

DIRECTORATE OF DISTANCE & CONTINUING EDUCATION

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BBA Course Material

JSBA11 - BASIC OF EVENT MANAGEMENT

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SYLLABUS
BASIC OF EVENT MANAGEMENT

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| I | Introduction: Event Management – Definition, Need, Importance, Activities. |
| II | Concept and Design of Events: Event Co-ordination, Developing &, Evaluating event concept – Event Design |
| III | Event Feasibility: Resources – Feasibility, SWOT Analysis |
| IV | Event Planning & Promotion – Marketing & Promotion – 5Ps of Event Marketing – Product, Price, Place, Promotion, Public Relations |
| V | Event Budget – Financial Analysis – Event Cost – Event Sponsorship |
| | Recommended Text |
| 1 | Event Management: A Booming Industry and an Eventful Career by Devesh Kishore, Ganga Sagar Singh - Har-Anand Publications Pvt. Ltd. |
| 2 | Event Management by Swarup K. Goyal - Adhyayan Publisher - 2009 |
| 3 | Event Management & Public Relations by Savita Mohan - Enkay Publishing House |
| 4 | Event Planning - The ultimate guide - Public Relations by S.J. Sebellin Ross |
| 5 | Event Management By Lynn Van Der Wagen & Brenda R Carlos, Pearson Publishers |

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UNIT – I

Event Management

Structure:

1.1 Introduction to Event

1.1 Meaning of Event

1.2 Definitions of Event

1.3 Objectives of Events

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1.5 Event Management Industry – A Historical Perspective

1.6 Nature and Scope of Events Management

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1.1 Introduction to Event

Events are happenings, often used to suggest that what happened was on an unusual scale, Memorable etc. Most of us participated in events but managing the events are the difficult task to achieve its objective.

Event management involves planning, organising and execution of live events, which could include a brand/products launch, an exhibition, a concert or even a conference. It is basically an extended form of advertisement, though more interactive. As a separate industry it is projected to grow at 30 % per annum.

The first impetus to event came with the liberalization of the Indian economy in the early nineties. The explosion of satellite channels and the popularity of foreign artists have fueled the growth in the industry in recent years.

Traditionally, events were considered useful for rural markets and for products with a ban on advertising like liquor and cigarettes. Low literacy levels and limited media penetration made events a necessary exercise in rural markets. But today, events are no

longer limited to a few products and markets. Event marketing is gaining popularity in long-term brand image building and humanizing of corporate.

Aims of the any events are to minimize the risks and to maximize the enjoyment of events audience. In most cases careful attention must be give to transportation, technology and security and a host of other elements like venue ,theme, financial consideration, timings, Events team, contractors and other stake holders etc. Event management is the application of the management practice of project management to the creation and development of festivals and events. Event Management involves studying the intricacies of the brand, identifying the target audience, devising the event concept, planning the logistics and coordinating the technical aspects before actually executing the modalities of the proposed event.

Event management as a subject has attracted considerable attention of several public relation professionals, due to its being a powerful tool for communicating to the target publics. Undoubtedly, events offer a direct and quick exposure to the intended audiences. Today, special events are an important activity as the event reach out to several people and peculiarly satisfy the desire of most of the people to participate in the event, who have quite a few objectives to obtain like the special benefits offered to the visitors, to enjoy some entertainment, to gather some stimulation, to socialize, and also to become more knowledgeable on subjects, etc. To organizers also it is a specially created forum to share information, showcase achievements and products, and even to express gratitude to the public's for their supports.

Organizing events has come to stay as an integral part of the PR responsibility for obvious benefits to the business organizations. Needless to say that event is not a mere show business, but an objective based activity in which the companies invest sizable amounts of money for obvious benefits and returns.

Therefore, before an event is put up, it is important to determine the objectives of such an event, so that the event pays back in terms of good returns on investment. Particularly, in the market area, the measurement of the effectiveness of such events would become immediately possible in terms of the sales an event was able to generate. Therefore, the objectives of an event must be spelled out, right before starting the ground work.

1.2 Meaning of Event

The dictionary defines an event as ‘anything that happens, as distinguished from anything that exists ‘or ‘an occurrence, especially one of great importance’. These definitions specify the subject of these text-event-things of significance that happen. They are

very wide definitions, but they have to be all-embracing to allow for their innate universality in leisure and tourism, something considered a little later.

Event is commonly understood as an occurrence or something that happens. A unique moment in time celebrated with ceremony and rituals to satisfy specific needs. Special event in two perspectives:

One time or infrequently occurs event outside normal programs or activities of the sponsoring or organizing body.

To the customer or guests, it is an opportunity for Leisure, social or cultural experience outside the normal range of choices or beyond everyday experience.

A log list, and still it has many omissions-the area is so large it would be impossible to detail all the possibilities. In any case, someone is constantly devising new projects and organizers all over the place are adding to the list.

It is important to recognize this diversity and treat every event as different; each event has its own characteristics and requirements to be identified and met. Regarding each venture as exactly the same is dangerous and can lead to poor organization, through failure to consider all the relevant factors.

Here are some key questions for the group to answer together to guide your visioning:

- ✓ What are our goals for the event? How many people do we want to attend?
- ✓ Who is the audience? Who do we want to make sure is in attendance?
- ✓ When will be the best time to hold this event such that the most people will attend?
- ✓ What should happen at the event? What should the schedule be in order to facilitate an educational, exciting, and impactful event?
- ✓ How will you make the event happen?

It Happens

An event is something that 'happens' not just 'exists', and here is the biggest issue somebody has to make it happen. Successful events only come about through action-some individual or group of individuals getting things done. This applies to all events (little or large).

Every single thing that needs to happen has to be made to happen by someone initiating the action. One of the key steps is to identify all the tasks which have to be accomplished, and all of them have to be carried out for a successful event to occur.

1.3 Definitions of Event

There is no single universally accepted definition of event. Many authors have discussed the definition of events and the various terms used to describe them. However, there is only limited agreement on standardised terms across the various researches.

The Accepted Practices Exchange Industry Glossary of TERMS (APEX, 2005) defines an event as, “An organized occasion such as a meeting, convention, exhibition, special event, gala dinner, etc. An event is often composed of several different yet related functions.”

Goldblatt (2005) focuses on special events as “a unique moment in time, celebrated with ceremony and ritual to satisfy specific needs.” Getz (2008) notes that events are spatial - temporal phenomena and that each is unique because of interactions among the setting, people, and management systems, including design elements and the program. He highlights the fact that the biggest appeal of events is that they are never the same, and that the guest has “to be there” in order to enjoy the experience fully. He suggests two definitions, from the perspective of the event organizers, as well as the guests:

A special event is a one-time or infrequently occurring event outside normal programmes or activities of the sponsoring or organizing body.

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.

Bowdin (2006) notes that the term “event” has been used “to describe specific rituals, presentations, performances or celebrations that are consciously planned and created to mark special occasions and/or to achieve particular social, cultural or corporate goals and objectives.” Jago and Shaw (1998) suggest six features of special events. According to them, special events should: Attract tourists or tourism development ,Be of limited duration , Be one-off or infrequent occurrence , Raise the awareness, image, or profile of a region, Offer a social experience , Be out of the ordinary.

Summarizing the definition of a special event, they note it as: “A one-time or infrequently occurring event of limited duration that provides the consumer with a leisure and social opportunity beyond everyday experience. Such events, which attract or have the potential to attract tourists, are often held to raise the profile, image or awareness of a region.”

1.4 Objectives of Events

According to The Standard Oil Company of America, there has to be a policy for organizing special events, which is as follows:

It is company policy to hold open house, conduct tours, and participate in special events that give us an opportunity to show our goodwill toward the community, as well as gain new friends and customers. Such public relations activities give our neighbors a chance to meet us and see how we live. When properly conducted, they offer visible proof that we keep our house in order, that we spend our funds wisely, and that we are a desirable neighbor, a good citizen, and a steady, considerate employer.

As such, 'In planning a special event, a comprehensive statement of objectives is essential in determining the theme, emphasis, scope, and program. The objectives should consider the particular interests, background, and knowledge of the persons to be invited.

Some of the objectives of special events in community programs are to maintain or enhance community approval, correct possible misconceptions about the sponsor's organization, present the company as a good employer, and inform the community of the volume and value of the company local purchases, wrote H. Frazier Moore and Frank B. Kalupa (2005).

There can be a wide variety of objectives for organizing events. Various companies, depending on their size and nature of business, may have different objectives behind holding such events. Amongst the several reasons, some of the objectives generally are: generate market excitement, win public support for a company/cause, generate publicity/media hype, enhance, polish, or correct corporate image, launch a new product, alert customers to sales/clearance, provide after-sale-service reinforcement, win customers and their confidence, mould public opinion, take credit for good performance, celebrate company milestones like silver jubilee, fund raising, hire personnel, celebrate mergers and acquisitions, and win elections.

1.5 Event Management – Concept

The concept of Event management is all about applying project management to the creation and development of festivals, events and conferences. It focuses on studying the intricacies of the brand, recognizing the target audience, devising the event concept, planning the logistics and coordinating the technical aspects prior to actually executing the modalities of the proposed event. Post-event analysis and ensuring a return on investment have become chief drivers for the event industry.

1.6 Event Management Industry – A Historical Perspective

India, over the past couple of decades has witnessed a phenomenal growth of the event management industry. Events have always been a part of the Indian culture and have

been organized by one and all, in their amateurish way, but with the marketing pressures growing and challenges becoming tougher, the live entertainment industry or the sales promotion techniques called events, have gripped the attention of all marketing and public relations professionals. So far the function of organizing these special events was undertaken by some advertising and public relationship agencies who would consider it an offshoot of the major advertising. But realizing the complexity of this art, there have mushroomed several event management companies who specialize in this tourism business.

A look at the historical perspective reveals that the event management companies are nothing new to the Indian scene. Since time immemorial, we have witnessed mega events organized for different reasons and occasions. From the gorgeous wedding of lord Rama and Sita organized by king Janak to today's event like Miss World contests and Film fare awards evening, all are the old and new versions of the event management efforts.

However, managing an event, from start to finish, has come to stay as a specialist job. The event management outfits now function on the lines of company, with plenty of professionalism in conceptualizing, planning and executing an event and even managing the aftermath of the event for corporate publicity advantage. The job not being a stereotyped effort, there is a need for every event to be distinctly different than the other.

A look backwards reveals that a decade ago, the term event management which has become an integral part of the Tourism, was not heard of. Having witnessed the growth prospects and attractive returns in terms of high billings, profits, glamour and excitement, the event management art has matured enough to be a profession. So much so that event management has become an area of specialization in the management education field and some new generation professionals take lot of pride in flaunting their specialist skills in the profession.

1.7 Nature and Scope of Events Management

Scope of event management a good career option which does not require much investment-and offers a Lot of Independence and flexibility in work. Scope of event management Demands a lot of hard work and efforts to get the client base for the events. Event management is a process of Organizing a Focused and professional event, for a particular target Audience. The scope of event management is the most Profound form of advertising and marketing which is full of glamorous and thrilling profession now days. Planning is one of the most important elements of event management you can say or is planning an event in itself. It gives benefits to event managers by event advertising, it

promote the publicity of event. It gives benefits to advertising companies through communicating source with the public, introduction of new products to public. The scope of event management provides a wide variety of career that could be anything from concerts, product launches, conferences, promotions, press conferences, jubilee celebrations and farewells to television based events, fashion shows, wedding or parties. The event management industry is characterized by the presence of a small number of dominant large players and a greater number of smaller outfits. Unfortunately, the industry is too young to offer a predetermined career path.

Events are great ways to educate your community, grow your local movement, and influence decision-makers. In this about public events primarily, such as rallies, concerts, walks, and forums, though many of the same concepts apply whether you're hosting a house party, or a march.

1.8 Need and Importance of Events

The purpose of the event should drive all the planning.

Example: if you were running a conference for financial planners there could be two quite different purposes:

- ✓ To facilitate an exchange of information, bringing participants up-to-date with the latest changes in financial planning software products.
- ✓ To achieve a memorable out-of-body experience for financial planners in order to develop a positive association with a new software product.

To achieve the first purpose would be quite straight forward as this would require a fairly standard meeting or convention. Fulfilling the second purpose however would be more difficult. For this unforgettable experience you would need a unique venue and carefully planned activities that the participants would enjoy. At the same time the product would need to be reinforced constantly so that attendees would leave with an inescapable association with it. To have fun without the positive association would defeat the purpose. The focus of the first of these purposes is information, whereas that of the second is entertainment. Although of any events the main purpose is making a profit, for many it is not. This festival is an example of an event with a community purpose.

There may be a number of reasons for conducting an event such as:

- ✓ To inform and educate the community about a cause
- ✓ To obtain media coverage for an activity or organisation
- ✓ To raise funds

- ✓ To celebrate a community's strength and cohesiveness
- ✓ An awards or presentation ceremony

1.9 Importance of Event Manager

Having pointed out the level of demand for the event manager and thus the possible downside of the profession it is important also to point out that the event industry is one in which people (The event audience) tend to have the time of their lives. Making this outcome possible and sharing this with them is extremely gratifying. The work is demanding, exciting and challenging and it requires a fine tuned balance between task management and people management. An event manager must bring together a team with clearly defined responsibilities for all aspects of the events including unexpected crisis. The team needs to be both organized and flexible. Events can be unpredictable and do require quick thinking that is based on the sound knowledge of procedures and alternatives. Decision making is one of the most important skills of the event manager and those with.

Definitions

They can range from local village events to international spectacles featuring participants from throughout the world.

According to Professor Donald Getz (1997) defines special events from two perspectives that of the customer and that of the event manager as follows;

- ✓ A special event is a one time or infrequently occurring event outside normal program activities of the sponsoring or organizing body.
- ✓ 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 every day experience.

Dr.J.Goldblatt (1997) defines special events as "A unique moment in time celebrated with ceremony and rituals to satisfy specific needs"

Other than special events as defined before and course common events such as sporting events, corporate limiting, conventions, exhibitions, parties, festivals, carnivals and prize giving are monies, which was not must the definition "outside the normal range of choice."

1.10 A Variety of Events

In leisure, tourism and related fields, events are extremely diverse:

- ✓ Artistic performances
- ✓ Band contests

- ✓ Sporting Competitions, Tournaments and displays
- ✓ Pageants
- ✓ Carnivals
- ✓ Open days
- ✓ Art displays
- ✓ Theatrical performances
- ✓ Festivals
- ✓ Caravan rallies
- ✓ Firework displays
- ✓ Nature tours
- ✓ Training days
- ✓ Boat trips
- ✓ Environmental days
- ✓ Motoring rallies
- ✓ Fetes
- ✓ Historic tours
- ✓ War games
- ✓ Royal tournaments
- ✓ Civic galas
- ✓ Museum displays
- ✓ Air displays
- ✓ Street parties
- ✓ Celebrity appearances
- ✓ Careers exhibitions
- ✓ Highland games
- ✓ Garden parties
- ✓ Agricultural shows
- ✓ Music festivals
- ✓ Sponsored walks
- ✓ Car boot sales
- ✓ Open days
- ✓ Marathons
- ✓ Dog shows
- ✓ Parades

- ✓ Garden displays
- ✓ Educational seminars
- ✓ Round-the-world races
- ✓ Town shows

1.11 Types of Events

Events can be classified into four broad categories based on their purpose and objective:

1. Leisure events e.g. leisure sport, music, recreation.
2. Cultural events e.g. ceremonial, religious, art, heritage, and folklore.
3. Personal events e.g. weddings, birthdays, anniversaries.
4. Organizational events e.g. commercial, political, charitable, sales, product launch, expo.

Broadly speaking following are the categories of events:

1. **Corporate event** is another field which includes in-house events as well as larger ones for promotion of products or services. Such fields become meeting point of corporate people of same field.
2. **Trade fairs** are a great opportunity to present your latest products to customers and business partners.
3. **Trade shows** are exhibitions where companies can present and demonstrate their latest products. A professional presentation is crucial.
4. **Meetings** are common business events in large companies, perfect to discuss operational and financial strategies.
5. **Seminars** are educational events for the training of managers and employees. Most seminars are not comparable with boring lectures. Interactivity is core.
6. **Conferences** are popular and important business events. Everything about the event management of academic, medical and business conferences.
7. **Grand events** include prospects like weather, security, celebrities and companies etc. Generally big budgets are involved in them.
8. **Small events** like little shows for children, small office parties need to need the purpose and target audience.
9. **Sporting events:** There are these sports events which may be at inter school level or intra school level or in colleges or even at state levels. Sports events are not one day events, it needs extensive planning right from the day it starts till the finale. On a

larger level, national and international sports events are planned by a bug group of event mangers working together.

10. **There are musical events**, where in audience has to be taken care of along with issues like ticketing and managing availability of seats etc. accommodation of the artist and co workers is another deal.
11. **Networking events** are personal marketing galas. Such events are great opportunities for contact establishment and personal marketing.
12. **Opening ceremonies** are held to start conventions, annual meetings and other events that last for two or more days. Find everything about opening events.
13. **Theme Parties** are events that devote to a special topic. Popular events are casino nights or Halloween parties. Ideas and planning tips.
14. **Golf events** are golf tournaments or retreats. Those events aim to acquire new customers, to increase customer loyalty or to motivate employees.
15. **Award ceremonies** are great events to honor and motivate key staff or to acquire and retain customers. Event planners are able to organize events to remember.
16. **Board meetings** focus on strategic goals and visions. The event venue and the planning process should reflect the prestigious nature of these meetings.
17. **Team building** events plays a key to develop and motivate teams in companies and divisions.
18. **Business dinner** is a long-standing corporate tradition to conclude fiscal years, celebrate new milestones or to get in contact with key customers.
19. **Press conference** is a perfect business events to promote new products, launch marketing campaigns or to inform the shareholders and public about financial issues.
20. **Incentive travel** is perfect to reward and to motivate employees or to increase customer loyalty and retention.
21. **Product launch** are critical for the successful market introduction of some products. A perfect product presentation might also increase the media coverage.
22. **VIP events** are used to increase customer loyalty. Professional planners organizing VIP events that ultimately increase your revenues.
23. **Shareholder's meeting** is yearly and obligatory events to inform a corporation's shareholders about company issues and to elect the Board of Directors.
24. **Incentive events** motivate employees or close the ties to customers. Event managers are planning events that help to enhance customer loyalty.

25. **Executive retreats** escapes from stressful work schedules and the day-to-day business. Learn how they should stimulate free thinking and creativity.
26. **Wedding** should be the most important days in the life of brides, grooms and their families. Professional event managers help to plan the events.
27. **Wedding Anniversaries** celebrate milestones in a couple's life together. Ideas and hints that help you to plan those events or find professional even managers.
28. **Birthday** require seldom a professional event manager, but there are exceptions. Find out how event managers can help you to make your party a success.
29. **Family events** are great opportunities to assemble whole families. We offer hints and ideas to plan perfect family events like birthdays, weddings, etc.
30. **Convention:** Convention is a formal meeting of members, representatives, or delegates, as of a political party, fraternal society, profession, or industry.
31. **Festivals:** Festivals which are mostly arranged in open spaces are at a greater risk. There will be huge area undertaken for this purpose. It is during this time, that people get crowded and there are already problems around. When in such a situation, the weather goes bad, it becomes hard for the merchants and the crowd to move themselves and their belongings to safety.
32. **Family functions** for example, a wedding ceremony like a garden wedding which requires only as mall space in the garden, can be a success only when the weather is fine and clear.
33. **Star events** music and dance performances given by famous celebrities and performers usually prefer open air theatre which can again be at the risk when it comes to weather.

1.12 Event Management Procedures

Event managers must ensure that event management procedures cover a full range of emergencies including major injury or illness of players or spectators, fire, bomb threat, crowd disturbances and climatic conditions such as lightning, torrential rain, flooding, etc .,

Event manage procedures should also assist event personnel to effectively do their job. Although the most important procedures will be about safety, there should be other procedures that lessen risks to the event profitability and the organisation's reputation. These procedures might include:

- ✓ Cash management
- ✓ Food serving and hygiene

- ✓ Waste collection
- ✓ Marshaling of competitors
- ✓ Restriction of access to certain areas
- ✓ Arrival and greeting of visiting dignitaries
- ✓ Loudspeaker announcements during the event
- ✓ Giveaways of merchandising or free food and drink
- ✓ Raffles and fundraising
- ✓ Interviewing Event Staff

The provision of training to event staff (and volunteers) is a critical element in risk management. It is a dangerous situation to presume that procedures have been read and that people will know what to do in an emergency. Ultimately the buck stops with the Event Manager and therefore it is a reasonable use of the Event Manager's time to have meetings with Event Staff, either individually or in groups, to determine their knowledge of procedure.

Event management is the planning and management of an event, project or activity. It is important when staging an event to be clear about WHY the event is being held:

- ✓ To inform and educate the community about a cause;
- ✓ To obtain media coverage for an activity;
- ✓ To raise funds; and
- ✓ To celebrate a community's strength and cohesiveness.

Organizers should also clarify WHO the event is for. Most events will cater for a variety of interest groups:

- ✓ The local community;
- ✓ Members
- ✓ Sponsors
- ✓ Media; and
- ✓ Potential members

Regardless of the nature of the event, your target audience or the event's objectives, some key steps should be followed to help ensure a successful event.

Today, there a number of people, who have entered the field because they realize the potential of the market where demand and supply is concerned. In fact, the most profitable aspect of this field is the need for creativity. And that is how and where one earns.

Event management generally means conceptualizing, meticulous planning, organizing and finally executing an event. It is a set plan involving networking of a multimedia package,

thereby achieving the client's objectives and justifying their needs for associating with events.

1.13 Activities in Event Management

In event, activities usually vary with the category of event being organized. Therefore, the following listing is generic in nature. Once marketing has managed to convert an enquiry into a firm order, the hands-on work of event management begins. The following is a sequential flow of how management actually happens, i.e. How planning, organizing, staffing, etc., get together for an event. The flow is divided into three sections:

- ✓ the first deals with the pre-event activities
- ✓ the second with the during-event activities and
- ✓ the last details the post-event activities involved.

This theory states that the functions of management can be classified into planning, organizing, staffing, leading and controlling.

- 1. Planning:** The planning function is involved in micro-level event coordination activities such as liaison with the creative team discussing, facilitating and arranging for the technical specifications viz., sound, light, stages and sets.
- 2. Organizing:** Organizing in the context of event management essentially involves the description of the activities required for an event, identifying individual and team tasks and distribution of responsibilities to coordinators. Such as exercises helps in creating an intentional structure for clarity or roles and positions.
- 3. Staffing:** Functional responsibilities in a project type organization structure define event management staffing requirements. The importance of team structure, experience, background and expertise of team members plays a crucial role in event management.
- 4. Leading and coordination:** The sum and substance of events as a whole revolves around interpersonal skills. The need for achieving synergy among individual efforts so that the team goal is reached is the main aim of coordination. The overall coordinators need to be leaders with fantastic people skills. The leadership qualities desired of an event manager include the ability to spot a deal and think on one's feet.
- 5. Controlling:** Evaluation and correction of deviations in the event plans to ensure conformity with original plans is the gist of controlling. Evaluation is an activity that seeks to understand and measure the extent to which an event has succeeded in achieving its purpose. The purpose of an event will differ with respect to the category

and variation of event. However, to provide reach and interaction would be a generic purpose that events satisfy.

Check Your Progress

Choose the Correct Answer:

1. Event management refers to

- a) Planning and organizing events
- b) Selling products
- c) Managing finance only
- d) Advertising goods

Answer: a) Planning and organizing events

2. Event management mainly focuses on

- a) Planning, organizing and executing events
- b) Production of goods
- c) Transportation
- d) Accounting work

Answer: a) Planning, organizing and executing events

3. Which of the following is an example of an event?

- a) Conference
- b) Exhibition
- c) Wedding
- d) All of the above

Answer: d) All of the above

4. The need for event management arises because

- a) Events require proper planning and coordination
- b) Events happen automatically
- c) Events require no planning

d) Events are simple

Answer: a) Events require proper planning and coordination

5. Event management helps in

a) Creating brand awareness

b) Promoting products

c) Building relationships

d) All of the above

Answer: d) All of the above

6. One of the important activities in event management is

a) Budget planning

b) Venue selection

c) Promotion of event

d) All of the above

Answer: d) All of the above

7. Event management is important for

a) Business promotion

b) Social gatherings

c) Cultural programs

d) All of the above

Answer: d) All of the above

8. The first step in event management is usually

a) Event planning

b) Event evaluation

c) Event closing

d) Event reporting

Answer: a) Event planning

9. Event management requires

a) Coordination of different resources

b) Communication skills

c) Time management

d) All of the above

Answer: d) All of the above

10. Which of the following is NOT an event management activity?

a) Venue selection

b) Budget preparation

c) Production of raw materials

d) Promotion and publicity

Answer: c) Production of raw materials

Small Questions – LOCF Mapping Table

| S.No | Small Question | CO | Bloom's Level | PO |
|-------------|---|-----------|----------------------|-----------|
| 1 | What is Event Management? | CO1 | Remember | PO1 |
| 2 | State the need for Event Management. | CO1 | Understand | PO1 |
| 3 | What is the importance of Event Management? | CO2 | Understand | PO2 |
| 4 | List any two activities involved in Event Management. | CO2 | Remember | PO2 |
| 5 | What is event planning? | CO3 | Understand | PO3 |

Big Questions – LOCF Mapping Table

| S.No | Big Question | CO | Bloom's Level | PO |
|-------------|---|-----------|----------------------|-----------|
| 1 | Define Event Management and explain its need and importance. | CO1 | Understand | PO1 |
| 2 | Discuss the objectives and scope of Event Management. | CO1 | Analyze | PO2 |
| 3 | Explain the various activities involved in Event Management. | CO2 | Understand | PO3 |
| 4 | Describe the role and responsibilities of an Event Manager. | CO2 | Analyze | PO4 |
| 5 | Explain the importance of Event Management in business and social events. | CO3 | Evaluate | PO5 |

UNIT – II

Concept and Design of Events

Structure:

2.1 Introduction

2.2 Event Coordination

2.3 Developing an Event Concept

2.4 Evaluating the Event Concept

2.5 Major Consideration for Selecting an Event Venue

2.6 Event Design

- ✓ **Inside the World of Event Design**
- ✓ **Decor Costs**
- ✓ **Developing and Implementing the Design for your Event**
- ✓ **Purposes of Event Technology**
- ✓ **Audiovisual Effects**

2.1 Introduction

The recent growth of festivals and events as an industry around the world means that the management can no longer be ad hoc. Events and festivals, for instance the Asian Games, have a large impact on their communities and, in several cases, the whole country. The industry now comprised of events of all sizes from the Olympics down to a breakfast meeting for ten business people. Many industries, charitable organizations, and interest groups will hold events of some size in order to market themselves, build business relationships, raise money or celebrate.

2.2 Event Coordination

Regardless of the type and size of your event, you should establish a formal “event committee” consisting of committed members who are clear about their skills and what they are prepared to contribute. One person should lead the project as the Event Coordinator.

The event coordinator will need to be well organized, a good leader with great communication skills and able to generate enthusiasm. It is their responsibility to keep track of the event as a whole and to assign tasks to the event committee.

The event committee may consist of other members of your organisation, members of other organisation if it is a joint event, volunteers and other interested parties. The size of the committee is dependent on the size and complexity of the event.

One person needs to lead and make the final call on all decisions and take on the overall responsibility of the event and should be clear to all that are involved with the event. This should be the Event Coordinator.

As early as possible outline the responsibilities of each member, their tasks, their deadlines, the resources available to them, reliance on other members for support and any interdependency of tasks. Open and clear communication is necessary to ensure tasks are completed.

2.3 Developing an Event Concept

The key questions to ask at early developmental stage are:

- ✓ What is this event for?
- ✓ What form will it take?
- ✓ When and where will it be held?
- ✓ How will the event benefit participants?
- ✓ What could be barriers?

Events Concept intervenes as consultant, coordinator and creator of unique event projects for corporations, institutions and government bodies.

Deploying a direct link between the brand and it's different audiences: internal, B2B, B2C and consumer, Events Concept creates a global and holistic approach that differentiates!

In developing a concept for your event you need to determine the reason you are holding the event. Typical reasons for hosting an event include to celebrate, increase sales or to raise money for charity. Raising money for charity is an interesting concept and many business connect a charity to an event hoping it will encourage people to pay a higher price to attend or encourage more people to attend the event – this rarely is the case, particularly in a market that is saturated with many worthwhile charities.

Charities who run an event for themselves will find at the end of the day the work and insurance requirements versus the income received do not balance. Raising dollars for charities needs to be managed efficiently and effectively.

Once the primary reason for holding the event has been defined the event manager should then develop clear objectives for the event. This may include raising a defined amount of money; having a level of attendance; converting new customer or up-selling to current customers; gaining publicity or creating a WOW factor that will be talked about long after the event.

With a clear understanding of an events objectives, it is possible to bring together key stakeholders and brainstorm on the creative of your event including name, branding, promotional opportunities, the type and style of the event; date; venue; theme; activities that may take place at the event; entertainment; speakers and master of ceremonies that you may use. This is the time to think outside of the square – do not place boundaries on you or your event until you start piecing together all of the logistics. Be creative and if you think you are not creative include people who are creative.

You will now have your event concept; it is creative but will also meet the objectives that have been set for the event. With a clear concept in place the next step will include planning and budgeting. It is at this stage that you need to think of absolutely everything you will need to make your event happen. Start talking to your event manager and suppliers including venue, caterers, decorators, and entertainers – everyone that you will need to utilise to bring your event together and make it happen. If your suppliers are good they will troubleshoot some of the issues for you and often give you solutions.

Is your proposed date going to clash with a public holiday, school holiday, religious ceremony or other event held on the same day that will mean your proposed audience will not be able to attend?

It is in the planning stage that you need to start taking notice of the barriers that will stop your event from looking the way that you want it to. How are you going to get around or smash through the barrier? Any changes to the way that your event looks must not compromise your objectives or standards of your company.

With thorough planning and detailed implementation your event will be a success. Visionary events and marketing can assist with concept development, planning and implementation of your event. We can do some or your entire event – whatever additional resources you need to make it happen! Our event management packages are excellent value and are affordable for any organisation to utilise.

The key to creating an excellent event is to make sure that the concept you have developed will achieve the objectives and also appeal to your audience. If you get this right you are on the way to creating a successful event.

2.4 Evaluating the Event Concept

Some general suggestion for avoiding weather problems is the timing of the event is often linked to the season or the 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 vendors. And mid-winter is certainly not the time to hold a flower show. Although 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 to the sporting season and their traditional competitions. Broadcasting the event to international audiences is another consideration.

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

- ✓ Season
- ✓ Day of the week
- ✓ Time of the day
- ✓ Duration

Depending on the type of event, too much snow or not much snow in the case of an outdoor winter festival could determine the success of an event. Rain or high temperatures can affect summer festivals. Events that are scheduled too close to holidays or to other community events may have poor attendance. Certain times of the year seems to have an over supply of events. Wise event planners take into consideration the time of the year, normal weather patterns and already scheduled events that may draw attendees away.

2.5 Major Consideration for Selecting an Event Venue

- ✓ Size of the event (including the size of the audience)
- ✓ Layout of the site and its suitability for the event
- ✓ Stage, field of play or performance area
- ✓ Transport and parking
- ✓ Proximity to accommodation and attractions
- ✓ Supply issues for goods and services providers, such as caterers
- ✓ Technical support
- ✓ Venue management

An inspection of the site should reveal any limitations, the aspects to consider include:

- ✓ Compatibility with the event theme
- ✓ Audience comfort
- ✓ Visibility for the audience (line of sight)
- ✓ Storage areas
- ✓ Entrances and exits
- ✓ Stage area (where relevant)
- ✓ Equipment

- ✓ Safety and security
- ✓ Access for emergency vehicles.
- ✓ Evacuation routes

In viewing a potential event site, there are three major stake holders who need to be considered and whose perspectives could be quite different: the performers, the audience and the organizers. Performers mean those in the limelight, whether this involves providing an educational talk, dancing in a parade, presenting an award. Performers have some specific needs that are fundamental to their success, such as the level of intimacy with the audience (often the result of distance from the audience) or the volume of the sound. Secondly the audience has needs, the primary one being to see what is going on. The level of lighting and sound, as well as access to and comfort of the seats also contributes to audience satisfaction. Catering and facilities are generally secondary. Finally from a management perspective, the venue must help to minimize risks such as adverse weather, power failure, accidents and emergencies.

Your role now is to ascertain that the conference runs smoothly and any difficulties that may arise are handled efficiently and promptly. It is very wise to allocate a sufficient number of people to assist you on the day. Ensure your team members understand their responsibilities and tasks on the opening day of the conference. Hold a rehearsal to confirm arrangements and identify areas that may need further planning.

2.6 Event Design

It means, how is the event going to happen. The administration of a professional event is the first competency that must be mastered in the certified special events professional body of knowledge. Comprehensive administration is the foundation for all successful events. The administration of an event provides you and the stakeholders with data with which to design the dream that will produce the deliverables you desire. The term event originated from the Latin term e-venire. E in Latin means “out” and venire means “come.” Therefore, events are, in fact, “outcomes.” During the administration process the event manager must make certain that data identified during research are used to drive the design and ultimately to produce the measurable outcomes required by event stakeholders:

$$\text{Research (data) + Design = Planned Successful Outcomes}$$

Research without the important phase of design will result in a dry, one dimensional and perhaps boring event. To produce a multidimensional and multisensory event experience that transforms guests, you must research as well as design the event outcome. The research

and design phases ultimately produce the tools with which you can construct a blueprint of the event plan. The final event plan is, in fact, a direct reflection of the research and design phases.

Your role now is to ascertain that the conference runs smoothly and any difficulties that may arise are handled efficiently and promptly. It is very wise to allocate a sufficient number of people to assist you on the day. Ensure your team members understand their responsibilities and tasks on the opening day of the conference. Hold a rehearsal to confirm arrangements and identify areas that may need further planning. Keep your contingency plan handy.

2.6.1 Inside the World of Event Design

A successful decorator must offer a full range of services and products to be successful. Hargrove, Inc. will rent out a single prop or create an entirely new themed event. This diversity has proven successful for over 40 years. Although there are millions of new decorating ideas for special events, not all of them are practical. Therefore, it is always important to consider the following when choosing decorations:

- ✓ What will the venue (site, building) allow in terms of interior/exterior decor?
- ✓ What are the policies regarding installation? What are the policies or laws of the local municipality regarding decorating materials?
- ✓ What is the purpose of the decor?
- ✓ Are you conveying a specific theme?
- ✓ Is there a specific message?
- ✓ What period or style are you attempting to represent?
- ✓ What are the demographics and psychographics of your attendees?
- ✓ Are they spectators or participants?
- ✓ What are the budgetary guidelines for the decor?
- ✓ How long will it be in use?
- ✓ Which existing scenic pieces can be modified to fit your theme or convey your message?

2.6.2 Decor Costs

When hiring a design professional for an event, expect to cover not only the cost of labour, delivery, and the actual product, but also the consultation fee of the designer. In some cases this consultation fee may be included in the final bid for the job. If you are soliciting many different proposals, it is best to outline your budget range for the project to the prospective designers up front. This openness may dictate the selection of products for your

event. Labour is a major component of design charges because the designer-decorator's craft is so time consuming.

The complexity of the design will affect costs, as will the amount of time available for installation. The longer the time allowed for installation, the fewer persons required. Allow enough time for the designers to do their work from the very beginning, alleviating the need for extra lastminute labour to complete the job. While many variables are involved in pricing decor, a typical margin of profit above the direct cost of materials and labour is 40 percent. This does not include the general overhead associated with running a business, including insurance, rent, promotion, vehicles, and the like. Therefore, today's designers must be very careful when quoting prices to ensure that costs are recovered adequately and allowing for a profit. When purchasing design services, remember that each designer possesses a unique talent that may be priceless to your particular event. This perception of value may, in your estimation, overrule the pricing formulas described above.

2.6.3 Developing and Implementing the Design for your Event

Once the design has been developed and the plan finalized, the two must be merged to begin the implementation process. During the coordination phase we arrive at the intersection of research, design, and planning and through the convergence of these three places begin to operationalize the event itself. The coordination phase provides us with the opportunity to see the results of our early labors in research, design, and planning. It is also the opportunity to ensure that we preserve the integrity of our early efforts. Too often, changes are made during the coordination phase that affects the outcome of the event negatively because they do not preserve the integrity of the design and planning process. One technique for ensuring that you continually preserve the integrity of your event design is to appoint one person to monitor the coordination and make certain that there is a obvious relationship between the design, plan, and the final version of the event. Another method is to develop a series of written or graphic cues, such as design renderings or goals and objectives to make certain the stakeholders hold fast to the early vision of the event.

2.6.4 Purposes of Event Technology

Whether the purpose of your event is to educate or entertain or perhaps both, the technology that you select will help you best achieve your goals and objectives. In the conference event field you may select slide projectors, overhead projectors, a TelePrompter, or perhaps one microphone to improve communications between the presenter and the participant. The entertainment field may require theatrical lighting and special effects such as fog, laser, or strobe lights. Other fields will require different technology, however, ultimately

the purpose of the event will determine the final selection and coordination of the event technology.

2.6.5 Audiovisual Effects

The term audiovisual was probably coined in the 1950s, when schools, and later businesses and then associations, used slide and overhead projectors for instructional purposes. During the 1970s this technology expanded rapidly with more sophisticated audio tools as well as video enhancement due to the invention of video projection systems. Indeed, today dozens of audiovisual tools are available for use by event managers. However, you should concentrate on those 10 tools used most often in the production of civic, entertainment, expositions, festival, and conference events. These tools are readily available in most event markets or may be obtained from nearby larger markets.

Audiovisual projection is divided primarily into two projection fields: visual and audio. The tool and its power depend on the factors described in the checklist above. Audience size, distance, the age, and type of attendee are critical considerations when selecting a tool. The right tool will make your task easier and more enjoyable for your guests, and the improper tool will cause you frustration and irritate your guests. Therefore, when selecting audiovisual tools for an event, refer to the checklist to check and balance your decision. Digital images are rapidly replacing traditional photography in the event management production industry.. Monitor industry publications such as Event World and Special Events magazine to stay current with the latest technological advancements in the audiovisual field.

Check Your Progress

Choose the Correct Answer:

1. Event coordination refers to

- a) Managing and organizing all event activities
- b) Selling tickets only
- c) Advertising products
- d) Preparing food only

Answer: a) Managing and organizing all event activities

2. Event concept refers to

- a) The basic idea or theme of an event

b) The location of the event

c) The cost of the event

d) The duration of the event

Answer: a) The basic idea or theme of an event

3. Developing an event concept involves

a) Identifying objectives of the event

b) Deciding the target audience

c) Planning the theme

d) All of the above

Answer: d) All of the above

4. Event design mainly focuses on

a) Visual appearance and arrangement of the event

b) Employee salary

c) Product manufacturing

d) Accounting work

Answer: a) Visual appearance and arrangement of the event

5. Event coordination requires

a) Communication skills

b) Planning ability

c) Teamwork

d) All of the above

Answer: d) All of the above

6. Evaluation of an event concept helps to

a) Check feasibility and effectiveness

b) Reduce planning

- c) Avoid coordination
- d) Ignore objectives

Answer: a) Check feasibility and effectiveness

7. Which of the following is an element of event design?

- a) Theme
- b) Decoration
- c) Lighting and stage setup
- d) All of the above

Answer: d) All of the above

8. The purpose of event concept development is to

- a) Provide a clear direction for the event
- b) Increase cost
- c) Delay planning
- d) Avoid coordination

Answer: a) Provide a clear direction for the event

9. Event design should match

- a) Event objectives and audience expectations
- b) Employee wages
- c) Production levels
- d) Market competition

Answer: a) Event objectives and audience expectations

10. Effective event coordination ensures

- a) Smooth conduct of the event
- b) Confusion among staff
- c) Delay in activities

d) Poor communication

Answer: a) Smooth conduct of the event

Small Questions – LOCF Mapping Table

| S.No | Small Question | CO | Bloom's Level | PO |
|-------------|--|-----------|----------------------|-----------|
| 1 | What is event coordination? | CO1 | Remember | PO1 |
| 2 | What is meant by event concept? | CO1 | Understand | PO1 |
| 3 | What is event design? | CO2 | Remember | PO2 |
| 4 | What do you mean by developing an event concept? | CO2 | Understand | PO2 |
| 5 | Why is evaluation of an event concept important? | CO3 | Understand | PO3 |

Big Questions – LOCF Mapping Table

| S.No | Big Question | CO | Bloom's Level | PO |
|-------------|---|-----------|----------------------|-----------|
| 1 | Explain the concept of event coordination and its importance in event management. | CO1 | Understand | PO1 |
| 2 | Discuss the process of developing an event concept. | CO1 | Analyze | PO2 |
| 3 | Explain the methods of evaluating an event concept. | CO2 | Understand | PO3 |
| 4 | Describe the concept and elements of event design. | CO2 | Analyze | PO4 |
| 5 | Explain the role of event design in the success of an event. | CO3 | Evaluate | PO5 |

UNIT – III

Event Feasibility

Structure:

3.1 Introduction

3.2 Resources

3.3 The Approval Process

3.4 Feasibility

- ✓ **3.4.1 Risks Feasibility**
- ✓ **3.4.2 Time Feasibility**
- ✓ **3.4.3 Funding Feasibility**
- ✓ **3.4.4 Support Feasibility**
- ✓ **3.4.5 Staffing Feasibility**
- ✓ **3.4.6 Venue and Equipment Feasibility**
- ✓ **3.4.7 Environmental Feasibility**

3.5 SWOT Analysis

3.1 Introduction

Feasibility simply means that you have looked at the event design objectively to determine if what you propose is practical given the resources available. This is the final checkpoint before actual planning begins and, therefore, must be given adequate time for review. Municipalities often engage professional engineers or other consultants to conduct lengthy feasibility studies before approving new construction or other capital expenditures. Although you may not need a battery of consultants, it is important for you to review all previous steps thoroughly when determining the feasibility of an event plan.

3.2 Resources

The three basic resources that will be required are financial, human, and political. Each of these resources may have varying degrees of importance, depending on the nature of the event.

Example: A for-profit or large hallmark event will require significant financial investment to succeed. A not-for-profit event will rely on an army of volunteers, and, therefore, the human element is more important. A civic event will require greater political resources to accomplish. Therefore, when assessing and analyzing feasibility, first determine in what proportions resources will be required for the event.

3.1.1 Financial Considerations It is desired to know if sufficient financial resources are available to sustain development and implementation of the event. Furthermore, you must consider what will happen if the event loses money. How will creditors be paid? You will also want to know what resources you can count on for an immediate infusion of cash, should the event require this to continue development. Finally, you must carefully analyze the cash-flow projections for the event to determine how much time is to be allowed between payables and receivables.

3.1.2 The Human Dimension In assessing the feasibility of an event, you must not only know where your human resources will come from but how they will be rewarded (financially or through intangibles, such as awards and recognition). Most important, you must know how they will work together as an efficient event team.

3.1.3 Politics as Usual The increasingly important role of government leaders in event oversight must be viewed with a practiced eye. Politicians see events as both good (opportunities for publicity, constituent communications, and economic impact) and bad (drain on municipal services and potential for disaster). When designing civic events, it is particularly important that you understand and enlist the support of politicians and their bureaucratic ministers to ensure smooth cooperation for your event.

3.3 The Approval Process

The research and design phases add to the event history once an event is approved. The approval process may be as simple as an acceptance by the client or as complex as requiring dozens of signatures from various city agencies that will interact with the event. Regardless of the simplicity or complexity of this step, you should view it as an important milestone that, once crossed, assures you that the plan has been reviewed and deemed reasonable and feasible, and has a high likelihood of success. All roads lead to official approval, whether in the form of a contract or as individual permits from each agency.

3.4 Feasibility

An event feasibility study is a controlled process for identifying challenges and opportunities, determining objectives, defining successful outcomes and assessing a range of costs and benefits of an event concept. It is a preliminary study undertaken before the real work of an event/ festival starts, to ascertain the potential of the events success.

Developing a successful inaugural event can be a risky investment and taking the event concept from an initial idea through to the operational stage is often a complex and time-consuming effort. Red Horizon Events consulting expertise in feasibilities studies

provides decision makers, within your organisation, with the opportunity to make better, more informed decisions on new event concepts.

Benefits of Completing a Feasibility Study for Inaugural Events

- ✓ An effective analytical tool that assists decision makers in determining if the event concept will meet objectives and is viable
 - ✓ Provides supporting evidence for recommendations and demonstrates the strengths and weakness of the event concept
 - ✓ Helps to analyze the business idea in more depth, providing greater clarity on the event concept, defined objectives and key stakeholders
 - ✓ Allows for better, more informed decisions on the event concept at a logistical, financial, resources and marketing environment level
 - ✓ Reduces the risk of a wasted investment in - time, resources and money
 - ✓ Helps reduce the event project planning time for the event - should it go ahead
- Establishing the feasibility of your event is an essential first step to success. Event Feasibility service works with you to identify what matters and ensure your event is built on solid foundations.

3.4.1 Risks Feasibility

The staging of events has risks for the organisers that should be analysed and understood. The organisers need to have a relative degree of confidence that:

- ✓ The event will not result in a financial loss
- ✓ The event is organised sufficiently well that all parties are satisfied
- ✓ The organisation's mission will be enhanced as a result of staging the event
- ✓ The risk of injury is minimised as far as possible
- ✓ There are contingency plans to ensure the safety and well-being of all participants
- ✓ The venue and equipment will not suffer unexpected damage or loss
- ✓ The reputation of all parties (including the sponsor if one exists) as event organisers remains intact.

3.4.2 Time Feasibility

There are a number of crucial factors that determine whether there is sufficient time to make all the necessary plans and arrangements to stage a special event. In particular, the two most important factors are:

- ✓ the ability to book a venue; and
- ✓ the necessity to give participants an appropriate length of notice

The first factor, venues, whether they are ovals, sports centres, theatres, pools or other types of facility, must be booked months in advance. This has a direct bearing on the feasibility of staging an event. It is not possible to organise an event unless the hosting organisation has a venue booked. The time needed to plan and organise the event must be sufficient to ensure that a venue can be booked.

The second factor is having sufficient time to promote the event and ensure that competitors are able to attend. Imagine staging an event and finding that a very few competitors were able to attend. If insufficient notice is given to competitors (and officials) they may be unable to book air flights or arrange for leave. Furthermore they may NOT attend because they have other engagements that they cannot change or simply because they have had no time to prepare for the event. There needs to be sufficient planning time to enable the event date to be inserted on to a great many event calendars. This is especially so when there is a likelihood of competitors travelling large distances to attend (even from overseas).

The sheer number of tasks to be performed when organising an event also suggest that would-be organisers should look very closely at the time allowed to complete such tasks.

3.4.3 Funding Feasibility

The feasibility study needs to be able to predict the financial outcome of staging an event to a reasonable degree of accuracy. This entails developing a budget where all expected revenues and all known costs are listed. It is most important that would-be organisers exercise a high degree of realism when estimating possible revenues. Furthermore, it is vital to ensure that all costs are included. Two typical situations can spell disaster:

- ✓ The event goes ahead despite the loss of a major source of income i.e. sponsorship is not as much as planned, a funding submission to government fails or only half as many participants enter.
- ✓ An unexpected cost arises but it is too late to cancel or change the event i.e. venue costs escalate, errors are made in calculating the cost of officials, or extra equipment has to be bought at the last moment.

History shows numerous organisations large and small that have run into financial difficulty and even bankruptcy as a result of staging an event. A general rule for running events is that they must not run at a loss except in special and planned circumstances. Therefore it would be prudent to ensure the initial budgeting processes are accurate and to aim for substantial profit.

3.4.4 Support Feasibility

The feasibility study must gauge whether there is support for the event from within the organisation. This is vital as an event is generally work and many helpers must be found. Organisational meetings and numerous one-to-one consultations will usually provide evidence whether support exists or not. Events often need support from outside the hosting organisation if they are to be successful. Some of the reasons to contact and consult other organisations include:

- ✓ To estimate the amount of interest in participating
- ✓ To seek assistance with equipment lending
- ✓ To share facilities and venues
- ✓ To seek sponsorship or funding

If the support that an event needs for participants, officials, helpers, sponsors and other interested parties is not forthcoming then there must be considerable doubt about the feasibility of this organisation to stage this event at this time.

3.4.5 Staffing Feasibility

The human resources required to plan, organize and stage an event includes everyone from the Event Director down to volunteers who serve at the food stall. It is necessary to assess whether the organisation has or is likely to have sufficient personnel for all event management tasks. If no-one is willing to offer themselves as a event director or there is no-one with appropriate experience who is affordable, then it must be assumed that the organisation is unlikely to be successful at staging the event. Furthermore, at the feasibility assessment stage, it is important to count, analyse and understand the myriad of tasks required and to determine whether there is sufficient number of available personnel. Provided there is sufficient time, inexperienced personnel can be trained.

3.4.6 Venue and Equipment Feasibility

Those who are responsible for assessing the feasibility of an event must consider whether there is access to a suitable venue. The venue should be equal to or better than the standard expected by all participants and other stakeholders.

Some categories of equipment such as personal sports apparatus are the responsibility of the competitor. Other types of equipment such as scoreboards, lighting and timing equipment are the responsibility of the organiser. If the organisation does not own sufficient equipment to stage an event it can be bought, borrowed or hired provided there is time and funds available. There may be a feasibility problem if sufficient equipment does not exist locally and it is too difficult or expensive to transport equipment from other places.

3.4.7 Environmental Feasibility

The staging of events generally has some environmental impact. This may range from traffic congestion and parking problems to damage sustained by the environment.

Examples: The following are some examples of the environmental impact of an event:

- ✓ Damage by cars in an off-road area
- ✓ Noise pollution
- ✓ Traffic congestion
- ✓ Sanitary problems
- ✓ Danger to fauna and flora
- ✓ Water pollution e.g. power boat racing

3.5 SWOT Analysis

Finding the Strengths, Weaknesses, Opportunities, and Threats Before you begin planning an event, you usually must implement SWOT analysis to underpin your decision making. SWOT analysis assists you in identifying the internal and external variables that may prevent the event from achieving maximum success.

3.5.1 Strengths and Weaknesses

The strengths and weaknesses of an event are primarily considerations that can be spotted before the event actually takes place. Typical strengths and weaknesses of many events are shown in Table 3.1.

The strengths and weaknesses may be uncovered through a focus group or through individual interviews with the major stakeholders. If the weaknesses outnumber the strengths and there is no reasonable way to eliminate the weaknesses and increase the strengths within the event planning period, you may wish to postpone or cancel the event.

Table 3.1

Event Strengths and Weaknesses

| Strengths | Weaknesses |
|-----------------------------|---------------------------|
| Strong funding | Weak funding |
| Good potential for sponsors | No potential for sponsors |
| Well-trained staff | Poorly trained staff |
| Many volunteers | Few volunteers |
| Good media relations | Poor media relations |
| Excellent site | Weak site |

3.5.2 Opportunities and Threats

Opportunities are activities that may be of benefit to an event without significant investment by your organization. One example is that of selecting a year in which to hold an event that coincides with your community’s or industry’s hundredth anniversary. Your event may benefit from additional funding, publicity, and other important resources simply by aligning yourself with this hallmark event. Other possible beneficial outcomes, sometimes indirect, such as the potential of contributing to the political image of the event’s host, are considered opportunities.

Threats are activities that prevent you from maximizing the potential of an event. The most obvious threat is weather; however, political threats may be just as devastating. Local political leaders must buy in to your civic event to ensure cooperation with all agencies. Opportunities and threats are two key factors that generally present themselves either during an event or after it has occurred. However, during the research process, these factors should be considered seriously, as they may spell potential disaster for the event.

Political infighting may quickly destroy your planning. A modern threat is that of terrorism. The threat of violence erupting at an event may keep people from attending. A celebrity canceling or not attending can also create a significant threat to the success of an event. Typical opportunities and threats for an event are listed in Table 3.2.

Table 3.2

Event Opportunities and Threats

| Opportunities | Threats |
|---------------------------------|--------------------------------------|
| Civic anniversary | Hurricanes and tornadoes |
| Chamber of Commerce promotion | Political infighting |
| Celebrity appearance | Violence from terrorism |
| Align with environmental cause | Alcoholic consumption |
| Tie-in with media | Site in bad neighborhood |
| Winning elections | Celebrity canceling or not attending |
| Developing more loyal employees | |

Although strengths and weaknesses are often related, opportunities and threats need not be. Once again, in making a decision to proceed with event planning, your goal is to identify more opportunities than threats. All threats should be considered carefully, and experts should be consulted to determine ways in which threats may be contained, reduced, or eliminated. SWOT analysis (see Table 3.3) is a major strategic planning tool during the research phase. By using SWOT analysis, an Event Leader can not only scan the internal and external event environment but also can proceed to the next step, which involves analyses of the weaknesses and threats, and provide solutions to improve the event planning process.

Table 3.3
SWOT Analysis

| | |
|--|------------------------------|
| S = strengths | |
| 1. Strong funding | Internal |
| 2. Well-trained staff | Internal |
| 3. Event well respected by media | External |
| W = weaknesses | Existing conditions |
| 1. Weak funding | Internal |
| 2. Few human resources | Internal |
| 3. Poor public-relations history | External |
| O = opportunities | |
| 1. Simultaneous celebration of a congruent event | External |
| 2. Timing of event congruent with future budget allocation | Internal |
| T = threats | Future/predictive conditions |
| 1. Weather | External |
| 2. New board of directors leading this event | Internal |

The research phase of the event administration process is perhaps most critical. During this period you will determine through empirical research whether you have both the internal and external resources essential to make a decision to produce an effective event. Your ability to select the appropriate research methodology, design the instrument, and collect, analyze, interpret, and present the data will ultimately determine whether an event has sufficient strength for future success. The first pillar of the Event Leadership process—research—rests squarely in the center of the other four supporting columns. Though each is equal in importance, the future success of an event depends on how well you conduct the research phase.

Check Your Progress

Choose the Correct Answer:

- 1. Event feasibility refers to**
 - a) Evaluating whether an event can be successfully organized
 - b) Promoting the event
 - c) Selling tickets

d) Conducting entertainment programs

Answer: a) Evaluating whether an event can be successfully organized

2. Feasibility study helps to

a) Determine the practicality of an event

b) Increase event cost

c) Reduce event planning

d) Cancel the event

Answer: a) Determine the practicality of an event

3. Which of the following is considered a resource in event management?

a) Human resources

b) Financial resources

c) Material resources

d) All of the above

Answer: d) All of the above

4. SWOT analysis stands for

a) Strengths, Weaknesses, Opportunities, Threats

b) Skills, Work, Output, Target

c) Strategy, Work, Output, Technique

d) System, Work, Objective, Target

Answer: a) Strengths, Weaknesses, Opportunities, Threats

5. Strengths in SWOT analysis refer to

a) Internal advantages of the event

b) External challenges

c) Market risks

d) Competitor actions

Answer: a) Internal advantages of the event

6. Weaknesses in SWOT analysis refer to

a) Internal limitations or disadvantages

b) External opportunities

c) Market growth

d) Profit increase

Answer: a) Internal limitations or disadvantages

7. Opportunities in SWOT analysis refer to

a) External favorable conditions

b) Internal problems

c) Financial loss

d) Operational issues

Answer: a) External favorable conditions

8. Threats in SWOT analysis refer to

a) External risks that may affect the event

b) Internal strengths

c) Employee skills

d) Organizational culture

Answer: a) External risks that may affect the event

9. One of the main purposes of event feasibility is to

a) Identify possible risks and solutions

b) Increase event duration

c) Reduce event publicity

d) Ignore event objectives

Answer: a) Identify possible risks and solutions

10. Financial feasibility in an event mainly focuses on

a) Budget and cost analysis

b) Event decoration

c) Event entertainment

d) Venue design

Answer: a) Budget and cost analysis

Small Questions – LOCF Mapping Table

| S.No | Small Question | CO | Bloom's Level | PO |
|-------------|---|-----------|----------------------|-----------|
| 1 | What is event feasibility? | CO1 | Remember | PO1 |
| 2 | What is meant by resources in event management? | CO1 | Understand | PO1 |
| 3 | What is SWOT analysis? | CO2 | Remember | PO2 |
| 4 | What are the components of SWOT analysis? | CO2 | Understand | PO2 |
| 5 | Why is feasibility study important in event planning? | CO3 | Understand | PO3 |

Big Questions – LOCF Mapping Table

| S.No | Big Question | CO | Bloom's Level | PO |
|-------------|--|-----------|----------------------|-----------|
| 1 | Explain the concept and importance of event feasibility. | CO1 | Understand | PO1 |
| 2 | Discuss the different types of resources required for organizing an event. | CO1 | Analyze | PO2 |
| 3 | Explain the concept and components of SWOT analysis. | CO2 | Understand | PO3 |
| 4 | Discuss the role of SWOT analysis in evaluating event feasibility. | CO2 | Analyze | PO4 |
| 5 | Explain the process of conducting a feasibility study for an event. | CO3 | Evaluate | PO5 |

UNIT – IV

Event Planning @ Promotion

Structure:

4.1 Introduction

4.2 Event Planning and Promotion

4.3 Event Planning Training and Internship

✓ 4.3.1 Benefits

4.4 Event Marketing and Promotion

4.5 Five Ps of Event Marketing

4.1 Introduction

What is the point of organizing a seminar or plan other event if nobody is going to show up? How can you guarantee that people will show up and that you will get the target audience that you want? In this unit we will discuss about the promotional methods and the strategies that can be used to effectively market or promote the events. You see around yourself and just see any big show on TV like the reality shows nowadays, they all are using some sort of events to raise the TRP. It seems that everywhere you look someone is marketing events or events are being used to market products and services.

4.2 Event Planning and Promotion

Standing different from others while planning event can be done only when an event is properly planned. Accurately planned events have least chances of going wrong. There are various things involved in event promotion and planning like selecting venue, marketing, getting sponsorship, preparing committee, arranging finance, carrying out registration process, etc. All these things can be effectively done only when there is proper team work. Important part of event planning is designing of stall and making arrangements for displays. Following points are taken into consideration while planning and promoting an event:

1. **Determine your objective:** Determine the objective which is achievable. Don't set targets which are impossible to reach.
2. **Competitor:** Who are your competitors in event? Depending on this you can strengthen your weakness and present yourself perfectly.

3. **Prepare checklist:** Prepare checklist for promotion and planning in order to avoid last minute work. Proper planned schedule will allow you to continue with error free work.
4. **Focus on product and design:** What product you are exhibiting? Are you ready with design? Your product should not over shadow the design and neither your design should over shadow the product. Keep proper balance while displaying product in order to make design captivating.
5. **Budget:** Do not overdo with your expenses that you find it difficult to recover expenses and make profit. Following are the things you need to consider while preparing budget:
 - ✓ Rent of space you occupy for event
 - ✓ Money involved behind construction of design
 - ✓ Travelling expenses
 - ✓ Cost of transportation
 - ✓ Money involved behind various promotional activities

4.3 Event Planning Training and Internship

Event management is a business which needs lot of attention to enjoy constant growth. In any business you enter, without experience you cannot learn. Theoretical knowledge and practical training are two different things which cannot be compared. The important thing you need to learn is the way of application of theoretical knowledge while planning event. Event planning training and internship are the ways to polish your existing knowledge related to management. Understand your competitor's strategies and as said before this is a business where ignoring competitors can be your biggest mistake.

Remember one thing; it takes ages to create good image but it takes second to lose that image. Your one mistake in any event and your reputation goes at stake. Every time you have to be equally alert and well organized in events. Your first step towards event planning goes with starting your business. Once you have sowed the roots then try to establish them and this can be done with your experience of event planning during training or internship period. Apply all your skills to establish the name of your company in the field of management. One thing you can't ignore here is requirement of client.

While going through the stage of establishment also start your marketing campaigns. Do marketing for your company and make people realize about your ability of managing all type of event. Manage as many clients as possible while marketing but do not create worst

situation for yourself by giving commitments to many clients altogether at the same time. Be in touch with your past clients and develop new clients through proper networking. Client management is the most important part of event planner as this can assist in building good image.

During event planning training and internship period they also teach you about management of entire business. Many times growth of business is accurately not handled by people and they carry on with negative marketing by spoiling events. So it is important to get trained before entering into competition.

4.3.1 Benefits

Following are some of the benefits of event planning training and internship:

- ✓ You can learn basics of event management, planning and execution of plan.
- ✓ Enhance your level of confidence by practical event training.
- ✓ Develop networking skills which can help you to prosper in event management business during later stage.
- ✓ Understand new ideas venturing in the market and exchange ideas with fellow event planners.
- ✓ Learn management and event planning skills from seniors and staff members.
- ✓ You can also get idea about dealing with different type of events like wedding, organizing conference, birthday party, etc.
- ✓ If you are very much convenient in particular field like organizing marriage or birthday party then try to create your specialization in it.
- ✓ Event planning training and internship along with certificate can easily help you to enter in to the business environment.
- ✓ You can get in touch with big event management companies and gain more job opportunities.
- ✓ Learn tactics of dealing with vendors, coordinating with staff members, marketing, etc.
- ✓ You can also learn of dealing with stressful situations and can also understand tactics of handling competitors.

Event planning training and internship can be highly beneficial only when you actively participate and try to learn as many aspects as possible.

4.4 Event Marketing and Promotion

One of the most important aspects of event managements is marketing and promoting the event. Advertising as a tool cannot be underestimated in event marketing and event promotion. Almost every event, except for the private parties and events have kept aside a budget to cover advertising costs. And those involved in event marketing and event promotion need to first analyze what type of media would reach their target audience.

And the choices include:

- ✓ Commercial Television
- ✓ Cable Television
- ✓ Radio
- ✓ Print
- ✓ Road shows

There are also other means of advertising that include hoardings and sky balloons, amongst others.

Commercial television is being regarded as the most effective means of reaching out to the masses. And today with the television boom and the increasing number of channels, this is being proven as an effective means of promoting events. However, for advertising on television, a large sum of money needs to be kept aside. Ideally, the event organizer should tie up with sponsors that already have advertising slots.

In order to reach out to the local audience then cable television marketing is effective. Radio, another medium of broadcast mass media, is also proving to be effective, in the recent times, with the increasing number of FM channels.

A medium that has been tried and tested through the last century has been the print media. Apart from advertising events, companies also seek genuine write ups in the various publications. For this they host press conferences.

4.5 Five Ps of Event Marketing

1. Product

Successful salespeople have both expert product knowledge and effective sales skills. Expert product knowledge is essential in today's competitive environment. The expertise the salesperson demonstrates regarding the sponsorship package or other event component will differentiate this person from the competition. More important than sales skills, demonstrated product expertise shows the client that he or she is making a purchase that has added value and helps to develop confidence as well as long-term loyalty.

Every event product combines history, quality, and value to produce a unique program. Even new events may draw from the experience or history of the organizers. This demonstration of consistent capability to produce similar events will influence prospective clients to recognize the overall quality of the event organization. Finally, every event product must convey not only perceived value, such as dollar-for-dollar worth but also added value. The concept of added value is perhaps best described with the Cajun word *lagniappe*. This term literally means “everything one deserves and a little bit more.” The little bit more may mean providing the client with the home telephone number of the key contact person, developing a unique approach to achieving the event objectives, or perhaps simply spending additional time with the client to better understand his or her needs.

2. Promotion

You may have the best-quality event product, but unless you have a strategic plan for promoting this product, it will remain the best kept secret in the world. Even large, well-known mega events such as the Super Bowl, Rose Parade, and Olympic Games require well-developed promotion strategies to achieve the success they require.

Following is a systematic checklist to assist you with identifying and budgeting for your event promotion:

- ✓ Identify all event elements that require promotion from the proposal through the final evaluation.
- ✓ Develop strategies for allocating scarce event promotion resources with efficient methods.
- ✓ Identify promotion partners to share costs.
- ✓ Target your promotion carefully to those market segments that will support your event.
- ✓ Measure and analyze your promotion efforts throughout the campaign to make corrections as required.

The promotion strategy you identify for your event requires a careful study of past or comparable efforts, expert guidance from people who have specific expertise in this field, and most important, setting benchmarks for specific measurement of your individual promotion activities.

There are a variety of ways to measure promotion efforts. First, you may measure awareness by your target market. Anticipation of the event may be tantamount to ultimate participation. Next, you may measure actual attendance and the resulting investment. Finally, you may measure the post-event attitudes of the event promotional activity. Did the

promotions you designed persuade the participants or guests to attend the event? Promotion is the engine that drives the awareness of your event by others. Throughout event history, legendary promoters have realized that you must shamelessly promote your event product to attract the attention of the public.

However, it is essential that event managers carefully select those media outlets that will precisely target the market segments that are appropriate for their events. Targeting promotion strategies is essential to ensure the alignment of the event's attributes with the needs, wants, and desires of potential attendees.

3. Price

Market research will help you determine price. Part of this market research will include conducting a competitive analysis study of other organizations offering similar event products. You may initially believe that your product is uniquely different from every other event. However, when you interview potential ticket buyers or guests you may be surprised to learn that they consider your event similar to many others. Therefore, you must carefully list all competing events and the prices being charged to help you determine the appropriate price for your event.

Typically, two factors determine price. First, the event manager must determine the financial philosophy of the event. If the event is a not-for-profit venture, the organization may not be concerned with a large commercial yield from the event. Instead, the philosophical purpose of the event may be to generate overall awareness and support. However, if the event is a commercial venture, the goal is probably to generate the greatest potential net profit. Once the philosophy is clear, the event manager will be able to determine price. The price must reflect the cost of all goods and services required to produce the event plus a margin of profit or retained earnings.

The second factor is the perceived competition from similar events. If your event ticket costs \$ 100 and does not offer the same perceived value as a similar event selling for \$ 50, your prospective guests are more likely to select the latter event. Therefore, you must be price-competitive. Becoming price-competitive does not mean lowering your ticket price. Rather, it may require raising the perception of value (as discussed earlier) to justify the slightly higher price.

These two factors—the cost of doing business and the marketplace competition—certainly influence price. A third area that may also influence price is the general economic conditions, not only in your area, but also the region, your country, and increasingly, the world. During times of recession, some events with lower ticket prices will flourish while

other upscale-event products may not be as successful. Keep a close eye on market economic indicators to make certain that your price matches the purchasing power of your target market.

4. Public Relations

Advertising is what you say about your event, whereas public relations is what others (or that perception) are saying about your event. Since many events require a second-party endorsement or even review to encourage people to attend, public relations is significantly more valuable and effective than traditional advertising.

In the 1930s and 1940s public relations consisted primarily of press agents who worked diligently to convince the print media to devote editorial space to their clients. With the influence of leaders such as Edward Bernays, the public relations effort soon became more complex and respected. Bernays recognized the psychological factors that govern a person's decision-making ability. Therefore, he advocated that public relations professionals first engage in research, including focus groups, to determine the values, attitudes, and lifestyles of their target markets and carefully match their messages to these important factors.

Today, in many event marketing campaigns, public relations is at least equal to and in many cases, even more important than traditional advertising. However, public relations involve much more than merely grinding out a short press release. The effective event public relations campaign will involve research with event consumers as well as the media; the development of collateral materials such as media kits, fact sheets, and other tangibles; the organization and implementation of media conferences; the development of a speaker's bureau; and on-site media relations assistance at the event.

Event public relations help create the overall impression that others will develop about your event. In that regard it is significantly more valuable than advertising because it implies greater credibility. Use the power of public relations to beat the drum loudly for your event. Carefully select those public relations tools that will most effectively and cost efficiently help you inform and persuade others to support your event.

5. Place

In real estate, location is everything. In event marketing, distribution of your product may be everything as well. The location of your event often determines the channels of distribution. If your event is located in a rural area, not only may it be difficult to promote the

event due to limited media resources, but it may also be difficult for your target market to make the purchase due to logistical restraints.

The place where you locate your event ultimately will determine the marketing efforts you must exude to drive sales. For example, it has been shown that those events that are close to inexpensive, safe public transportation or those events that feature closed-in reasonably priced parking will attract more guests than those that do not offer these amenities. Furthermore, those events that are connected to other nearby attractions or infrastructures (such as shopping malls) may also draw more attendees due to the time efficiency of the destination. For upscale events, the addition of valet parking may improve the chances of attracting guests to a new or nontraditional location.

The event manager must seriously consider place when designing the marketing program for the event. Place not only implies the taste or style of the event, it also, in large part, defines the type of person that will be persuaded to invest in the event. In this regard, the event marketer must determine the place in the early stages through research and design. This is the perfect time to convene a focus group or conduct a survey to determine who is likely to attend your event when they are given a variety of location choices. Making certain you have thoughtfully analyzed this important issue will save you time and money throughout the entire event marketing process.

Check Your Progress

Choose the Correct Answer:

1. Event planning refers to

- a) Organizing and managing all activities of an event
- b) Selling products only
- c) Accounting work
- d) Production work

Answer: a) Organizing and managing all activities of an event

2. Event promotion mainly aims to

- a) Create awareness about the event
- b) Reduce audience

c) Increase event cost

d) Delay the event

Answer: a) Create awareness about the event

3. Event marketing helps in

a) Attracting participants and sponsors

b) Reducing event importance

c) Cancelling the event

d) Avoiding publicity

Answer: a) Attracting participants and sponsors

4. The 5Ps of Event Marketing include

a) Product, Price, Place, Promotion, Public Relations

b) Product, Plan, Price, Profit, People

c) Plan, Price, Product, Place, People

d) Product, Promotion, Process, People, Profit

Answer: a) Product, Price, Place, Promotion, Public Relations

5. In event marketing, “Product” refers to

a) The event experience offered to the audience

b) The event venue only

c) The event budget

d) The event date

Answer: a) The event experience offered to the audience

6. “Price” in event marketing refers to

a) Ticket price or participation fee

b) Cost of decoration

c) Salary of staff

d) Venue design

Answer: a) Ticket price or participation fee

7. “Place” in event marketing refers to

a) Event location or distribution channels

b) Event planning

c) Event promotion

d) Event design

Answer: a) Event location or distribution channels

8. “Promotion” in event marketing includes

a) Advertising and publicity

b) Manufacturing goods

c) Employee recruitment

d) Financial planning

Answer: a) Advertising and publicity

9. Public Relations in event marketing aims to

a) Build a positive image of the event

b) Reduce audience participation

c) Increase event risk

d) Stop communication

Answer: a) Build a positive image of the event

10. Social media is mainly used in event promotion for

a) Reaching a large audience quickly

b) Reducing event awareness

c) Cancelling events

d) Avoiding communication

Answer: a) Reaching a large audience quickly

Small Questions – LOCF Mapping Table

| S.No | Small Question | CO | Bloom's Level | PO |
|-------------|--|-----------|----------------------|-----------|
| 1 | What is event planning? | CO1 | Remember | PO1 |
| 2 | What is event promotion? | CO1 | Understand | PO1 |
| 3 | What is event marketing? | CO2 | Remember | PO2 |
| 4 | What are the 5Ps of event marketing? | CO2 | Understand | PO2 |
| 5 | What is public relations in event marketing? | CO3 | Understand | PO3 |

Big Questions – LOCF Mapping Table

| S.No | Big Question | CO | Bloom's Level | PO |
|-------------|---|-----------|----------------------|-----------|
| 1 | Explain the concept and importance of event planning. | CO1 | Understand | PO1 |
| 2 | Discuss the role of marketing and promotion in event management. | CO1 | Analyze | PO2 |
| 3 | Explain the 5Ps of event marketing with examples. | CO2 | Understand | PO3 |
| 4 | Describe the importance of promotion strategies in the success of an event. | CO2 | Analyze | PO4 |
| 5 | Explain the role of public relations in event promotion. | CO3 | Evaluate | PO5 |

UNIT – V

Event Budget

Structure:

5.1 Introduction

5.2 Event Budget

5.3 Financial Analysis

5.4 Financing the Event

5.5 Typical Event Costs

5.6 Event Sponsorship

5.1 Introduction

What defines a successful event? The effective communication of important ideas to a responsive audience? Efficient organisation within agreed deadlines? An inspiring, well-equipped venue? They're all vital, but without efficient (and profitable) financial management, even the best- conceived and most stimulating conference or other event can turn into a commercial flop – along with your reputation.

5.2 Event Budget

The event budget is a projection (forecast) of the income and expenditure that the event will incur based on plans made and information gathered.

The preparation of a budget is an essential part of event management. It is fundamentally important that Event Directors are able to predict with reasonable accuracy whether the event will result in a profit, a loss or will break-even. This is achieved by identifying and costing all probable expenditures and by totalling all expected revenues (income). By comparing expenditures and revenues, it then becomes possible to forecast the financial outcome of the event.

The construction of an event budget allows the Event Director to exercise financial control. Many organisations have run into severe financial difficulty and even bankruptcy as a result of staging events. The budget therefore enables the Event Director to make sound financial decisions about the choice of venue, and expenditure on promotion and equipment. The process of budgeting also enables the Event Director to calculate how much revenue is needed to stage the event in accordance with provided details.

Although the budget takes time to develop, there are some rules that should be observed throughout:

- ✓ Budget to avoid making a loss
- ✓ Be realistic about event incomes
- ✓ Have a financial contingency plan i.e. what happens if the sponsorship is not forthcoming?

Once constructed, the budget assists the Event Team to determine whether a proposed course of action fits within planned financial strategies, or not. If the answer is in the affirmative, i.e. the item is said to be “within budget”. If the answer is in the negative, then there is an understanding that continuing to pursue that strategy has a higher degree of risk, and the event profit will be reduced. This does not mean, however, that any departure from the set budget is inadvisable. It may be that the “unbudgeted” cost item has obvious financial benefits.

Make sure you understand the financial situation before you start organising your event in any detail. Here are some relevant questions that may assist you:

- ✓ What is the available budget?
- ✓ Do you need to charge guests admission?
- ✓ Do you need to hire venues and employ staff?
- ✓ Is catering required?
- ✓ Is advertising and promotion necessary?
- ✓ Does the event have sponsors?
- ✓ Will Fringe Benefit Tax apply

5.3 Financial Analysis

From the development of realistic event budgets to the post-event financial analysis that measures your success, event finances with a comprehensive suite of services include the following:

- ✓ Creation of an appropriate event budget
- ✓ Management of your finances
- ✓ Accurate accounting for all income and expenditure
- ✓ Provision of updated accounts whenever required
- ✓ Fast, efficient processing of delegate and sponsor registration fees (cheque or credit/debit card payments)
- ✓ Timely payment of all event expenses
- ✓ Payment of event profit to your nominated budget code

- ✓ Other financial services – we can also advise on associated services such as the negotiation of event insurance cover.
- ✓ Priceless peace of mind

This all adds up to much more than just a collection of receipts and spreadsheets. As well as helping you achieve the commercial results one want, good financial management gives an individual, the priceless peace of mind that comes from knowing an event finances are always under control. It also helps to build reputation as an event organiser who’s always in control.

5.4 Financing the Event

Some differences exist between organisations that run events for profit motives and those that are not-for-profit oriented. Government grants are seldom achievable by for-profit enterprises. Small scale events run by not-for-profit organisations are likely to be funded by participant fees. Larger scale events, whether run by for profit or not for profit enterprises will likely need substantial support through commercial sponsorship. In many cases, fees paid by people who spectate can be a worthwhile source of income. The table 5.1 provides common sources of event revenue.

Table 5.1
Categories of Event Revenue

| | |
|---------------------|--|
| Government Grants | Government grants to assist with the running of events are not easy to obtain. To be successful, applicant organisations need to demonstrate that the event has strategic regional importance. For example it may increase overseas tourists to the region. |
| Sponsorship | Despite the prevalence of event sponsorship in the sport and recreation marketplace is increasing, many organisations have great difficulty in achieving a significant amount of sponsorship. Competition between sport and recreation organisations for sponsorship is intense. Organisations need to be very professional in their approach to sponsorship and to be able to offer sponsoring companies outstanding value in promotional services. Event Directors need to exercise some realism and caution in relying to heavily on sponsorship. |
| Merchandising Sales | The term merchandising applies to the sale of a range of products that may be strongly identified with the event or the organisation |

| | |
|------------------|---|
| | <p>hosting the event. A common example of merchandising is the production and sale of T-shirts, polo shirts, caps and other forms of clothing that are screen printed or embroidered with a design or trademark of the event. Participants tend to purchase such articles for their commemorative value. Other typical forms of merchandise include glassware, pens, dish cloths, drink bottles and badges. Merchandising may be a form of income suitable for events that have larger numbers of either players or participants.</p> |
| Participant Fees | <p>The charging of fees to participate in the event is perhaps the most common form of event revenue.</p> <p>Sport and recreation events are a service provided and it is reasonable to suggest therefore that all basic costs of the event should be covered by participant fees. These "basics" include the hire of the venue, provision of appropriate equipment and the administration of the event.</p> <p>Sponsorship and government funding, if it can be achieved, allows the organisation of the event to go beyond the basics. The event budget should be set so that if sponsorship and/or government funding is not forthcoming the event does not have to be canceled.</p> |
| Raffles | <p>It is common to find that recreation organisations employ "on-the-day" fundraising strategies. The most common example is the raffle and a small amount of income can be achieved this way. Whereas it is difficult to achieve cash sponsorships, it is easier to obtain goods from sponsors which can be raffled.</p> <p>Event Directors should identify and research legislation in their own state/nation that pertains to raffles and other similar forms of fundraising. Raffles are often regulated by governments because of the potential for fraud and misrepresentation.</p> |
| Spectator Fees | <p>In some cases, events are sufficiently popular and entertaining to attract paying spectators. However it can be difficult to obtain money from spectators in circumstances where there no restriction of access(for example an outdoor event with no perimeter fence). If this is the case it may be better to make off-street parking for a fee.</p> |

5.5 Typical Event Costs

Events costs will depend on the scale and type of event. Not all the categories stated in the table 5.2 will apply to every event.

Table 5.2
Categories of Event Costs

| | |
|-----------------------------|--|
| Travel and Accommodation | Costs associated with officials needed to run the event may have to be borne by the event organisers. Event participants are generally responsible for their own travel and accommodation costs. In minor or local events travel and accommodation costs are unlikely. |
| Trophies, Awards | The cost of medals, trophies and other awards requires detailed knowledge about the number of competitors, the categories of divisions of the competition and the format of the competition. |
| Salaries | Applies only events are organised by professional staff. |
| Postage and telephone | Events usually require considerable communications with participants and the event management team. |
| Stationery and Photocopying | Special event stationery may be printed but otherwise there is always a lot of photocopying and usage of organisation letterheads to write correspondence. |
| Medical Fees | Events require persons with at least First Aid training to be in attendance. Larger events may also warrant the employment of a doctor and physiotherapists. |
| Venue Hire | A critically important aspect of the budget. Information about the probable cost of the venue needs to be obtained as early as possible. Beware that there some hidden costs such as security and supervision costs, and heating and lighting costs. |
| Insurance | Additional insurance can be taken out to cover risks of injury and/or financial losses associated with events. |
| Printing | Event programmes, posters, fliers and other promotional documents may need to be printed - especially where quality and colour is required. |

| | |
|----------------|---|
| Promotion | Expenditure on promotion may be considerable where a significant proportion of the event revenue is likely to be earned through spectators. Promotion covers items such as advertising, give-aways, costs associated with promotional events and sponsors' signage. |
| Equipment Hire | Includes equipment directly used by participants in the event and also any equipment used by the event management staff including sound systems, computers, mobile phones, two way radios, etc. |
| Transport | Includes costs of transporting equipment and hire of buses. |

5.6 Event Sponsorship

For some events it may be appropriate to seek external sponsorship, particularly those that require a large budget or may offer mutually beneficial benefits to an external individual or company. Sponsorship of an event or activity can comprise of in-kind support, financial support, or a combination of both. However, with sponsorship comes a lot of extra responsibility for the event organizer in all stages of the event process; including the planning, organization, execution and post-event activities.

The following outlines important elements of sponsorship:

Strategic Planning. Consider the aims and objectives in relation to the purpose of seeking sponsorship, identifying and prioritising potential sponsors and determining a strategy as to your approach.

Sponsorship Agreements. These must include deliverable benefits from to the sponsor, outline timing, terms and conditions and any other arrangements specific to the event. They should be included in the initial sponsorship proposal

Restrictions on Sponsorship. Number of external individuals and companies that are not suitable to sponsor an event or activity.

Examples:

- ✓ Political Parties
- ✓ Tobacco Companies
- ✓ Gambling Services

Check Your Progress

Choose the Correct Answer:

1. Event budget refers to

- a) Estimated income and expenditure of an event
- b) Event promotion
- c) Event decoration
- d) Event entertainment

Answer: a) Estimated income and expenditure of an event

2. The purpose of preparing an event budget is to

- a) Control event expenses
- b) Increase event cost
- c) Avoid planning
- d) Cancel the event

Answer: a) Control event expenses

3. Financial analysis in event management helps to

- a) Evaluate profitability and financial feasibility
- b) Reduce audience
- c) Increase event duration
- d) Avoid sponsorship

Answer: a) Evaluate profitability and financial feasibility

4. Event cost includes

- a) Venue cost
- b) Decoration cost
- c) Promotion cost

d) All of the above

Answer: d) All of the above

5. Fixed costs in an event are

- a) Costs that remain constant
- b) Costs that change with number of participants
- c) Marketing expenses only
- d) Food expenses only

Answer: a) Costs that remain constant

6. Variable costs in an event are

- a) Costs that change according to event size
- b) Costs that remain constant
- c) Staff salaries only
- d) Venue rent only

Answer: a) Costs that change according to event size

7. Event sponsorship refers to

- a) Financial support provided by companies or organizations
- b) Government tax
- c) Employee salary
- d) Ticket price

Answer: a) Financial support provided by companies or organizations

8. Sponsors support events mainly for

- a) Brand promotion
- b) Publicity
- c) Marketing benefits

d) All of the above

Answer: d) All of the above

9. One advantage of event sponsorship is

a) Reduces financial burden of the organizer

b) Reduces audience participation

c) Cancels the event

d) Reduces promotion

Answer: a) Reduces financial burden of the organizer

10. A well-prepared event budget helps to

a) Ensure financial control and successful event execution

b) Increase financial loss

c) Reduce planning

d) Avoid event management

Answer: a) Ensure financial control and successful event execution

Small Questions – LOCF Mapping Table

| S.No | Small Question | CO | Bloom's Level | PO |
|-------------|---|-----------|----------------------|-----------|
| 1 | What is an event budget? | CO1 | Remember | PO1 |
| 2 | What is financial analysis in event management? | CO1 | Understand | PO1 |
| 3 | What is event cost? | CO2 | Remember | PO2 |
| 4 | What is event sponsorship? | CO2 | Understand | PO2 |
| 5 | State any two benefits of event sponsorship. | CO3 | Understand | PO3 |

Big Questions – LOCF Mapping Table

| S.No | Big Question | CO | Bloom's Level | PO |
|-------------|---|-----------|----------------------|-----------|
| 1 | Explain the concept and importance of event budgeting. | CO1 | Understand | PO1 |
| 2 | Discuss the role of financial analysis in event management. | CO1 | Analyze | PO2 |
| 3 | Explain the different types of event costs involved in organizing an event. | CO2 | Understand | PO3 |
| 4 | Describe the concept and importance of event sponsorship. | CO2 | Analyze | PO4 |
| 5 | Explain the process of obtaining sponsorship for an event. | CO3 | Evaluate | PO5 |
