Event Marketing: Measuring an experience?

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Abstract
The research presents a critical evaluation of the current methods used to measure the effectiveness of experiential marketing techniques. The paper begins by reviewing the literature relating to event and experiential marketing and related evaluation techniques. Secondary research is then used to highlight specific tools and methods currently being used in the experiential marketing industry. Interviews were conducted with providers of marketing events and show that current methods are not seen as comprehensive or reliable due to the intangibility of the event experience. Based on these findings a framework is developed to guide future research, both academic and practitioner, into measuring the effectiveness of experiential marketing events.

Keywords: Experiential marketing; event marketing; evaluation; measurement
Event Marketing: Measuring an experience?

Introduction

Although there is very little existing research in the specific area of ‘event marketing’ (Gupta, 2003; Krantz, 2006; Sneath et al, 2005) work undertaken in other fields can be used to develop the unique concepts and models needed within this area. The areas of academic research within marketing which have the most affinity with event marketing are lifestyle marketing, experiential marketing, relationship marketing, public relations and marketing communications. Indeed, the development of event marketing was taken up by Schreiber and Lenson in 1994 in their practitioner focused text on lifestyle and event marketing. Unfortunately this did not appear to spark others to undertake research and authorship in the area. McCole (2004) recognises this dearth of academic research in the areas of experiential and event marketing as an indication of the divide between academia and business and calls for marketing theory in these areas to be more closely aligned with practice. Similarly, Gupta, (2003:94) identified a ‘lack of a systematised body of knowledge and conceptual framework on which to base scientific inquiry’ as a major event marketing challenge.

Even in the sectors which naturally lend themselves to event marketing practice there has been little evidence of research in the academic literature. For example Williams (2006) makes a case for more event marketing research to lead practice within tourism and hospitality marketing and Petkus (2002) argues for a greater understanding of the relationship between events and experience in marketing the arts. Event marketing has been more widely utilised and researched within Germany over the last ten years, particularly within the areas of sports marketing and sponsorship, but not within academia in the UK and US despite its growing importance as a communication tool (Wohlfeil, 2005).

Experiential marketing events can be defined in a number of ways. Kotler’s definition, ‘occurrences designed to communicate particular messages to target audiences’ (2002:576), is, perhaps, overly broad but does encapsulate the communications potential of events. Other possible definitions are:
• Any event that helps market a product/service, idea, place or person
• Any event that communicates with a target audience
• Any event which has the potential to communicate

As these demonstrate, in defining a marketing event it becomes clear that, in fact, all events can be seen as (or more importantly used as) ‘marketing’ events. An event is an ‘occurrence’ with an audience. If an audience exists then a message or experience is being shared, transmitted, generated and therefore, all events can potentially communicate something. However, to be able to usefully develop event marketing theory it is necessary to limit the type of event to those that are created for primarily marketing purposes. This therefore, excludes events which exist for some other purpose but are used later for marketing (for example sponsorship of pre-developed events) or events which may have some marketing application but are primarily developed for other reasons (eg. community festivals). The agency, Jack Morton International (2006), provide a useful working definition of marketing events. “Live events where audiences interact with a product or brand face to face”. Examples of typical experiential marketing events covered by this definition are given in Table 1.

Table 1: Examples of marketing events

<table>
<thead>
<tr>
<th>Incentive/reward events</th>
<th>Product launches</th>
<th>Open days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conferences</td>
<td>Product sampling</td>
<td>Publicity events</td>
</tr>
<tr>
<td>‘Created’ events</td>
<td>Road shows</td>
<td>Press conferences</td>
</tr>
<tr>
<td>Competitions/contests</td>
<td>Exhibitions</td>
<td>Corporate entertainment</td>
</tr>
<tr>
<td>Charity fundraisers</td>
<td>‘Trade shows’</td>
<td>Product visitor attractions</td>
</tr>
</tbody>
</table>

Experiential events can generate short term impact but also build longer term changes in attitude and belief (Sneath et al, 2005) therefore, as with any aspect of strategy, it is necessary to measure and evaluate the effectiveness of this communications method (Chattopadhyay, & Laborie, 2005). It would seem logical that the evaluation cycle begins with clearly stated objectives developed from an understanding of what can be achieved followed by unbiased and reliable
methods for measuring against these objectives. The resulting measures are then evaluated and compared with past performance and the performance of other marketing tools and this evaluation is used to determine future action and improvement in the development of marketing events. This process gives the opportunity to adjust plans, learn from experience, develop and improve and also to justify budgets. However, the measurement of the outcomes of experiential events is rarely that simple. Their effectiveness is related to individual emotional response, to the influence of other communications, both marketing driven and in a wider social context, and to the previous experience and expectations of each individual in the audience.

This paper reviews a range of literature and research relating to experiential marketing and its measurement and attempts to identify if and how this research can be applied to experiential event marketing. Literature in the areas of consumer behaviour and experience, marketing communications measurement and other related fields is discussed and evaluated alongside a practitioner perspective gained from interviewing those with experience in the field.

**Experiential marketing and event marketing**

Experience as defined within the realms of management involves a personal occurrence with emotional significance created by an interaction with product or brand related stimuli (Holbrook and Hirschman, 1982). For this to become experiential marketing the result must be ‘something extremely significant and unforgettable for the consumer immersed into the experience’ (Caru and Cova, 2003: 273). It follows that any old experience will not achieve marketing objectives and that the greatest effect is gained through peak experiences. These occur when a ‘flow state’ is reached in that the consumer is completely immersed in the experience. In order to achieve this the event needs to provide a high level of challenge and ensure that this is met with an appropriate level of skill or experience in the consumer (Csikzentmihalyi, 1997; Arnould et al, 2002). The event marketer has to create an event which provides the right level of challenge or stimulation to the skill set of the target audience. Different consumers will therefore experience the event differently. Some may be bored, others worried, others aroused etc. Consider a test drive of a newly launched saloon car around a race track. Depending on the abilities, knowledge
and past experiences of the target audience this could be seen as overly challenging and therefore uncomfortable or frightening or, for someone else, exciting, stimulating and novel.

As every experience has to be extraordinary to have an effect in event marketing the event must strive to create a ‘flowstate experience’ for the majority attending. This may involve surprise, novelty or challenge. The authors’ previous research (Wood and Masterman, 2007) into successful marketing events identifies seven event attributes (the 7 ‘I’s) which enhance the event experience:

- Involvement – an emotional involvement with the brand, the event, the experience
- Interaction – with brand ambassadors, with other attendees, with exhibits, with the brand
- Immersion – of all senses, isolated from other messages
- Intensity – memorable, high impact
- Individuality – unique, one-to-one opportunities, customisation. Each experience is different
- Innovation – creative in content, location, timing, audience etc.
- Integrity – seen as genuine and authentic and providing real benefits and value to the consumer

Caru and Cova (2003) suggest that marketers need to recognise the difference between ‘consumer experience’ and ‘consumption experiences’ as well as between those that are ordinary and commonplace and those that are extraordinary and result in changes in learning, attitude, behaviour. Experiential events can be both consumer and consumption experiences and are far more likely to be effective in reaching communication goals if they involve some ‘extraordinary’ aspect for the majority of the audience. These experience characteristics (Caru and Cova’s conceptualisation of experience, Csikzentmihalyi’s experience typology and Wood and Masterman’s 7 ‘I’s) may serve as a useful guide for evaluating the effectiveness of an event through developing measurements relating to level of challenge, newness, surprise, match with the audience’s prior experience, skill level etc. However, the usefulness of measuring these attributes of the event depends upon the assumption that an event that is strong in those attributes will effectively create a memorable and potentially behaviour changing experience.
The growth of experiential event marketing

Schmitt (1999) ascertains that experiential marketing has arisen as a response to today’s ‘prosumers’ who seek marketing that is relevant to them as an individual and which respects and recognises their need for novelty and excitement. However, the consumer’s desire for stimulating experiences is not new only the recognition by marketers that this desire can be successfully exploited through more sophisticated experiential marketing techniques (Holbrook, 2000).

Experiential events group people according to their values, enjoyment, personality type and (loose) social group. This can create groups with quite diverse traditional segmentation characteristics. Once the brand resonates with this value set the link between individual and brand becomes emotional rather than merely functional and the customer is therefore far more likely to be loyal (McCole, 2004). Indeed the event becomes an end in itself through hedonic participation of the target audience in the marketing communications of the organisation/brand. Experiential consumption can be primarily hedonic (pleasure seeking, consumption as an end in itself) or instrumental (rational, problem solving, need driven) or a combination of the two (Lofman, 1991). Although this theory relates to consumption of the product it also applies to consumption of the marketing communication. Pleasure is gained from viewing the ad, surfing the website, or attending the event. In this way the marketing event becomes a product in its own right rather than merely a promotional tool. For example, consider the consumption experience of attending a Land Rover country pursuits day; visiting the Ideal Home Show or taking the children to one of Persil’s ‘dirt is good’ fun days. Many successful music festivals, originally created as promotional vehicles, are also testament to this (Guinness’ Witness festival and Tennent’s ‘T’ in the Park).

The growth of experiential marketing events appears to be due to a number of factors. Firstly, the overuse of traditional media and therefore the need to do something different from competitors, secondly the consumer’s desire for novelty, individualism and added value, and thirdly the need to build an emotional attachment to brands which are largely functionally undifferentiated. This growth is further fuelled by the proliferation of event marketing specialist agencies growing out
of a number of related areas such as field marketing, event planning, brand management, public relations and advertising. The agencies’ belief in the effectiveness of event marketing and their ability to produce ever more creative, unique and highly tailored events has led many large organisations to switch marketing expenditure to this method. Published survey results, such as the marketing agency Jack Morton’s online survey of 1625 respondents in US, UK, Australia and China, stimulate further growth. The headlines from this survey were that live marketing events are one of the most effective methods for influencing behaviour (Latham, 2006). However, very little objective and reliable research has been undertaken to ascertain the effectiveness of marketing events.

**Events, marketing communication and measurement**

Vital to understanding the effectiveness of experiential marketing events is a recognition of the variety of communication effects that can be achieved. In understanding these effects it is possible to develop better evaluation measures which can be linked directly to the experiential marketing activity. Experiential events have a variety of components and are further enhanced by their integration with other communication tools. All of these aspects need to be taken into account if their ‘success’ is to be credibly evaluated. It is unlikely, therefore, that measures of footfall, attendance, media coverage and attendee satisfaction questionnaires will suffice. What need to be measured are the communication effects and these measures developed based upon the communication objectives of the event.

Marketing events have the potential to create an extraordinary experience for the consumer, use this experience to develop relationships with customers, link the brand to good causes, and build, change, reinforce brand image through association with the qualities of the event. The objectives of marketing events can, therefore, incorporate a wide variety of communication effects. These range from building awareness and liking to purchase, loyalty and partnership. Specific objectives can range from facilitating a relaxed and informal twenty minute chat with the CEO of a major client organisation, to building brand awareness amongst 20,000 consumers, to receiving exposure in the international media, and all these potentially from one event. The multi-purpose nature of marketing events and the possible variety within them (size, location, timing, content)
leads to a number of questions. Can the communication effects of such events be measured in any meaningful way? Can measures be standardised across all types of event? Can the effects be isolated from the other influences both within the planned campaign and outside of it? Should they be isolated?

Integrated marketing communication theory suggests that measurement of any one component is meaningless as the effect of integrating a variety of marketing communication tools is synergistic and it is therefore impossible, or at least very difficult, to separate this into individual effects.

However, as organisations are increasingly switching a large proportion of their marketing budget from advertising and other traditional methods to experiential events (Event Review 2006 survey) the need for some measure to show a return on that investment is needed. It is therefore necessary to attempt to develop credible, objective and reliable methods for delivering this – but at the same time recognising and accepting their inevitable limitations and shortcomings.

Econometric analysis may offer insights into the causes of change in outcomes through quantitative modelling. Used in the advertising research industry for over twenty years econometric analysis relates movements in sales, awareness, image perception etc. to changes in the level of causal factors. What results is a model which explains changes in ‘sales’ to the factors that have been identified as likely to change levels of sales. However, this is not simply a matter of looking at changes in ad spend, sponsorship investment etc. It also requires an understanding and incorporation of the duration of media effects, the type/form of message, seasonal factors, competitor activity and synergy within multi-media campaigns. To do this accurately and consistently collected data is required over a historic period (several years and for sales plus all causal variables). The fit of the model is often a trade-off between the number of causal factors included and predictive power.

Using econometrics to measure the payback of experiential events requires planning the overall integrated marketing campaign in such a way so as to allow econometric modelling to assess the differences depending on the combination of media used. However, the results can be more reliable if used to measure the total IMC effect and the effects of primary media only (Cook, 2004). It may therefore be useful for evaluating experiential events only when this equates to a
relatively large proportion of the overall campaign emphasis or for comparing the outcomes (sales) of campaigns without experiential events to those with if this is a relatively new communication medium.

A further issue is the measure to be used for dependent and independent variables. What, for example would be the measure for the ‘experiential event’ variable? It could be cost, duration, attendance, media coverage, number of events etc. Whatever is deemed to be the most appropriate it is vital that data is gathered on the variable consistently and accurately over a number of campaigns in order to provide usable historical data on which to base the analysis.

In order to successfully use econometric analysis Cook (2004) suggests that it is necessary to:

- Archive all historic data (external, internal and anecdotal)
- Seek to improve the accuracy and coverage of data sources
- Modify the media schedule where possible to facilitate component evaluation
- Specify clearly what the expected outcomes are
- Use wider research data, tracking studies etc.
- Categorise factors in to those that ‘must’ be measured and those that it would be ‘nice’ to measure

Whether econometric analysis or some other technique is being used the advice above holds true. An understanding of the effects of experiential events is reliant on the interpretation and analysis of past data covering outcomes related to objectives and recognising the wide ranging causal factors which also influence outcome.

Although econometric analysis can provide useful statistical models to help predict how changes in marketing media will affect results (sales for example) the technique is of less use in describing and explaining consumer behaviour prior to and after the sale. The ‘woollier’ aspects of awareness, attitude, perception and motivation are often key elements in the objectives for experiential events. Evaluating these will still require longitudinal data tracking changes over time, or at least before and after each event, but the data is less likely to be gathered through internal transaction systems or in a consistent numerical format. Use of interviews, focus groups,
consumer panels, surveys and control groups can obtain data which can be used to enhance and better understand simple numerical results.

A further factor to consider is whether to focus the research on the event attendee or on the wider ‘audience’ who may or not be aware of the event through related media coverage. In this area much can be learned from sponsorship evaluation which has moved on in the last ten years from a fairly simple comparison of media coverage (equivalent media cost) to a focus on direct sales effect, pre and post event surveys and comparisons with results in areas and times of no sponsorship with those after sponsorship campaigns (Lainson, 1997).

In advertising, and more recently in sponsorship, awareness has been used as a surrogate measure for effectiveness, although these two constructs do not always have a close relationship (Tripodi et al, 2003). Awareness measurement is a less useful tool for experiential events as attendees will undoubtedly be aware of the brand. Awareness measurement can be applied to the wider non-attending audience to measure awareness of the event and/or awareness of the brand message communicated through the event.

A complex relationship often exists between audience, brand and event. Close et al’s (2006) research shows that the event attendees knowledge of the sponsor’s products and their perceived level of community involvement linked to positive brand opinion and to purchase intention and that this link was moderated by the attendee’s enthusiasm and activeness in the event itself (sport, arts, fun days etc.) The connection is made with the brand and with the brand’s support for the community, sport arts etc.

Sneath et al (2005) researched attendees at a major sponsored event and found positive links between sponsorship and favourable brand perception and indications that purchase intention was also favourably influenced by the attendees brand experience. However, the survey took place during the event and therefore does not indicate the longer term effects, time-lags or memory decay factors. As with other studies, Sneath et al recognise the need to allow for the effects of other communication tools on the outcomes and the difficulty in isolating the event effects from the rest of an IMC programme.
A technique which combines the logic of econometrics with the realities of complex interaction and human behaviour can be developed through the use of stochastic systems. The basis of a stochastic system is to describe a relationship between variables alongside a recognition that nothing exists in isolation, there are no one-to-one relationships between variables, there are few linear relationships and most importantly that the nature of relationships can only be determined through versatile analysis and good judgement (Archer and Hubbard, 1996). In the short term this should involve an analysis of each marketing event using questions such as:

- How well are target audiences being reached and involved?
- What messages are consumers receiving about the brand?
- What are consumers doing?
- What would they prefer to do?
- Why would they prefer to do that?
- What is hindering or helping them?

The longer term strategic measures can then be used for the overall IMC campaign and include analysis of share of voice, attitude, behaviour, image etc. For each experiential marketing event the measures are stimuli focused (researching and involving target audience) and in the long term more holistically outcome focused (Archer and Hubbard, 1996).

Young and Aitken (2007) put forward a pragmatic case for measuring outcomes rather than outputs suggesting that many marketing communication metrics are inappropriate and create an illusion of ROI rather than actual bottom-line effects. They suggest the following measures as they can easily be tied to purchase, revenue and profitability: intention to buy; brand penetration (trial); repeat volume; loyalty; retention rate; price premium; customer profitability. Of course, these need to be decided upon prior to developing the campaign rather than made to fit afterwards to avoid the pitfalls of much agency based evaluation which often tells a ‘good story’ whatever the result.

A more controversial view is put forward by Schultz (2005) who states that marketers should stop measuring based on marketing activities and assess brand value through the people
(customers) and their marketplace networks. He argues that what brands are and what they mean is not controlled or even greatly influenced by marketers but by the consumers and their observations, conversations and recommendations. Brand success can only therefore be measured using barometers of opinion change and not necessarily equated to marketing activity. Consumer marketplace networks are the key factor to measure and evaluation needs to focus on what customers know, understand, accept and believe about the brand. This gives an overall view of brand value and over time but is not necessarily useful in determining what has caused or created any change in value.

Hofman (1991), is similarly focused on the consumer rather than the marketing result and considers experiential consumption research from a psychological and consumer behaviour perspective. He suggests that there are many factors to consider including the environmental context (event setting), the consumer’s thought processes, feelings, activities and evaluations; and the consumer’s level and responses to sensory stimulation. Within this is the need to recognise that the appeal of some experiential events is hedonic (art, sport, music), others have instrumental appeal (sampling, trade shows) and others combine both (test drives, consumer shows). Evaluation therefore needs to consider both the hedonic and instrumental experience of the consumer.

In order to evaluate the outcomes of particular marketing activities (ie event marketing) it may be more practical to measure the ‘value’ to the customer. This requires both benefits and costs of the experience to be considered. Costs can be monetary, cognitive, psychic and psychological as can the benefits. These costs and benefits tend to be situational, personal and idiosyncratic and therefore, perhaps, difficult to research in a generalisable way. Ponsonby and Boyle (2004) suggest a three factor conceptual model (based largely on Hofman’s work above) to guide future research which takes into account 1) contextual factors (environment and ambience) affecting the consumer and the event. 2) The factors related to the consumer which are long term in terms of personality, psychological make up, social circumstances and culture as well as immediate in terms of mood. 3) The event itself which has its characteristics and value as a good or bad experience. It is through the interplay of these three factors that experiential value and cost is created (Ponsonby and Boyle, 2004).
In an attempt to quantify the consumer’s experience Schmitt’s (1999) assessment scale measures whether a particular experience (ExPro) appeals to a specific ‘strategic experiential module’ (SEM), the consumers ability to Sense, Feel, Think, Act and Relate with the brand.

The scale uses a number of items rated by the consumer from “not at all” to “very much”. For example, to measure ‘sense’ the items are suggested as:

- The event tries to engage my senses. (+)
- The event is perceptually interesting. (+)
- The event lacks sensory appeal for me. (-)

And to measure ‘feel’ the items are:

- The event tries to put me in a certain mood. (+)
- The event makes me respond in an emotional manner. (+)
- The event does not try to appeal to my feelings. (-)

This tool offers simplicity and comparability and has been empirically tested for validity (Schmitt (1999). However, its ability to measure emotional attachment and longer term attitude and behavioural change is questionable.

Creating buzz, word-of-mouth or consumer conversations about the brand can be one of the main goals of an experiential marketing event and is therefore one of the potential outcomes which needs to be evaluated. Jack Morton's 2006 Experiential Marketing Study found that live experiences are the number one medium most likely to generate word of mouth. According to the survey, 85% of respondents said that participating in experiential marketing would cause them to talk about a product or brand.

Krueger and Casey (2000) suggest that one possible tool for measuring WOM following an event is to interview the friends of those that attended the activity in order to establish what has/or has not been said about the activity. These qualitative measures may take the form of in-depth interviews (or ‘friend depths’) or focus groups (‘friend-groups’) and are limited by the accessibility of ‘friends’ to researchers. An alternative way to measure word of mouth is to ask
event attendees how likely it is that they would recommend the brand to a friend or colleague (Reichheld, 2006). Reichheld (2006) recommends that respondents should answer this question using a rating scale with "0" representing the extreme negative and "10" representing the extreme positive. Those scoring themselves 9 or 10 are seen as ‘loyal enthusiasts’ who keep buying from a company and urge their friends to do the same whereas those who answer less than 6 are viewed as ‘detractors’ and are ‘unhappy customers trapped in a bad relationship’. Although this is a useful measure as it is simple to obtain and again allows for some comparison it has a number of drawbacks. Firstly self-assessment can be unreliable as scoring can vary according to perception of the scale, mood and timing and secondly, the method only measures the potential for word of mouth and not actual recommendations.

A major problem in evaluating the outcomes of an experiential marketing event is the need to measure and attribute the cause of subconscious feelings towards a brand. A complex but thorough technique developed by Zaltman (2003) helps marketers to understand the underlying motivations that influence a person's decision to buy a product or form an opinion.

Using techniques adapted from psychotherapy, cognitive neuroscience, psychology, and sociology, interviewers take participants through a series of exercises designed to reveal the fundamental feelings and beliefs that drive their actions (Zaltman, 2003 and Peter and Olson, 2004). Although, this technique would prove overly expensive and time-consuming for practitioners to apply it could provide the basis for academic research into how and why experiential events affect consumer opinion and behaviour. In turn this could lead to a better understanding of the attributes of experiential marketing events which are most effective.

Other research on event evaluation (Philips, 2007; Pol and Pak, 1995), experiential value (Mathwick, Malhotra and Rigdon, 2001; Chattopadhyay and Laborie, 2005) and measuring consumption emotion (Richins, 1997) could also prove useful in experiential event marketing. The story that seems to emerge is that a variety of tools and measures exist which could be adapted and combined to provide evaluation methods which would give significant insights into the consumer experience at marketing events, the effectiveness of event marketing and its role in integrated marketing communication outcomes.
**Current practice and thinking**

Based upon the findings of several practitioner led surveys there is a mixed picture regarding current evaluation practice. For example, although 1 in 4 marketing executives believe that event marketing provides the best return on investment (EventView, 2006) 79% of event marketing agencies do not have specific tracking or measurement systems for evaluating their programs (Business Development Institute, 2006). The mismatch between a belief in the effectiveness of event marketing and proof of that effectiveness is perhaps a reflection of the relative infancy of event marketing communications. However, as expenditure increases so will the desire for measures of a return on that expenditure. Event managers currently explain the low levels of evaluation as being due to a number of factors including a lack of understanding of how to approach measurement, a lack of agreed measures between agency and client and a lack of funds to undertake meaningful evaluation (Roythorne, 2006).

A study undertaken in 2007 gives a different view of current evaluation practice showing the percentage of firms (agencies and clients) professing to use each type of measurement (Table 2). Although a fair proportion use some form of measure these tend to be limited to the easy to measure aspects at or soon after the event itself. The more intangible, but more valuable, measures of brand awareness, preference and loyalty are evaluated rarely.

Table 2: Measuring Return on Investment (ROI) and the consumer experience at marketing events

<table>
<thead>
<tr>
<th>RETURN ON INVESTMENT</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Event headcount</td>
<td>49.5%</td>
<td>45.7%</td>
</tr>
<tr>
<td>Register sales data per event days</td>
<td>37.9%</td>
<td>45.7%</td>
</tr>
<tr>
<td>Future likelihood to purchase</td>
<td>37.4%</td>
<td>45.7%</td>
</tr>
<tr>
<td>Internet hits post-event</td>
<td>34.7%</td>
<td>43.6%</td>
</tr>
<tr>
<td>Samples, coupons distributed</td>
<td>30.0%</td>
<td>37.2%</td>
</tr>
<tr>
<td>Length of time engaged</td>
<td>18.4%</td>
<td>25.0%</td>
</tr>
<tr>
<td>Other</td>
<td>4.7%</td>
<td>5.9%</td>
</tr>
<tr>
<td>CONSUMER EXPERIENCE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td></td>
<td></td>
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</tbody>
</table>
Despite the need to show a return on investment very few companies are managing to do this for their marketing expenditure (Patterson, 2004). This is partly due to a lack of meaningful metrics against which performance can be measured. Patterson suggests a range of metrics that can be applied to all marketing expenditure and therefore, adapted for evaluating marketing events. These are:

<table>
<thead>
<tr>
<th><strong>RETURN ON INVESTMENT</strong></th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Volume</td>
<td>54.2%</td>
<td>66.0%</td>
</tr>
<tr>
<td>Expressed purchase intent</td>
<td>41.1%</td>
<td>39.9%</td>
</tr>
<tr>
<td>Brand preference altered</td>
<td>27.9%</td>
<td>29.3%</td>
</tr>
<tr>
<td>Other (Brand awareness, loyalty, email hits, etc.)</td>
<td>7.9%</td>
<td>7.4%</td>
</tr>
</tbody>
</table>

Source: Johannes (2007)

Customer acquisition:
- Customer growth rate
- Share of preference
- Share of voice
- Share of distribution

Customer relationship management
- Frequency and recency of purchase
- Share of wallet
- Purchase value growth rate
- Customer tenure
- Customer loyalty and advocacy

Value enhancement
- Price premium
- Customer franchise value
- Rate of new product acceptance
- Net advocate score
A first stage, therefore, in evaluating the effectiveness of experiential marketing events is to determine the most appropriate metrics (and ways of measuring these). It is then necessary to evaluate these against benchmarks.

Although mainly literature review and secondary research this paper has also sought to gather the views of experienced practitioners operating in the event/experiential marketing field. The views reported here are from CEOs, MDs and strategic planners all with a wide variety of experience of creating, hosting and evaluating experiential events for a range of clients.

Experiential marketing is defined by the interviewees as

‘what your customer thinks, feels and associates you with’, ‘it's something that creates a sublimely emotional / mental connection with the business/product’ and ‘any activity that uses multi-sensory engagement of consumers to create an emotional response to the message/brand/promotion’.

Clearly the practitioner view emphasises the emotional, hedonic nature of experiential marketing. The experience created at the event needs to be something more than an instrumental, practical exposure to the product or brand.

The reasons for using experiential marketing rather than more traditional methods were explained as,

‘It brings the brand to life, turns it from a name / logo into an interactive life form, it gives it DNA. An opportunity to interface with customers.’

‘it provides essential emotional connections with their message/brand/promotion. The consumer experiences the message/brand/promotion in a way that is physical, audible and visual. The consequence is a greater affinity with the message/brand/promotion and longer retention of the message/brand/promotion.’

and
‘Only by achieving emotional connections can today’s brands hope to get onto people’s portfolios, and more importantly, facilitate word of mouth (net promoter).’

The main benefits appear to be again related to the emotional setting in which the brand message is delivered. The event becomes the brand, representing the brand values in a physical and interactive form. This suggests then that one of the most important aspects to measure is the strength and characteristics of the emotional connections made as a result of the event.

All the interviewees agreed that clear objectives are imperative for successful marketing events and that these are usually initially set by the client and moderated by the agency in terms of what can realistically be achieved. Objectives are set at two levels in terms of meeting the needs of the organisation using the event and in terms of the audience, guests, attendees of the event.

For example the objectives for one event were

‘To achieve early contact with the brand in a controlled environment for 8 to 11 year olds. To make sure this early contact is fun while educationally robust, thus engaging pupils as well as their teachers.’

The achievement of objectives appears to be the responsibility of both the agency and the client and sometimes an external research agency where greater objectivity is needed. Discussion of the measures to be used and methods of measurement form part of the contract and ‘must be agreed before the event in order to protect both parties’.

Most agencies include evaluation for each event organised. This varies in depth and breadth according to clients’ needs and willingness to pay. Evaluation is also conducted as part of the agencies’ internal systems in order to build their own ‘knowledge and capability’. Furthermore all the interviewees believe that all aspects, tangible and intangible, can be measured but that measurement is constrained by time, money and the need for assumption.
The range of methods used to evaluate experiential marketing events included qualitative and quantitative approaches ranging from a fairly formalised adaptation of the balanced score card methodology to simple measures of volume of attendees (using door counters; gift distribution; diarised visitation). Also used are face-to-face or self completion questionnaires to assess visitor attitudes to the event content, staff questionnaires to establish staff experiences and areas for evolution, and media cutting services to measure media exposure achieved.

Although many of these measures focus on the event itself rather than its effects practitioners recognise the importance of longer term in-depth evaluation.

‘We very rarely get the budget to complete post research to measure the impact of the event after it has passed. This could and should be done by measuring attendee attitude some weeks/months after the event has passed; changing consumer habits; sales volume comparisons with non-promotional periods etc.’

The interviewees also recognised the need for a greater amount of evaluation to be undertaken within the industry. However, problems were also envisaged in terms of the scope of the industry and therefore the difficulty in standardising methods and measures, the problem with isolating the effect of an event from overall IMC activity and a lack of resources as any budget being spent tends to go on event delivery and content rather than research.

In developing evaluation the respondents would like to see ‘a spectrum of techniques that people can adopt, develop and grow with’ and a change to longer term thinking and commitment which would in turn ‘increase the value placed on post-event research as clients seek to improve their events each time; year on year’. ‘Short-termism’ is seen as one of main obstacles to improving event evaluation as the brand manager is often ‘on the brand for a short period’ and ‘thus they are not brand building but winning market share for a short time’.

Conclusions

In reviewing both the literature on experiential marketing evaluation and through discussions with practitioners this paper has perhaps created more questions than answers. Before practical
methods of experiential marketing event evaluation are developed there is much more research to be done in understanding the effects of such methods on consumers, in isolating those effects from other influences and then on determining methods for controlling or maximising the effects. Although much of the practical research being done is currently led by the agencies providing the events, the onus should lie with the user (client) not the provider (agency) and with marketing academics. Otherwise we are in danger of relying on research which is driven by the need to prove the value of a particular event or of the industry as a whole and being undertaken by those without an insight into the holistic nature of the marketing campaign.

Due the variety of types and sizes of experiential marketing events a consistent approach can only be developed through focusing on consumer experience, objectives and outcomes rather than content and form. For example a method developed to measure attitude change related to one event should be applicable whenever attitude change is an objective. If direct sales are the objective or customer retention or product trial then different evaluation techniques need to be employed. The overall effectiveness of the event may therefore require the summation of a number of evaluations on each objective.

A further problem to overcome is that experiential events are often a small part of a much greater integrated marketing communications campaign. The ‘value’ of the event may not easily be assessed separately from the overall effect of the campaign. It may be necessary therefore to assume an outcome based upon measures of consumer experience and emotional resonance with the brand before and after the event.

Pine and Gilmore (1999) suggest that “those companies who stage experiences alone, without considering the effect these experiences will have on participants and without designing the experiences in such a way as to create a desired change, will eventually see their experiences become commoditised”. If marketing events remain, as they should do, as unusual events, not continuous and not commoditised, it will be more feasible to isolate their effects within IMC measurement as there will be comparisons available between periods with and without experiential events.
However, a generalisable methodology is unlikely due to the diversity of ‘marketing events’ and the individualistic nature of the consumer experience. Research now needs to move away from a reliance on data collected about the event and move towards research that focuses on developing a clearer understanding of the consumer experience at the event and more importantly the consumer’s longer term response to that experience (see Table 3). Mixed methods are needed to gain this understanding using a combination of the trends and models used within econometrics and stochastic modelling and the in-depth individualised techniques of consumer psychology. It is unlikely that a methodology can be developed that is perfectly applicable to every event but as Pomerance (1964), in Fill (2005) states it is “far better to acknowledge their imperfections and use the available measures to best effect to gain insight rather than not to evaluate at all”.

The worth of experiential events is not in question. What is now needed is an understanding of how and why they work. Only after this is understood will we know what to measure and how.

Table 3: The three levels of marketing event evaluation

<table>
<thead>
<tr>
<th>Stage</th>
<th>Measured</th>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The event</td>
<td>Attendance, Media coverage, Satisfaction</td>
<td>Focuses on the event</td>
<td>Doesn’t measure effectiveness</td>
</tr>
<tr>
<td>2. Consumer experience of event</td>
<td>Value=Benefits-costs</td>
<td>Focuses on consumer satisfaction</td>
<td>Assumes positive event experience equates to marketing effectiveness</td>
</tr>
</tbody>
</table>
3. Consumer response to the experience
   
a) Attitude change as a result of experience

b) Behavioural change as a result of experience

<table>
<thead>
<tr>
<th>Feelings, attitudes, intentions, behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived brand values, preference, liking,</td>
</tr>
<tr>
<td>Purchase behaviour, WOM, recommendations, advocacy, trial</td>
</tr>
<tr>
<td>Focuses on results, outcomes</td>
</tr>
<tr>
<td>Difficult to isolate effects, longer term</td>
</tr>
</tbody>
</table>
References


Retailing Vol.77 pp.39-56.
Neff, J. (2004) P&G plays catch up, turns to experiential marketing. Advertising Age. 75 (32) September, p10-10


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