
UNIT 6 STRATEGIC MARKETING

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6.0 OBJECTIVES

The Units of the first Block in this Course had introduced us to the concept of marketing fundamentals including marketing mix, marketing environment, marketing segmentation and targeting audiences. In the previous Unit we learnt how to analyse marketing opportunities. This Unit aims to provide a comprehensive understanding of strategic marketing specifically to develop competitive advantage in the market place using some live examples and case studies. It will also focus on some strategic approaches based on risk versus return matrix and audience versus client popularity share matrix. After reading this Unit, you will be able to:

- Understand the meaning of experiential marketing through events and strategic event marketing;
- Explain approaches to understanding strategic marketing; and
- Relate to the marketing strategies of Destination Marketing Organisations and Convention Bureaus.

6.1 STRATEGIC MARKETING: AN INTRODUCTION

In the current scenario where competition is high, companies are trying to attract customers and other stakeholders with their new and innovative ideas. A well planned marketing campaign cuts down the sales cycle of the company and enables it to perform in marketplace. A strategic marketing plan will hence allow the event marketers to optimally utilize the available resources for achieving the marketing objectives successfully. Companies are putting their efforts and huge amounts of money in developing a strategic market plan. Marketing campaigns are being vastly affected by the changing social and technological trends. Hence effective marketing campaign has become an essential element for business growth enabling the companies to attract potential customers and achieve competitive advantage. Strategic marketing is the process of identifying the sustainable competitive advantages of an organization and assigning resources to develop them.

6.2 IMPORTANCE OF STRATEGIC MARKETING FOR EVENTS

Before we proceed to understand more about strategic marketing, we need to first understand the relevance of events that are tools for experiential marketing. This will enable us to understand why strategic marketing for events is important.

Consumers in their everyday lives, in their social lives and in their virtual lives are bombarded by advertising noise. The noise is everywhere. The brands and companies have to create attractive marketing campaigns to capture attention of the existing / potential customers and other stakeholders. **Experiential marketing** provides an opportunity to be heard above the noise. This is possible through events. Over the last few decades, TV and print had dominated the media landscape for reaching out to customers and end users. However, the value of experiential marketing has been realized in recent times and is now forming an essential component of an effective marketing campaign. Experiential marketing is all about engaging the customer on an emotional level. Earlier, traditional marketing tools were used to push the consumer to listen to their message. Experiential marketing now pulls the consumers, invites them to see their product / service / idea and allows them to take their own decision. A good experiential campaign instead of pushing customers to buy any product or services, encourages them to engage with a product or an idea, thus creating quality engagement between brand and consumer.

Events have the ability to stimulate the four senses: touch, taste, sound and smell which make them far more effective as a marketing campaign than any other marketing disciplines that rely more on words and 2D images. When brands are able to stimulate more than one of these senses through experiential marketing campaign, they are easily recalled by consumers in the later days evoking an emotional connection with the product / brand. And, it is this connection that eventually influences perceptions and drives purchase decisions. For example, a consumer who has attended the product launch organized by Amul for its new milk product called 'Mango Lassi' where the consumer was served with the newly launched milk product stimulating the sense of taste, will always find an emotional connection with the product / brand whenever s/he will visit the Amul outlet. It is to be noted that the traditional media is so deeply embedded in the society, that it is very difficult to break free from the typical advertising model. The messages disseminated by experiential marketing campaign can thus be repeated and reinforced through traditional media outlets, such as TV and radio.

Due to quality engagement between the brand and the consumer, the experiential marketing campaign has immense power of word of mouth. This is because those who enjoy a positive experience have a tendency to share it with others, directly or indirectly endorsing the associated product and thus increasing brand advocacy. Moreover, today, people are constantly sharing their life stories on social sites. This indicates that brands have a chance to become part of this real life experience sharing process, engaging thousands and thousands of people via post. However, the promotion is in favour only when people share positive experiences. The marketers must be careful about this because even the negative experience is shared as quickly as the positive experience, immediately ruining the brand image.

The new platforms of the marketing landscape have been able to engage Millennials and more recently, with Generation Z- those born from the later 90s to the mid 2000s. This has provided a huge market for the event market planners to strategically market events as around 50% of India's population falls into this category. Since experiential marketing allows a business to look their customers squarely in the eye and generate a mutual rapport, the marketers must design suitable strategic marketing for events. Experiences have a powerful role in inspiring us to create, or to change, to question our beliefs, to embrace new ideas and find new passions. Thus, when used through strategic marketing they become incredible powerful marketing tools.

6.3 CONSIDERATIONS FOR STRATEGIC EVENT MARKETING

The above section that elaborated on events as effective experiential marketing tools, indicates at same time that strategic marketing of events is very important. In our previous Unit 'Exploring Marketing Opportunities', we discussed SWOT matrix, opportunity matrix and business potential matrix that lead the marketers to identify the strategic focus of the marketing plan and how to balance the product offering using the Product / Market expansion grid. In this section we will be discussing certain considerations for strategic marketing and some case studies.

What is Strategy?

Strategy is the watch word of our times. To be strategic implies foresight, a holistic view and understanding of how to define objectives and achieving them, even against resistance. Strategy involves understanding what customers really want and managing customer relationships to benefit the organization. Strategic marketing involves a long-term continuous relationship with customers in contrast to having short-term focus on immediate sales. This involves a shift from transaction-oriented marketing to relationship-driven marketing. Strategic marketing activities have significant implications for an organization as a whole as they are more concerned with how an organization determines its best opportunities in the market place, given its overall objectives and resources, rather than with only promoting its offerings by creating advertising campaigns.

Strategy is that criterion which determines the opportunity and strength, as well as helps in identifying weaknesses and threats. In the previous chapter we learnt about competitive advantage. It should be known that without competitive advantage strategy is of no use, as the sole purpose of strategy is to help the event company to gain a sustainable edge or have a competitive edge over its competitors.

Before taking strategic decisions / choices, it is essential to conduct critical success factor (CSF) analysis. In CSF, each critical factor is assigned a weightage out of 100. This is done for the event management company and also for each competitor. The critical factors could be: Networking on time, Lead management, Client-event-target audience fit, Event execution, and so on. Summation of each critical factor is done and the percentage for each company is calculated. This helps in understanding the priorities given to each critical factor, as a strategic option.

The strategies that can be formulated based on a focus on competition and concept are: maintenance strategy, developmental strategy, pre-emptive strategy and

survival strategy. Maintenance strategy involves using the company's strengths to take maximum available advantage of the opportunity / opportunities. Developmental strategy means to gain advantage of potential opportunities and maximise them when the company is not having sufficient strengths. This strategy is used to cover up the inherent weaknesses of the company. The Risk versus Return Matrix and Popularity Share Matrix are discussed in this section as two important considerations for strategic marketing.

Risk versus Return Matrix

It is essential to understand the risks associated with an event. All strategic market planning involves an evaluation of the risks associated with the business. Usually high risk goes with higher returns and it is true for all businesses including events. Fig 6.1 shows the relation between risks and returns depending on the type of events.

The matrix shown in Fig 6.1 considers two types of events: (i) pre-planned events i.e. events which are executed after proper planning and diligent decisions; and (ii) ad-hoc events i.e., those that are taken up on the spur of the moment. Gaur and Saggere have explained that on the basis of finance, events can be either fully sponsored or fully ticketed or partially ticketed and partially sponsored (Fig 6.1). Each decision carries an element of risk grading from zero risk to very high risk as shown in the figure, which is also linked with the type of event. For example fully sponsored events that are pre-planned carry zero risk and assured returns. On the other hand fully sponsored events that are ad-hoc, also carry assured returns, but have a chance of low risk.

		Time	
		Pre-planned	Ad-hoc
Type of Finance for Funds and Revenue	<i>Fully Sponsored</i>	Zero Risk Assured Returns	Low Risk Assured Returns (Can charge extra since chances of failure are high)
	<i>Partially Sponsored and Ticketed</i>	Medium Risk Assured Returns to cover costs and chances of loss are low	High Risks Assured Returns to cover costs but lower chances of profits
	<i>Fully Ticketed</i>	High Risk Chances of High Profits with equal chances of losses	Very High Risk Very less time to ensure reach Chances of failure and loss are high

Fig. 6.1: Risks vs Return Matrix

Source: Gaur and Saggere (2010)

Popularity Share Matrix

The Popularity Share Matrix by Gaur and Saggere, shown in Fig 6.2 helps us to understand that events with high popularity for clients and audiences both, such as films, competitive, artistic and cultural events have zero risk. When events have low popularity amongst audiences, there is high risk in terms of financial loss. Similarly charitable, exhibition and special business events with high popularity amongst audiences, but low with clients, incur high costs. Hence the categorization shown in the grid defines the popularity amongst the audiences and clients as a function of the commercial risk rating for an event.

The matrix reveals that the risk perception of competitive events especially sports can be read as very low and that of special business events as relatively high for the event companies. This is because competitive events have high popularity ratings with both clients and their target audience. The prospects of events being rated on the risk-return matrix depend on the position of the generic categories in the popularity matrix. However, the risk perceptions will change with change in the environment. The popularity share matrix is only a picture snapshot of the environment in India and most other countries, and may not be true in some environments. The EMC should evaluate the impact of each of its decisions on the basis of the risk-return parameter.

Popularity with Audiences	High	Competitive Events Artistic Expressions Cultural Celebrations Films Zero Risk Cash Generator	Charitable Events Exhibition Events Special Business Events High Cost
	Low	High Risk	Very High Risk Cash Incinerator
		High	Low
		Popularity with Clients	

Fig.6.2: Audience vs Client Popularity Share Matrix

Source: Gaur and Saggere (2010)

Two case studies of sports events are highlighted to provide a comprehensive understanding of strategic marketing. These can help in the understanding of strategic marketing for other events too. Answer the questions provided in the case studies. This will strengthen your understanding of strategic marketing.

BOX NO. 1

The All Star Basket Ball Event: A Case Study

TKBL All Star 2011 sport event is a suitable example from the event marketing and event management perspective. This case study will help us to understand the approaches used in an event marketing campaign. While assessing the event objectives of the All Star Basketball 2011, TBF (Turkey Basketball Federation) was set to organize the event for the target masses to endear basketball sport to people. Thus, they created a slogan “Our burden is Basketball, our route is Eskisehir”. Eskisehir Anadolu University’s (the house owner of the event) objective was to open the facility with such a glorious event. The event targeted university students, families living in the city, audiences who watch basketball aged five years or more as audience. The event was planned keeping in mind a capacity of 5500 seats of the hall.

Turkey Basketball Federation decided to go for Eskisehir as the event venue for All Star 2011 event. The facility was finalized keeping the reputation of the event, worthy of the subject and the purpose of the event into consideration. The identified facility was suitable to the standards of the TBF, inputs and outputs of equipments were easy, the emergency health care units were easily

reachable and relevant transportation from airport / railway station to hotel and hotel to event venue were provided to all players, representatives of the clubs and managers of Turkish Basketball Federation.

The costs and expenses of the event were borne by Turkish Basketball Federation. It was a ticketed event and the ticket prices were kept low keeping the targeted audience into consideration. Tickets could be purchased online, from the stands at the entrances of the shopping malls and event venue. Moreover, as part of relationship marketing, a portion of the tickets was sent to special guests personally. In addition to the above, the staff Turkish Basketball Federation personnel, Anadolu University personnel and organizing company's staff took charge of serving the participants and the audience.

To promote the event, various activities were organized in the city centre, in shopping malls and in university campus. In addition, 3 point shootout contests were organized in shopping malls. Brochures and leaflets were distributed in areas of heavy pedestrian traffic. In addition outdoor advertisements were done.

Some of the All Stars were determined for online voting done by public people from the official web site of Turkish Basketball Federation. In this online system of voting for basketball fans, people won various gifts. For instance, the 100th voter won 2 tickets for 2 TKBL organizations, 2100th voter had won a DVD player, 4100th voter had won 2 days accommodation in Eskisehir and also had a chance to sit on the bench with the players.

As part of the promotional strategy, the marketers also planned surprise awards for spectators through lucky draws during the event. Wide coverage to reports on the subject were given in the local and national press, on web pages and official web site of the Basketball team within the scope of public relations. Also, a specifically designed train that took the team from Istanbul to Eskisehir moved after a press statement.

The organizers provided varied hospitality services. The staff and volunteers welcomed attendants and guided them. Also, to give the audience a good time, all time shows including dance performances, talent competitions and music concerts were organised. Giant screens were placed throughout the event hall and national TV channel TRT 3 was broadcasted. To smoothen the entry movement, there were two different doors. Private catering was provided for the guests in the VIP section. Public transport services were provided directly to the hall and adequate parking areas were provided. All these services and considerations helped the attendees to enjoy the experience. The event was found to create a positive experience among the audience both in terms of staging the event and facilities. The audience was very satisfied with the facilities in Eskisehir. Various promotional activities such as 3 point shootout, talent competition and lucky draws added the component of entertainment. In addition, distribution of the small balls between periods also excited the audience.

The case study illustrates that the experiential marketing campaign involving the quality engagement of audiences via different staged activities, in addition to the sport event and elements of hospitality, facilities, promotions and

relationship management, was able to manage and market the event successfully. The event was able to effectively reach its objective and the number of people. Outdoor advertisements, distributing brochures and leaflets, and organizing competitions (e.g. 3 point shootout) about the event proved to be a great idea for promoting the sport event. Research findings and informal interview with audiences post event indicated much above the average satisfaction about performance of the whole event management and marketing. This case study will definitely make contribution and give directions to event marketing managers about how to use event management dimensions effectively and shape strategies to successfully achieve the event objectives.

Source: <http://www.aabri.com/NC2011Manuscripts/NC11061.pdf>

Questions

- 1) Who were the partners in TKBL All Star 2011 event?
- 2) Write down the considerations that were taken into account for deciding Eskisehir as event venue.
- 3) How was the ticketing aspect channelized to achieve the objective of endearing basketball sport to people?
- 4) What activities were organized to promote the event?
- 5) Describe the facilities provided by the organizers under experiential marketing campaign.

BOX NO. 2

A Marketing Campaign that turned Pro Kabaddi League (PKL) into a Perfect Success: Case Study

In a country like India which is obsessed with Cricket, carving out a niche for any other sport is quite a challenge. However, Kabaddi which otherwise was a de-glamorised sport has managed to steal a chunk of mass attention. Though Kabaddi had to start from scratch, PKL's marketing department took on the tricky challenge and cracked it in style. The Pro Kabaddi League (PKL) worked on 4Ps- Product, Place, Price, and Promotion for effective marketing giving the sport a magnificent make-over.

The 4Ps of the marketing mix that were used to develop a strategic marketing campaign are explained as follows:

Product

Kabaddi, a sport of India, was perceived as a rural sport played by 'pehelwans' (wrestlers) in dirt bowls carrying little or no relevance in the 21st century urban India. However, Pro- Kabaddi League launched Kabaddi in a new form wherein the sport is played on a synthetic floor instead of mud. For this not only the stage of the sport was modified but even the rules of the game were changed to improve the viewer experience. In addition, the way the sport was telecasted made it a great product for the viewers. Multiple cameras, slow motion replays, commentary – both in Hindi and English, and newly defined game statistics totally changed the viewership experience. All these factors together offered a new experience to the viewers thus improving the viewership for this sport.

Place

To introduce the existing sport in an entirely new form, it was important for PKL to induce a giant scale 'trial' of PKL as a product that offered entertainment. Therefore, it was broadcasted across multiple channels of STAR India, including family entertainment channels like STAR Gold and STAR Utsav. PKL was thus able to reach consumers in masses including those who may not be consuming sports as an entertainment in their day to day lives.



Price

As such there are no direct costs in terms of ticket or entry fee associated with consumption of entertainment products on television. However, it is important to evaluate the indirect cost involved. Kabaddi as a sport has an advantage over cricket because of its shorter duration. As a result, the amount of time that a viewer needs to spend on a single match is less which in turn reduces the cost associated in terms of time.

Promotion

Celebrity endorsement is a sure-shot marketing tactic for promoting any product. For the promotion of PKL, different celebrities such as Amitabh Bachchan, Sachin Tendulkar, Aamir Khan, Shah Rukh Khan, Aishwarya Rai, and Abhishek Bachchan were roped in to build positive engagement among consumers thus, encouraging 'trial'. 'Repurchase' was taken care of by the product quality.

More the number of people viewing a sport, higher is the likelihood of discussions on that event in the society. This enhances the experience of a consumer even further. By involving celebrities and capturing of prime airtime on multiple Star Channels, the Pro Kabaddi League was able to capture the attention of the critical masses. After it reached the influencers in the society, word-of-mouth promoted the sport to increase its reach substantially.

Another very critical aspect that the marketing team should consider is the launching time of an event. In case of PKL, the marketing team was extra

conscious for the factor - 'Time' when it came to event launching and broadcasting. The marketing team decided to launch the league during a series of the Indian cricket team. Like IPL, PKL also got over in a short span of time — 37 days, ensuring continued excitement throughout the duration of the event.

Star Sports Pro Kabaddi is a premier initiative of Mashal Sports — a sports management company co-promoted by Anand Mahindra, Charu Sharma and Lex & Legal Services' Rajiv Luthra. The league is formally backed by the International Kabaddi Federation (IKF), the Asian Kabaddi Federation (AKF), and the Amateur Kabaddi Federation of India (AKFI), who are closely associated with its organization and technical conduct. The year 2016 was the third season of Pro Kabaddi League that saw a huge success.

Source: www.eventfaqs.com

Questions

- 1) How is 'Pro-Kabaddi League' as a product different from traditional kabaddi sport?
- 2) Write down the initiatives taken by Pro-Kabaddi League marketing team to develop a marketing campaign.
- 3) What do you understand by 'indirect cost involved' in terms of event consumption?
- 4) Name the leagues which support the 'Pro- Kabaddi League' sport.

6.4 ROLE OF DESTINATION MARKETING ORGANISATIONS AND CONVENTION BUREAUS

In today's event industry, there is no shortage of suitable locations for conferences, meetings, other business events and weddings, and it is getting easier to attract these events to a well-marketed destination. Destination selling is a crucial component of the marketing activity. Both destination and venue selling require a strategic approach. The Destination Marketing Organisation (DMO) is responsible for promoting individual destinations to potential event organisers to hold their events. The DMOs are responsible for attracting not only events but also leisure tourists to their destinations. That is why the term 'tourism' or 'visitor' is often included in the names of individual DMOs. DMOs are of two types: (i) the National Tourism Authorities (NTAs) or National Tourism Organisations (NTOs), and (ii) Regional or state DMOs. The structure of the DMOs changes from country to country and from city to city. Many DMOs also relate to governments and their source of funding varies.

Convention and Tourism Bureaus are basically not-for-profit DMOs and are responsible for stimulating interest in the destination, in order to persuade conference buyers to hold their events. Convention bureaus are marketing and promotional agencies, under which businesses that promote their own products and services stand. Besides promoting a favourable image of their destination, convention bureaus serve to unify the marketing efforts of various suppliers and event organisers operating in that area. Most convention bureaus operate at the level of individual city or town. They operate on behalf of the suppliers there, to attract conference business to that locality, hence contributing to filling up meeting

and conference venues, bringing guests to hotels in the city, attracting clients to local restaurants, shops, tourist spots and above all other event / service providers. Apart from DMOs, there are professional conference organisers (PCOs), venue finding services (VFSs), association management companies (AMOs), destination management companies (DMCs), and conference production companies. These act as intermediaries or specialist planners that are based at the destinations in which events take place.

To maximise the economic benefits of an event for the destination, and revenue for the venue, the destination and venue sales team of the DMOs, Conference Bureaus, VFSs, PCOs, DMCs etc. try to ensure that the highest possible number of delegates (along with the accompanying individuals) come to their destinations. They also encourage the delegates to extend their stay through pre- or post-convention tours. The priority for conference organisers and hosts is for the event to be successful; hence their main concern is with the logistics of the conference itself. The destination sales team aims to encourage business extenders and to maximise delegate attendance through:

- Incorporation of information on local tours, attractions and events in familiarisation trips, bid documents and presentations to organising committees.
- Offering photographic material and tourism information to conference and trade show organisers.
- Encouraging DMCs to tailor tours, guest programmes and excursions to the interests of a particular guest / delegate group.
- Suggesting the event organisers that they time the event appropriately so as to end just before the key cultural or entertainment aspect of the event or entertainment at some other place in the destination.
- Setting up discount schemes for delegates / business visitors by involving local vendors / suppliers such as shops, restaurants, fast food joints, car hire companies, and other such attractions.

Further, as recommended by Davidson, they can offer to business visitors at the time of booking, special discounts for weekends, if the visitor is attending the event as a delegate. They can also offer complementary 'add-ons' such as dinner or lunch, and offer special discounts on leisure breaks for key corporate customers as an incentive, when they do the bookings. They can also team up with local tourist or cultural attractions to offer business guests, special themed packages. The case study in Box No. 3 describes the key elements that have been taken into account for strategic marketing by the Singapore's Sales Incentives and Event Support Programme.

BOX NO. 3

The Singapore's Sales Incentives and Event Support Programmes: A Case Study

The Singapore Exhibition and Convention Bureau (SECB) is a division of the Singapore Tourist Board. The 'Make it Singapore PLUS!' was a sales promotion campaign developed earlier and administered by the SECB, in order to reinforce Singapore's reputation as a business hub and to attract more MICE events to Singapore. The 'Make it Singapore PLUS' campaign has now been superseded by two complementary schemes: (i) Business Events in Singapore (BEiS); and (ii) Singapore MICE Advantage Programme

(SMAP). The objective of both these schemes is to strengthen and increase the global market share of Singapore's business events. This is targeted to be achieved by providing additional leverage for those who are given the task of procuring more MICE events for Singapore.

The Business Events in Singapore Scheme

The BEiS scheme was launched in 2012 to encourage the business events' industry. The purpose was to anchor and grow quality events, and to enable the innovation of new content. BEiS is open to all businesses / companies or associations in the MICE sector. It provides customised support ranging from venue selections, introductions to leading government agencies and business partners, as well as publicity support. According to BEiS, the proposed events should fall under any of the following categories: Meetings, Incentive travel, Association conventions, Corporate activities, Trade conferences and Exhibitions. The scheme's strategy has a provision where successful applicants will receive funding support of upto 70 per cent of qualifying costs, based on the scope of the project and its merits. Qualifying costs mean the costs related to third party professionals (example professional conference organisers, event management agencies), content development, marketing and bidding activities. The proposed events will be evaluated based on: (i) Content, which means content of the event has to be relevant to Singapore's strategic industry clusters; (ii) Brand, through which the proposed event has a potential to make an impact in Singapore; and (iii) Delegate profile, which means the numbers of foreign visitors. The applicants can be event organisers from MICE companies, businesses and associations.

The Singapore MICE Advantage Programme

This programme was launched in 2013 and is a new partnership jointly developed by the Changi Airport Group, Singapore Airlines and the Singapore Exhibition and Convention Bureau. SMAP offers enhanced event management services for event organisers and MICE visitors from overseas. SMAP aims to provide a variety of services and benefits for achievement of cost savings and to smooth the event planning processes and operations. The MICE-delegates who travel to Singapore for attending the SMAP-supported events will be able to enjoy exclusive airline and airport benefits.

Additional Benefits

All the groups that fulfil the minimum foreign trade visitors will enjoy benefits like: Changi Dollar Value vouchers for shopping and dining at Singapore Changi Airport; A selection of exceptional value fares to Singapore on Singapore Airlines for participants coming from over 60 destinations across the world; Special rates on Singapore Stopover Business and Singapore Stopover Holiday packages for participants; Complementary welcome desk at Singapore Changi Airport for the organisers to welcome their guests; Suggestions on social activities like city tours; Recommendations for MICE and social venues; Visa facilities for the participants; Introduction to relevant agencies and suppliers for event facilitation; and Complimentary Singapore brochures and maps. During the period upto March 2015, 64 applications were received for assistance under SMAP, and 11 events were staged with SMAP support.

Source: Rogers and Davidson (2016); www.miceyoursingapore.com

Questions

1. Name the two complementary schemes of ‘Make it Singapore PLUS.’
2. The BEiS scheme provides customised support in which areas, and for what event categories?
3. What are the strategies of the scheme?
4. Who are the partners in SMAP?
5. The SMAP aims to provide event management services for whom?
6. What are the services and additional benefits of the SMAP programme?

Intext Activity 1.

Undertake an online search of 5 of each of the following across the world: (i) Convention Bureaus, (ii) Destination Marketing Organisations or Companies, (iii) Meeting Planners, and (iv) Conference Organisers. Also write about the details provided by each of these websites. For example, www.miceseoul.com gives information on Seoul as a convention and business events / MICE destination.

Check Your Progress I

Note: Use the space provided for your answer

- 1) What is strategic marketing? Explain the need for a strategic marketing plan.

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- 2) Explain the scope of experiential marketing.

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3) Discuss briefly, the ‘Risk vs Return Matrix’ for a marketing campaign.
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4) What are DMOs?
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5) What are Convention and Tourism bureaus? Do they have a role in the marketing efforts of event organisers?
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6) What strategies does the destination sales team use in order to encourage business extenders and maximise delegate attendance?
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6.5 LET US SUM UP

This Unit has provided you with insights on strategic marketing and its considerations. Strategic marketing in events involves a long-term continuous relationship with customers in contrast to having short-term focus on immediate sales, involving a shift from transaction-oriented marketing to relationship-driven marketing. It involves the understanding of customer’s need and management of customer relationships to benefit the organization. With the help of a strategic marketing plan the event marketers optimally utilize the available resources for

achieving the marketing objectives successfully. Recently the value of events as an effective experiential marketing tool has been realized and is forming an essential component of effective marketing campaign, as events have the ability to stimulate four senses: touch, taste, sound and smell. These aspects of an event emphasize the need and importance of designing suitable strategic marketing for events. This Unit discussed certain considerations for strategic event marketing namely - Risk versus Return Matrix and Popularity Share Matrix. The roles of Destination Marketing Organisations (DMO) and Convention Bureaus as essential entities of marketing activities have been highlighted. The Unit also took up strategic marketing of two events and a DMO in the form of case studies.

6.6 KEYWORDS

- Millennial** : It is referred to the population born between 1982 and 2004. It is also referred to as Generation Y.
- Generation Z** : It is referred to the population born from the later part of 90's to the mid 2000's.
- Experiential Marketing** : It is marketing through events by providing live experiences. It encourages the audience to engage with a product or an idea creating a quality engagement between brand and consumer.

6.7 REFERENCES AND SUGGESTED READINGS

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www.businessworld.in

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6.8 CHECK YOUR PROGRESS - POSSIBLE ANSWERS

Check Your Progress I

- 1) Strategy includes foresight, a holistic view and an understanding of how to define objectives and achieve them, even against resistance. Strategic marketing is the process of identifying the sustainable competitive advantages of the organization and assigning resources to develop them. Strategic marketing involves a long-term continuous relationship with customers in contrast to having short-term focus on immediate sales. This involves a shift from transaction-oriented marketing to relationship-driven

marketing. Such marketing activities have significant implications for an organization as a whole as they are more concerned with how an organization determines its best opportunities in the market place, given its overall objectives and resources, rather than with only promoting its offerings by creating advertising campaigns. Strategic marketing plan is necessary as it involves the understanding of customer's need and management of customer relationships to benefit the organization. A strategic marketing plan will allow the event marketers to optimally utilize the available resources for achieving the marketing objectives successfully. Companies are putting their efforts and huge amounts of money in developing a strategic market plan. A well planned marketing campaign cuts down the sales cycle of the company and enables it to perform in marketplace.

- 2) Events have been realized as an essential component of effective marketing campaign. Experiential marketing is all about engaging the customer on an emotional level. Earlier, traditional marketing tools were used to push the consumer to listen to their message. But today, experiential marketing is used to pull the consumers, invites them to see their product / service / idea and allows them to take their own decision. A good experiential campaign instead of pushing customers to buy any product or services, encourages them to engage with a product or an idea, thus creating quality engagement between brand and consumer. Events are far more effective as experiential marketing tools because they have the ability to stimulate the four senses: touch, taste, sound and smell. When brands are able to stimulate more than one of these senses through experiential marketing campaign, they are easily recalled by consumers in the later days evoking an emotional connection with the product / brand. It is this connection that eventually influences perceptions and drives purchase decisions. Moreover, due to quality engagement between the brand and the consumer, the experiential marketing campaign has immense power of word of mouth. This is because those who enjoy a positive experience have a tendency to share it with others, directly or indirectly endorsing the associated product and thus increasing brand advocacy. Through social sites brands have a chance to become part of this real life experience, sharing process, engaging thousands and thousands of people via post. However, the promotion is in favour only when people share positive experiences. About 50% of India's population falls in the Generation Z category (those born from the later 90s to the mid 2000s), besides Millennials, who are a huge market for event market planners. Since, experiential marketing allows a business to look their customers squarely in the eye and generate a mutual rapport, the marketers must design suitable strategic marketing for events. Experiences have a powerful role in inspiring us to create, or to change, to question our beliefs, to embrace new ideas and find new passions. Thus, when used through strategic marketing they become incredible powerful marketing tools.
- 3) A major consideration for strategic marketing is the evaluation of risks associated with the event. Usually high risk goes with higher returns. The matrix in the figure shows the relation between risks and returns depending on the type of events. It considers two types of events: (i) pre-planned events i.e., events which are executed after proper planning and diligent decisions; and (ii) ad-hoc events i.e., those that are taken up on the spur of the moment. The matrix shows that on the basis of finance, events can be either fully sponsored or fully ticketed or partially ticketed and partially sponsored.

Each decision carries an element of risk grading from zero risk to very high risk as shown in the figure, which is also linked with the type of event.

Type of Finance for Funds and Revenue	Time		
	Pre-planned	Ad-hoc	
	<i>Fully Sponsored</i>	Zero risk Assured Returns	Low Risk Assured Returns (Can Charge extra since chances of failure are high)
	<i>Partially Sponsored and Ticketed</i>	Medium Risks Assured Returns to cover costs and chances of loss are low	High Risks Assured Returns to cover costs but lower chances of profits
<i>Fully Ticketed</i>	High Risks Chances of high Profits with equal chances of losses	Very High Risk Very less time to ensure reach Chances of failure and loss are high	

Fig: Risks vs Return Matrix

- 4) DMOs or Destination Marketing Organisations are responsible for promoting individual destinations to potential event organisers for holding their events. The DMOs are responsible for attracting not only events but also leisure tourists to their destinations. That is why the term 'tourism' or 'visitor' is often included in the names of individual DMOs. DMOs are of two types: (i) the National Tourism Authorities (NTAs) or National Tourism Organisations (NTOs), and (ii) Regional or state DMOs. The structure of the DMOs changes from country to country and from city to city.
- 5) Convention and Tourism Bureaus are basically not-for-profit DMOs and are responsible for stimulating interest in the destination, in order to persuade conference buyers to hold their events. Therefore, yes, they play a significant role in the marketing efforts of event organisers. Convention bureaus are marketing and promotional agencies under which businesses that promote their own products and services stand. Besides promoting a favourable image of their destination, convention bureaus serve to unify the marketing efforts of various suppliers and event organisers operating in that area.
- 6) The destination sales team aims to encourage business extenders and maximise delegate attendance through:
 - Incorporation of information on local tours, attractions and events in familiarisation trips, bid documents and presentations to organising committees.
 - Offering photographic material and tourism information to conference and trade show organisers.
 - Encouraging DMCs to tailor tours, guest programmes and excursions to the interests of a particular guest / delegate group.
 - Suggesting the event organisers that they time the event appropriately so as to end just before the key cultural or entertainment aspect of the event or entertainment at some other place in the destination.
 - Setting up discount schemes for delegates / business visitors by involving local vendors / suppliers such as shops, restaurants, fast food joints, car hire companies, and other such attractions.