the size of signs. Lighting, too, is an important element of outdoor signage, and one that is often neglected.

BROCHURES AND FLYERS

Brochures and flyers are essential advertising items for many types of small events, and they need to be descriptive, informative and colourful. The quality of any photographs or artwork used in them is most important too.

ADVERTISING COLLATERAL

This interesting term covers a range of advertising mediums, from tent cards to billboards. Posters and billboards are often displayed in public places and tourist information centres.

PERSONAL SELLING

Personal selling involves face-to-face contact between seller and buyer. This enables the salesperson to talk directly to the buyer, and to persuade the buyer through negotiation to purchase the product. This type of promotion is most common for booking conferences, weddings, parties and incentive travel events. This is because the event details need to be planned and a quote provided.

SALES CALLS

- ❖ **Welcome**
 - Give a friendly greeting.
 - Open first.
 - Observe body language.

- ❖ **Explore**
 - Ask about the planned event, including the purpose.
 - Explore and listen to what the client needs or wants.
 - Find out about the person's role in planning the event.

- ❖ **Offer information**
 - Clarify the client's needs — what they really mean.
 - Focus on the buyer, not the product your company provides.
 - Outline the product (for example, function facility and catering) after clarifying the client's needs.

- ❖ **Close**
 - Agree the next step or action to be taken.
 - Work out the follow-up required to finalise the event details.
 - Complete a sales report form.

- ❖ **Follow up**
 - Follow up in a timely manner.
 - Provide a quote to the client.
 - Review status periodically.

SALES PROMOTIONS

A sales promotion is intended to persuade a buyer to purchase immediately, so they often include incentives or discounts. Sales promotions may follow the introduction of a new product or may be implemented during a slow period. Examples of sales promotions include discounted event tickets, discounted off-season function facilities, incentive meeting packages, and newspaper or magazine competitions to win prizes such as tickets to a premier.

PROMOTIONAL EVENTS AND TRADE SHOWS


Hotel groups, casinos, resorts and convention centres frequently exhibit at promotional events where they distribute information to potential buyers, particularly in the area of incentive travel. So too do suppliers to the event business, such as staging and rental companies, event software companies and event planners.

MAIN FEATURES OF SERVICE MARKETING

- ❖ Intangibility
- ❖ Inseparability
- ❖ Variability

INTANGIBILITY

The first feature of services marketing that makes it challenging is its **intangibility**. This highlights the fact that services are much more difficult to evaluate when they are intangible. ‘Excitement’ is very much a subjective perception and difficult to evaluate compared with a personal computer (a tangible product).

| | |
|---|------------------------|
|  | |
| Tangible (goods component) | |
| | organic fruit market |
| | art and craft fair |
| | food and wine festival |
| | wedding |
| | exhibition |
| | conference |
| | concert |
| | consultancy service |
| Intangible (services component) | |

INSEPARABILITY

- ❖ The service and the service provider are also distinguished by their inseparability. This means that as an event organiser you are very reliant on your staff, performers and athletes to meet the needs of the audience. You have far less quality control than you would over tangible goods (such as soft drinks) — unless your training is first rate.

Pre-purchase

- ❖ interactive website
- ❖ email
- ❖ telephone enquiry

Purchase/pre-event

- ❖ ticket sale
- ❖ transportation
- ❖ parking
- ❖ queuing
- ❖ entry
- ❖ security check

Event

- ❖ seat allocation/usher
- ❖ food and beverage
- ❖ information
- ❖ entertainment
- ❖ performance/participation
- ❖ first aid
- ❖ merchandise sales
- ❖ lost and found

Post-event

- ❖ exit
- ❖ queue
- ❖ transport
- ❖ online results
- ❖ photographs/memorabilia.

VARIABILITY

- ❖ This means that there is little consistency since the service performance is delivered by different people whose performance can vary from day to day, and indeed from customer to customer. The consumer is also involved in the service communication, thus influencing the transaction with the service provider.

PERISHABILITY

- ❖ If a customer decides not to attend, revenue to the event organiser is completely lost. This is not the case for the restaurant owner or shopkeeper who may see the customer at a later date.

- ❖ An event, whether it is one-off or annual, is highly perishable. Unsold tickets cannot be put out on a rack at a reduced price!

EXTERNAL ENVIRONMENT

Identify and analyse information on

1. The Economy
2. Demographic Changes
3. Seasonal Factors
4. Governmental Activities
5. Tourism Trends
6. Social & Cultural Change
7. Ecological & Environmental Factors
8. Technological Developments
9. Industrial Relations
10. Legal & Ethical Issues
11. Competition

INTERNAL ENVIRONMENT

Collect and analyse information on

1. Location
2. Client Base
3. Human Resources
4. Financial Resources
5. Facility & Equipment Capacity
6. Hours of Operation
7. Community Profile
8. E-Business Capacity

DEVELOP MARKETING STRATEGIES

- ❖ Identify Customers (segmentation)
- ❖ Plan to meet audience Needs and Wants
- ❖ Establish the Product Features
- ❖ Develop Products and Prices
- ❖ Analyse consumer Decision-Making Process

THE CONSUMER DECISION-MAKING PROCESS

- ❖ Competitive Pressure (Positioning)
- ❖ Motivation
- ❖ Timing
- ❖ Purchase or Attendance

PREPARE A MARKETING PLAN: MARKETING MIX

PRODUCT/SERVICE

event venue
quality of food
quality of entertainment
cleanliness of venue

PRICE

cost of ticket
cost of travel
time taken to travel
other inconvenience



PLACE

ticket sellers
tour wholesalers
tourist information offices
venue

PROMOTION

advertising
public relations
sales promotion

PRODUCT

Product features have already been discussed in this chapter. While the product/service may be intangible, it is not difficult to analyse some of these features from the consumer perspective. These can include the event ‘performance’ of, for example, the keynote speaker, entertainer, athlete or dancer. A street parade, exhibition, conference and competition all include elements of performance.

PRICE

- ❖ Pricing for an entertainment event is very tricky. It depends on the size of the potential audience and the selected venue. If the ticket price is too high, and the featured artist not as popular as expected, then the half empty venue will result in a dismal financial outcome.
- ❖ Pricing of food and beverage items is also an important consideration because customers become annoyed if mark-ups are excessive. For events involving travel, the price includes the cost of transportation and accommodation.

PROMOTION

- ❖ Promotional activities need to be chosen carefully and timed effectively. Promotion is a costly exercise, radio and television advertising being two of the most expensive. Overall, the most cost-effective methods of promotion are feature articles in local newspapers and banners.

- ❖ Many events are promoted by tourism bodies and by tourism information offices at minimal cost. And increasingly, the Internet is being used as a source of information by the event audience.

PLACE

- ❖ Tickets can be distributed as part of package tours, through ticket sellers (who take commission) or at the venue. In many cases, the event product is produced, distributed and consumed at the venue. This contrasts for example with goods that are imported for sale and ultimately consumed by the customer at home. The effectiveness of the channels through which an event is promoted and sold is a crucial aspect of its success.

EXAMPLE: MOTOR SHOW

Product

- ❖ featured motor vehicles (high-tech concept cars)
- ❖ number and variety of exhibitors/brands
- ❖ dates and hours of exhibition
- ❖ associated events (such as seminars)
- ❖ prizes (door prizes, competitions)
- ❖ entertainment
- ❖ décor, lighting, special effects
- ❖ staffing
- ❖ parking
- ❖ transportation

Place

- ❖ city location (capital city, distance to travel)
- ❖ type of venue (and proximity)
- ❖ accommodation options (and proximity)
- ❖ tourist attractions (and proximity)
- ❖ ticket purchase (online, at venue, from dealers)

Price

- ❖ price of admission
- ❖ free tickets for sponsors and exhibitors

Promotion

- ❖ **website**
- ❖ **motor magazines**
- ❖ **print news (such as motoring supplements)**
- ❖ **direct mail**

Promotion

- ❖ website
- ❖ motor magazines
- ❖ print news (such as motoring supplements)
- ❖ direct mail

SPONSORSHIP

The sponsor can have part or absolute control over the event and this will in turn influence marketing and operational planning.



- ❖ What are the benefits for the sponsor?
- ❖ How long will the association last?
- ❖ How much exposure will the sponsor achieve?
- ❖ Will the sponsorship be exclusive?
- ❖ Is there compatibility between sponsors?
- ❖ Will there be ambush marketing?

EVALUATION

Both formal and informal techniques can be used for the ongoing evaluation process.

- ❖ Informal staff meetings
 - discuss customer satisfaction with the event product
 - analysis of sales figures provides
 - Review financial data
- ❖ Market Research (Survey, FGD, etc)
- ❖ Marketing Information System

TOPIC 8
BUSINESS ISSUES: BUSINESS RELATIONSHIPS

WHO IS THE CLIENT?

- ❖ As event managers, it is necessary to meet the needs of the *'client'*, the person paying for the event, as well as those of the *'audience'*, so it is essential to understand what both the client and the audience want to achieve.
- ❖ In some cases, the client and the audience are one and the same, in others not.
- ❖ The two may have quite different expectations, providing a challenge for the event manager

STAKEHOLDERS AND CUSTOMERS OF A REGIONAL EVENT

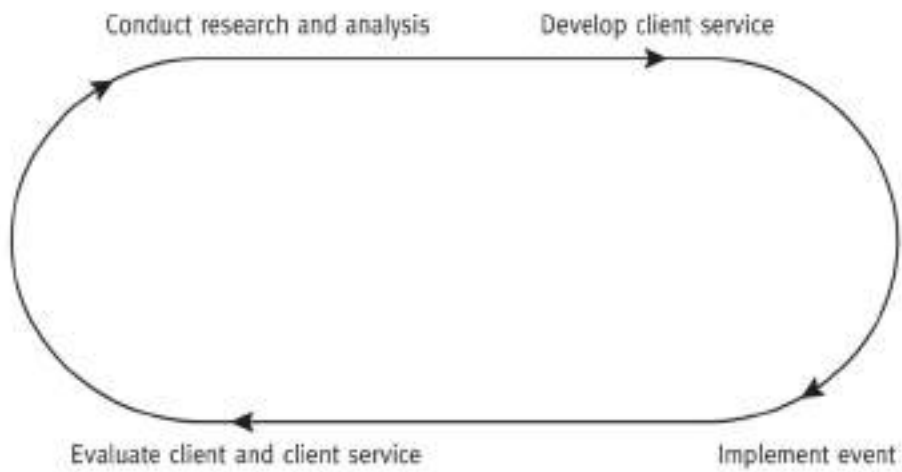
| | | |
|-----------------------------------|------------------------|---|
| Internal customers/clients | Event organiser | External customers/clients/consumers |
| Arts council | | Local residents |
| Regional tourism body | | Regional visitors |
| State tourism body | | Capital city visitors |
| Major sponsors | | Interstate visitors |
| Local council | | International visitors |

INTERNAL AND EXTERNAL CUSTOMERS

- ❖ The needs and expectations of external customers, the event audience, must be met for any event for that matter, to be called a success.
- ❖ In addition, all internal customers must in turn be convinced that this was the case if they are to fund, sponsor or support the festival in the longer term.
- ❖ Business relationships with hotels, caterers, lighting and sound technicians
- ❖ Councils, emergency services, sponsors
- ❖ Spectators, visitors, delegates



Cycle of ongoing event research to meet the changing needs of client populations.



ANALYZING THE AUDIENCE

- ❖ For the first time an event is held, the research is more likely to be secondary research. Secondary research describes information gathered from, for example, publications, broadcast media and government agencies.
- ❖ Over the years of event operation, primary research, such as the surveys for the SheppARTon Festival, can be used to further inform decisions

CONSUMERS

Using marketing terminology, the event audience would be the consumers. There are several terms used to refer to the consumer in the event business but they all refer to the person or persons who consume the end product:

- ❖ audience
- ❖ spectator
- ❖ conference delegate
- ❖ visitor
- ❖ tourist
- ❖ customer
- ❖ buyer
- ❖ patron
- ❖ client
- ❖ participant

In many cases, the consumer is also a participant. Anyone entering a bike race or fun run is both a consumer and a participant in the event.

When these consumers are grouped together as a target market, this grouping is referred to as a market segment.

MARKET SEGMENTATION

It is not sufficient for the event organiser to assume that an event meets the needs of 'the public' since few events attract an even distribution of the public, whether of local or distant origin. A street festival will attract a lot of families, a rock concert mainly teenagers, opera an older age group. In developing a better understanding of the consumer, it is essential to look at their demographic and psychographic profiles

Socioeconomics

Characteristics such as income, occupation and education can be used to determine segments that are easy to reach. Such segments are indicators of behaviour, such as lifestyle, price sensitivity and preferences. The liquor industry (sponsor of many events) conducts detailed ongoing market research to better understand the socioeconomic profiles of their consumers.

Psychographics

Personality, attitudes, opinions and lifestyles are often used as bases of segmentation. These characteristics have some relationship to behaviour and provide insight into how to communicate with chosen segments. They provide the raw data for dividing a market into leisure-seekers, work-oriented and family-oriented segments.



Generation

Generation, or cohort, refers to people born in the same period of time. For example, the Baby Boomer generation can be defined as those people born between 1946 and 1955. Such cohorts share much in common, having experienced similar economic, cultural and political influences.

Geographic origin

Segmenting markets on the basis of geography involves dividing the market into different geographical units, for example, states, regions, countries or origin.

- ❖ Many events attract local, regional and interstate visitors.
- ❖ Others attract international tourists from a range of source countries.



Behavior

Behaviour segmentation involves dividing consumers into groups based on their product knowledge, usage, attitudes or responses. Of particular importance is a powerful form of segmentation, benefit segmentation, which groups buyers according to the various benefits sought by them from the product class. Loyalty to different sporting codes or types of music would fit into this category.

Segmenting the market helps to:

- ❖ Describe the market more accurately. The more accurately the market can be segmented, the better its needs will be appreciated.
- ❖ Increase the effectiveness of marketing. When the needs of the various segments have been described, their associated promotional activities will be more effective.
- ❖ Spread the risk associated with producing a product (event) for only one segment of the market. When the marketer measures the relative size of each segment, they can determine the viability of targeting each segment.
- ❖ Position a product in a market to target more profitable segments. When segment characteristics are known, the economics of each segment will allow profitable ones to be targeted (sometimes known as yield analysis).
- ❖ Understand and assess competition. Segmenting the market helps focus promotional activity in a particular area in order to be more competitive.
- ❖ Clearly define the customer. When the overall market for a commodity or service has been systematically analysed and segmented, the marketer not only has a better idea of how to influence the decisions of the customer, but also has a much clearer idea of who the customer really is.

EVENT PRODUCT

An event experience is, in marketing terms, a product, something the consumer enjoys. The target market for a Family Fun Day is already described in the name of the event. This helps to communicate with this particular group and refine the product to suit its needs. In developing the Family Fun Day product, one would look at product attributes, such as the day and time the event would be held. This type of event would need to start early and finish in the late afternoon.



BUSINESS RELATIONS

In many sectors of the event industry, the consumer or client is a large corporation, association or government body. A conference, exhibition or incentive event is usually the result of extensive negotiation with such an organisation



In preparing for a business negotiation, it is necessary to understand the goals and positions of both parties, as these goals are often contradictory. Price is a good example. If price is being negotiated for a conference, the client will require the best outcomes for the lowest price while the event organiser (or professional conference organiser) will want the highest possible price or profit margin. Ultimately, it is necessary for both parties to identify their bottom line so that the process of negotiation can continue.

NEGOTIATION TECHNIQUES

- ❖ preparatory research of the facts of the business situation or parties to the agreement
- ❖ identification of goals of the negotiation and limits to the discussion
- ❖ clarification of the needs of all parties, including third party stakeholders such as suppliers and contractors
- ❖ identification of points of agreement and points of difference
- ❖ active listening and questioning to clarify points of discussion
- ❖ non-verbal communication techniques to reinforce messages
- ❖ use of appropriate language, avoiding jargon, acronyms and colloquialisms
- ❖ bargaining strategies, including attempts to achieve win-win outcomes
- ❖ developing options and alternatives using brainstorming
- ❖ confirming agreements verbally and in writing
- ❖ using appropriate cultural behaviour

NEGOTIATION STAGES

Planning and preparation

Definition of ground rules

Clarification and justification

Bargaining & problem solving

Closure and implementation

NEGOTIATION

Different cultures approach bargaining and negotiation in different ways. In some cultures, the aim is to get straight to the point, while in others relationship building is seen as more important than the specifics of the final agreement. It is always best to negotiate face-to-face than indirectly over the telephone or via email.

Following agreement, the details should be confirmed in writing. Agreements should be monitored over a period of time, since it is much more difficult to find new customers than it is to retain existing ones. Existing customers or clients with whom relationships have been developed should also be closely monitored to gauge their satisfaction level with the products or services supplied.

**TOPIC 9
BUSINESS ISSUES – HUMAN RESOURCES**

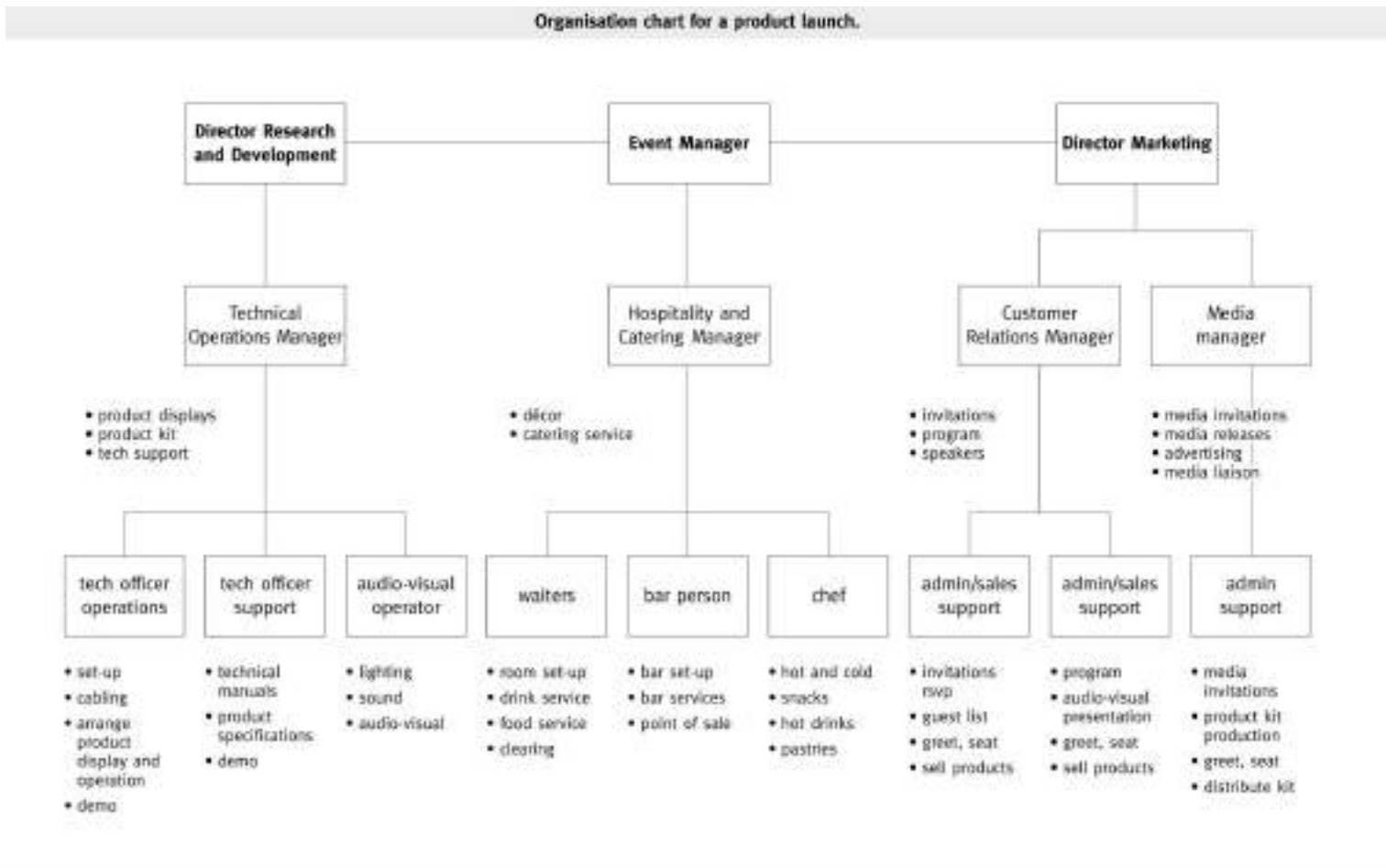
EVENT STAFFING

- ❖ More complex than other organisations due to cumulative recruitment
- ❖ Project oriented with deadlines and contract completion
- ❖ Workforce comprises paid, contractor and volunteer staff
- ❖ Many stakeholders and their employees also involved

ORGANIZATION CHARTS

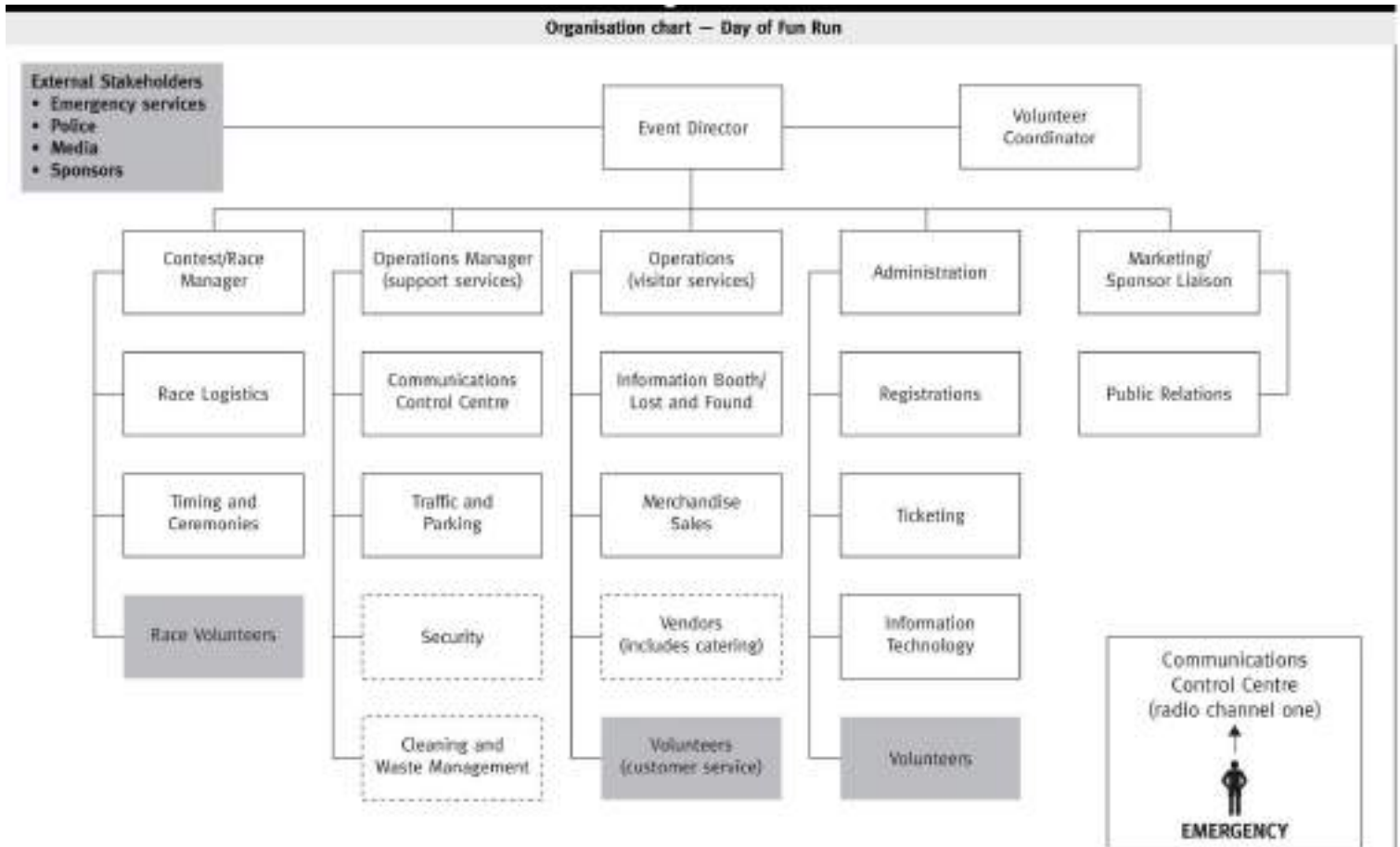
Pre-event chart

- ❖ All those responsible for the primary functions during the planning stage, such as finance, marketing, entertainment, catering and human resource management.
- ❖ Small cross-functional teams which manage specific issues such as safety and customer service.
- ❖ The stakeholders committee (including external contractors, suppliers and public bodies).



Event chart

- ❖ When staffing levels for an event expand to the requirements of a full-scale operation, the size of the organisation generally increases enormously. Charts should show:
- ❖ Full staff complement, together with reporting relationships for the overall event operations including paid staff, volunteers and contractors.
- ❖ Emergency reporting relationships (simplified and streamlined for immediate response). This could be done as a separate chart.



Post-event chart

- ❖ After the event, the team frequently disperses, leaving only a few individuals and a chart showing key personnel involved with evaluation, financial reporting and outstanding issues.

JOB DESCRIPTION

A job description, outlining the tasks that need to be performed, is required for each role. This document should show the position title, the reporting relationships and the duties.

Sample Job Description.

Job Description

- Position title:** Catering Services Manager
Reports to: Venue Services Manager
Responsible for: Sub-contracts with caterers/concessionaires

Position summary:

To meet the food and beverage needs of all customer groups through the selection and management of appropriate subcontractors and concessionaires. To ensure compliance with the negotiated agreements regarding menus, pricing, quality and service.

Duties:

- Develop tender documents for provision of food and beverage, including bars, fast food, coffee stalls, snack bars, VIP and staff catering.
- Select subcontractors and confirm agreements regarding menus, pricing, staffing and service levels.
- Develop operational procedures with special attention to integration of services, food hygiene plans, supply and storage of food and beverage, staffing and waste management.
- Work with venue operations on the installation of the required facilities and essential services (including power, water and gas) for food and beverage outlets.
- Monitor performance of contractors.
- Deal with daily operational and customer complaint issues.

POSITION DESCRIPTION

- ❖ A position description should state the *skills, knowledge and experience* required for the job. Some requirements are mandatory, for example anyone serving alcohol should have an RSA (responsible service of alcohol) certificate.
- ❖ The focus here is on the ideal person for the role and their attributes.
- ❖ If the person hired does not meet all the requirements, then a training need is identified.

| Sample Person Specification. | |
|---|---|
| Person Specification | |
| Position title: | Catering Services Manager |
| Reports to: | Venue Services Manager |
| Responsible for: | Sub-contracts with caterers/concessionaires |
| Position summary: To meet the food and beverage needs of all customer groups through the selection and management of appropriate subcontractors and concessionaires. To ensure compliance with the negotiated agreements regarding menus, pricing, quality and service. | |
| Knowledge: | |
| <ul style="list-style-type: none">• Legal contracts (with professional advice where necessary)• HACCP (food hygiene plans)• RSA (responsible service of alcohol)• Catering for large numbers• Installation and management of bar and kitchen facilities | |
| Skills: | |
| <ul style="list-style-type: none">• High level negotiation skills• Verbal and non-verbal communication skills• Preparing budgets and planning• Development of operational procedures• Problem solving | |
| Experience: | |
| <ul style="list-style-type: none">• Managing large-scale catering subcontracts, multiple subcontractors, concessionaires• Menu planning and catering control systems for large-scale catering• Operational planning for new installations | |
| Desirable: | |
| <ul style="list-style-type: none">• Experience in an event environment | |

RECRUITMENT

- ❖ Once the job description and person specification have been completed, they can be used to develop advertisements and interview questions.
- ❖ Recruitment is the process of attracting suitable applicants.

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- ❖ Selection is the process of choosing the best one for the position.
- ❖ The most common approach to recruitment is to advertise the position in local newspapers or major newspapers, on the Internet home page for the event or event-related sites, or on notice boards.
- ❖ Employment agencies can also provide event staff — for a placement fee. This is an attractive method of recruitment as it cuts down your work by providing you with a short list of suitable applicants, as well as managing the administrative side of employment, such as taxes and insurance.
- ❖ This is often the approach taken to hiring food and beverage staff on a temporary basis.

ROSTERS

- ❖ Staff planning includes the development of work rosters. This can be quite difficult, particularly if multiple sessions and multiple days are involved and interrelated tasks have to be considered, as sufficient time needs to be factored in for each task.
- ❖ For example, if the site crew has not completed the installation of essential equipment for a particular session, work cannot begin on related tasks. Staff scheduled to be on duty will stand idle and become frustrated, knowing that deadlines are slipping.

TRAINING

For major events there are three types of training:

- ❖ Orientation training (general information)
- ❖ Venue training (venue related information such as layout and evacuation)
- ❖ Job specific training (duties to be performed)

For small events, training could be incorporated into the briefing sessions and one-one instruction provided by colleagues and supervisors.

- ❖ Event staff need to know their duties and how to perform them. Maps and checklists can be extremely useful for this purpose, while rehearsals and role play help to familiarise staff with their roles before the onslaught of the event audience.
- ❖ Most trainees would rather move from the specific, which is more personally relevant, to the general. However, in some cases, access to the venue is only permitted at the very last minute and training has to focus on the more general aspects first.
- ❖ Training days provide an ideal opportunity for team building. Team building activities, such as quizzes, games and competitions, should be included in all training so that comfortable relationships will develop. Such activities should be relevant to particular tasks. Event leaders need to accelerate all processes as much as possible in order to hold the attention of the trainee group and develop team spirit. In the event environment time is very limited.

Venue operations

- ❖ venue organisation and support operations
- ❖ staffing policies/rules
- ❖ emergency procedures
- ❖ radio procedures
- ❖ other relevant procedures.

BRIEFING STAFF

Briefing staff prior to every shift is essential. It is an extension of the training sessions and allows the venue or event manager to impart important, relevant information to staff before they commence work. Some information may be new, such as changes to spectator transport arrangements, while other elements may be a reinforcement of key information, such as incident reporting or emergency procedures.

LEGAL REQUIREMENTS

Industrial relations

- ❖ All paid staff should be remunerated in accordance with the relevant industrial award or agreement where these are relevant.
- ❖ Employers have a range of legal obligations, such as deduction of tax and superannuation payments.

OHS – Occupational Health and Safety

Employers have a duty of care for the health and safety of employees. Any issue which places employees in the workplace at risk should be considered a duty of care issue, including matters not typically seen as OH&S issues, such as aggression from customers, working alone at night or working long hours with limited rest periods. An employer's responsibilities include the provision of a safe place of work and training in safe systems of work.

A five-step approach is recommended in implementing an OH&S system. The five steps are:

1. Develop OH&S policies.
2. Set up consultation meetings with employees.
3. Establish training programs and communication plans (including posters).
4. Establish a hazard identification process.
5. Develop, implement and continuously improve risk control strategies.

STAFF POLICIES

Staffing policies should be developed as part of any human resource planning strategy and should cover such aspects as health and safety, misconduct, poor performance, sexual harassment and contravention of safety procedures. These policies are then simplified and summarised as rules for all paid and volunteer staff.

STAFF RULES

1. Work in a safe manner.
2. Do not endanger the health and safety of others.
3. Report all accidents and incidents.
4. Protect the confidentiality of the event organisation and sponsors.
5. Do not say anything derogatory about any aspect of, or person involved in, the event.
6. Refer media questions to the correct person.
7. Look after equipment, uniforms and other assets.
8. Act in a polite and courteous way to spectators and team members.
9. Use and abuse of alcohol or drugs while on duty is prohibited.
10. Act in a financially responsible manner.

11. Follow reasonable instructions of supervisors.

RECOGNITION

Recognition of the work of both paid and volunteer staff can have a huge impact on motivation. One of the most effective strategies is the development of realistic goals for staff as this allows individuals to see that their work has contributed to the success of the event.

Intangible rewards include:

- ❖ goal achievement through individual and team targets
- ❖ job rotation, job enrichment (more challenge)
- ❖ meeting athletes, stars, musicians and artists
- ❖ working with people from overseas
- ❖ providing service and information to the public
- ❖ praise and verbal recognition
- ❖ training and skill development
- ❖ opportunities for building relationships
- ❖ media recognition.

Tangible rewards include:

- ❖ merchandise
- ❖ tickets
- ❖ post-event parties
- ❖ recognition certificates
- ❖ statement of duties performed
- ❖ meals and uniforms of a high standard
- ❖ badges, memorabilia.

MANAGING VOLUNTEERS

- ❖ Volunteer management is particularly relevant to the event business since many events are staffed by volunteers. The Australian Council of Volunteers provides training in volunteer management and the following guidelines summarise the main principles of their training:
- ❖ Volunteers have the right to be treated as co-workers.
- ❖ They should be allocated a suitable assignment, task or job.
- ❖ They should know the purpose and ground rules of the organisation.
- ❖ In return, the event organisation can expect:
- ❖ as much effort and service from a volunteer as a paid worker, even on a short-term basis
- ❖ conscientious work performance, punctuality and reliability
- ❖ enthusiasm and belief in the work of the organisation
- ❖ loyalty to the organisation and constructive criticism only
- ❖ clear and open communication from the volunteer.

The roles most commonly performed by volunteers include:

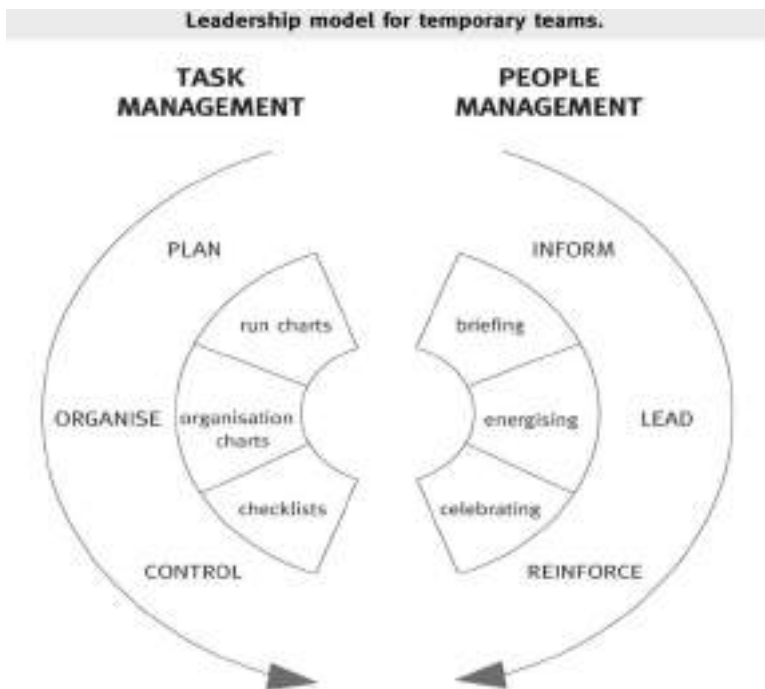
- ❖ usher
- ❖ marshal

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- ❖ time-keeper
- ❖ results co-ordinator
- ❖ referee
- ❖ administrator
- ❖ media co-ordinator
- ❖ protocol/public relations assistant
- ❖ logistics co-ordinator
- ❖ transport officer
- ❖ information officer
- ❖ customer relations officer
- ❖ first aid officer
- ❖ physiotherapist/sports medicine
- ❖ access monitor/security officer
- ❖ shift co-ordinator, uniform/accreditation officer
- ❖ safety officer

The personal benefits, as perceived by volunteers, were:

- ❖ personal satisfaction
 - ❖ social contact
 - ❖ helping others in the community
 - ❖ doing something worthwhile
 - ❖ personal or family involvement
 - ❖ learning new skills
 - ❖ using skills and experience
 - ❖ being active.
-
- ❖ Volunteers should receive continuing education on the job, as well as sound guidance and direction.
 - ❖ They should be allocated a place to work and suitable tools and materials.
 - ❖ They should be offered promotion and a variety of experience.
 - ❖ Volunteers should be heard and allowed to make suggestions.
 - ❖ They must be adequately insured.
 - ❖ They should be given a reference at the end of the event.



Plan

Planning is probably the most important aspect of event management. It encompasses the development of policies and procedures to cover all situations, from disputes over ticketing/seating to summary dismissal of alcohol-affected employees. Planning is necessary for the development of staff rosters and the provision of meals for paid and volunteer staff, as well as for restocking, careful scheduling of stock being most important for multi-session events.

Organize

An organisation chart enhanced with task lists is a useful tool for providing everyone with a more accurate idea of roles and responsibilities at a glance. There should be no ambiguity as to who is responsible for what. In addition to the organisation chart, every person should have a job description listing their duties.

Job rotation is an important organisational task, particularly where paid or volunteer staff are required to man remote locations. Change from one role to another during a shift can alleviate boredom and reduce feelings of inequity.

Control

Checklists are useful control mechanisms. They can be used to check cleanliness, monitor the temperature of food, check for safety or security risks, and to ensure that procedures are followed for setting up and shutting down. A completed checklist is also intrinsically satisfying for the person carrying out tasks, especially if their job has no visible output. Most events are high risk, making control measures absolutely essential for risk and hazard minimisation.

Inform

Briefings before and after shifts provide the opportunity to advise staff on the order of proceedings and to clarify issues of concern. If a single important piece of information is left out, and several hundred spectators ask the same question about it, it is frustrating for everyone involved and a mistake most event managers make only once in their career.

Lead

Positive actions on the part of management (including good verbal and non-verbal communication and the initiation of a range of activities to energise the team) can help to create positive staff morale. Event managers who are burnt out before an

event begins are unlikely to provide inspired leadership or to solve problems with tact and diplomacy. Time and stress management are vital for everyone involved. As role models, event leaders demonstrate to their staff how to provide quality service to customers.

Reinforce

Positive reinforcement of key messages can enhance safety and service, two essential responsibilities of the whole event team. Event staff are well known for their capacity to celebrate success at every stage of a project, so recognition strategies for individuals and groups, including parties and prizes, are essential in this industry where people work under tremendous pressure to pull off an event.

LEADERSHIP

In summary, event leadership is about:

- ❖ planning for short-term assignments
- ❖ organising and simplifying work processes
- ❖ developing checklists and other control processes.

It is also about:

- ❖ briefing and communicating with the team
- ❖ motivating and energising on an hourly or daily basis
- ❖ reinforcing key messages and targets
- ❖ celebrating success.

DIVERSE TEAMS

| Long term teams | Temporary teams |
|--|--|
| <ul style="list-style-type: none">• Commitment to organisation's mission• Decisions by consensus• Group cohesion over time• Career development within organisation• Intrinsic satisfaction• Empowerment• Lifelong learning• Positive performance management | <ul style="list-style-type: none">• Commitment to task• Leader solves problems and makes decisions• Limited relationship building• No career/organisational orientation• Tangible rewards• Limited responsibility• Limited learning• Positive reference |

MOTIVATION

Three Needs Theory

- ❖ David McClelland (1961, 1975) suggests that there are three motivating needs:
 - the need for achievement;
 - the need for power; and
 - the need for affiliation.
- ❖ Those motivated by achievement are goal oriented and focus on career development. Those who are motivated by a need for power prefer to influence others, either through formal or informal leadership.
- ❖ Where such influence occurs informally, it is essential that leadership skills are harnessed for the good of the organisation. If the informal leader is a troublemaker, then their goals will not be compatible with those of the organisation. Finally, those who are motivated by affiliation look for a friendly, group-oriented workplace where there is positive social interaction.

Equity Theory

- ❖ In the workplace, people make comparisons between the effort they make and the rewards they receive and the effort and rewards of others. If there is a perception that other employees are better rewarded or make less effort, this will result in a lack of motivation. To redress the issue, the person who feels that their treatment is inequitable is likely to become less productive or to leave.
- ❖ Inequity can be perceived by teams as well, with employees in one department comparing their rewards and effort with those of employees in another department. 'Not fair' is the usual comment made in this situation and is applicable to any number of rewards, including meal breaks, shift allocation, uniform design, and allocation of new equipment or incentives.

Opportunities for individual recognition, development and reward may include:

- ❖ internal training/professional development
- ❖ external training/professional development
- ❖ change in job responsibilities
- ❖ opportunity for greater autonomy or responsibility
- ❖ formal promotion
- ❖ contests and prizes
- ❖ rewards for loyalty
- ❖ incentives.

Reinforcement Theory

The origin of the theory of reinforcement is the work of B. F. Skinner (1953). Reinforcement theory is based on the premise that people's behaviour is determined by feedback. In the simplest sense, positive feedback is likely to enhance behaviour. So, it follows that productivity will improve if the correct behaviours are identified, monitored, recognised and rewarded, often by praise, which is most effective when linked to specific behaviours and goals.

Role Modelling

Role modelling is often used in training in the service industries. At events where the ambience is created by senior staff, the tone is set for subsequent relationships with clients and colleagues. For this reason, behaviour by senior personnel should demonstrate best practice, and employees who model this type of behaviour and uphold the service vision of the organisation should be appropriately rewarded.

Expectancy Theory

This theory, developed by Victor Vroom (1973), looks at the motivators of performance and the outcomes of performance. It also considers the important issue of perception and how the balance between effort and reward is perceived by the individual, thus combining elements of some of the preceding theories. If the expectation is high, but the performance target is achievable, the individual or team will achieve the outcome, providing that the outcome has sufficient appeal.

Expectancy theory is one of the most comprehensive explanations of motivation, and identifies three variables:

- ❖ expectancy (effort linked to performance)
- ❖ instrumentality (performance linked to reward)
- ❖ valence (attractiveness of rewards).

Perceived imbalance between effort and reward.



GROUP DEVELOPMENT

Studies by B. W. Tuckman as far back as 1965, and still applicable today, have shown that groups tend to go through five defined stages in their development:

1. Forming
2. Storming
3. Norming
4. Performing
5. Adjourning

Forming

This is the period during which members grow used to one another and tentatively formulate goals and behaviours that are acceptable.

Storming

In this stage there is generally some conflict over control and leadership, including informal leadership, known as sorting out 'the pecking order'.

Norming

Once the hierarchy and the roles of all group members have been defined, the group tends to adopt a common set of behavioural expectations.

Performing

During this productive stage, members focus on performance within the framework of the team.

Adjourning

Faced with disbandment, successful teams share a sense of loss. In this stage, feelings of achievement are tempered by sadness that the group will be disbanding.

Note: if this stage can be accelerated team spirit is very strong.

Communication:

- ❖ Identify specific information needs of group members.
- ❖ Use plain language.
- ❖ Allocate buddies or develop sub-teams.
- ❖ Use graphics to impart information.
- ❖ Rotate roles.
- ❖ Provide all members with opportunities to participate in the group.
- ❖ Develop group rituals and a group identity.

ENHANCING COMMUNICATION

- ❖ Establish the level of priority
- ❖ Identify the receiver
- ❖ Know your objective
- ❖ Review the message in your head
- ❖ Communicate in the language of the other person
- ❖ Clarify the message
- ❖ Do not react defensively to a critical response
- ❖ By seeking feedback, you can ensure that you have reached a common understanding.

MEETINGS

Timelines should be set and an agenda for discussion distributed beforehand with all relevant material so that everyone is prepared. During meetings a chairperson should manage the pace and outcomes of the meeting and someone should be designated to keep notes for the record. The most important aspect of note-taking is the recording of actions and deadlines for those attending.

- ❖ Documentation from the meeting should be distributed and actions identified, prioritised and included in the planning process.
- ❖ In addition to focusing on tasks at event meetings, focusing on people should be a priority. Meetings can be an excellent venue for relieving stress, building team spirit and motivating all involved.

PERFORMANCE MANAGEMENT

- ❖ Performance management is a whole work system that begins when a job is defined as needed.
- ❖ Develop clear work breakdown structure and job descriptions
- ❖ Select appropriately skilled and experienced people in the selection process
- ❖ Negotiate requirements and accomplishment-based performance standards, milestones and deliverables linked to project planning
- ❖ Provide effective orientation and training

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- ❖ Provide on-going coaching and feedback
- ❖ Conduct quarterly performance development discussions
- ❖ Design recognition systems that reward people for their contributions
- ❖ Provide promotional/career development opportunities for staff

Unsatisfactory performance includes situations in which the employee is not meeting required standards, creating a safety risk to self and others, or is in breach of a code of conduct.

In its fullest application, procedural fairness requires that employees (and volunteers) are:

- ❖ provided with an opportunity to put their case, and to hear the case against them;
- ❖ given clear reasons why the performance standard has not been met
- ❖ told what the expectations are for improved performance
- ❖ provided with a review date on which the situation will be re-evaluated

REFERENCE

McCartney, G. (2010) *Event Management: An Asian Perspective*. Singapore: McGraw-Hill.