

Measuring the Impact of Events



To get shoppers excited about the NFL playoffs, Pierce Promotions conducted sampling events in Hannaford stores with brands that participated in the supermarket's Football Frenzy campaign, including Taco Bell salsa and refried beans.

Through POS data, loyalty cards and more, brands are following the return on sampling and experiential marketing

By Erica Walkup

Event marketing offers something that other marketing tactics can't — face-to-face interactions with consumers and an engaging way to build affinity and drive trial of your brand. But event marketing has also transitioned into something that's measurable, giving brands even more reason to include it in their marketing mix.

"The challenge that event people have is that events are complex, there are a lot of moving parts, and they are perceived as expensive," says Kerry Smith, president of the Event Marketing Institute in Norwalk, Conn. "But the value of events is that those people have self-selected themselves into engaging with you. Where traditional media is passive impressions, events and face to face are active engagements."

Tecate, White Plains, N.Y., spends 25% to 30% of its overall marketing budget on events and sponsorships, including numerous boxing matches and the Toyota Grand Prix. "It's a way to communicate directly with consumers, to provide a brand experience, and it's also a way to not only reach our target consumers but also to expand a little bit more, but in a way that makes sense for the brand," says Carlos Boughton, brand director.

Some event marketing agencies have seen an in-

crease in business, like Chicago-based Marketing Werks, which has grown from \$4 million in revenues in 1997 to close to \$70 million today, says managing partner Julie Guida. Retailers are also stepping up their efforts: Planning and coordinating company Shopper Events, Bentonville, Ark., was created in January to streamline sampling at Walmart. (The October issue will have a white paper featuring this company and its work with Walmart.)

"We've had considerable growth over the last five years," says Bob Martin, president of Portland, Maine-based Pierce Promotions, which does events for Procter & Gamble, Kraft, Diageo and others. "Our current clients are doing more of this, and also clients that had not necessarily done experiential before are realizing the value of the medium."

Measuring Events

Much like shopper marketing, measuring the effectiveness and ROI of events is not always cut and dried.

"With event marketing, it's particularly difficult to really gauge the impact of what you are doing with numbers, not that we don't try," says Dan Green, integrated marketing associate, running division at Boston-based New Balance. The company's run-

ning division spends "well over half" of its marketing budget on events that range from marathons to the X Games. "Sometimes it's tough to attribute sales lift directly to an event, especially if it's not on-site sales, but at least we can get some idea of sales lift that might be associated."

Most interviewed for this report agree that sales are the most important success metric but stress that events are long-term investments that aren't always repaid on the day of the event.

"Day-of sales are great, but really the post period is critical in showing that true ROI," says Liz Van Voorhis, senior director at Daymon Worldwide, Stamford, Conn., which handles in-store events and sampling at Costco, Meijer and Giant Eagle. Using the retailers' POS data to track sales for 12 weeks after an event, "we're seeing between a 20% and 30% ROI for the retailer on our events," she says.

Walmart looks at day-of lift and residual sales lift four weeks out from an event, says Glen Walter, vice president, events at Crossmark, Plano, Texas. (Where Shopper Events coordinates the events, execution is split between Crossmark and Irvine, Calif.-based Advantage Sales and Marketing.)

Taking measurement even further, PromoWorks, Schaumburg, Ill., commissioned a study with Knowledge Networks/PDI based on three sampling events — one new product, one brand extension and one existing brand — that showed an average sales lift of more than 74% over 20 weeks. What's more, the study also found an average lift for the entire brand franchise of more than 19%.

The study compared test and control households in the same store using loyalty card data to track purchase behavior by time-stamping each shopper in the store, seeing who was exposed to the sampling event and tracking those shoppers for up to 20 weeks. (For more on PromoWorks and this study, see the insert on Page 3.)

Van Voorhis says loyalty card data, when available, helps refine metrics around ROI and purchase behavior. "In one of our retailers, we took their loyalty card information and looked at the prior six months," she says. "70% of [that retailer's shoppers] had not previously purchased that product in the last six months. Then we looked at the 12 weeks following the event and saw that 30% purchased, so we were able to convert them into a user of the product."

Tecate has sponsored the Toyota Grand Prix for the last eight years. The brand runs marketing activities before and during the race, including promotions at retail, radio ads, mobile marketing initiatives and concerts.



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senior director,
Daymon Worldwide

Barcode tagging, RFID and mobile messaging can also be used to give consumers a unique identifier and track their purchase behavior, says David Rich, senior vice president, program strategy/worldwide at George P. Johnson Experience Marketing in Auburn Hills, Mich. But sales aren't the only thing being measured at events, particularly outside of retail. Media impressions and the number of interactions are still popular quantitative measures, but qualitative measures such as engagement and attitudes about the brand are often just as important.

“The danger about impressions is it's about exposure, but it's not about relevance,” Rich says. “Have I cared about it, am I interested in it, and has it moved me closer to the brand? Number of impressions doesn't tell you that, so what a lot more people are starting to measure now is the depth of engagement” through surveys and other means.

Pierce Promotions looks at sales and performs on-site surveys to measure events in three ways: action-based measurement (do they buy the product?); impression-based measurement (do they have a new-found brand perception?); and advocacy-based measurement (will they recommend the product?). “The not-so-distant past was based on outcomes, meaning how many samples did you distribute, how many impressions were created.”

In Stop & Shop and Giant Landover stores, Daymon conducts blind taste tests between national brands and private labels. Samplers answer a series of questions about the taste, smell and texture of both products on a computer, which provides the stores with instant feedback. Sara Lee Corp. also used surveys to gauge consumers' reactions to the quality and taste of the new Hillshire Farm Miller High Life Beer Brats during in-store sampling events this summer.

“Qualitative survey results provided a snapshot of success in terms of consumer feedback with very encouraging outcomes with respect to consumer favorability,” says Kristine Abrahamson, director, consumer and shopper marketing at the Downers Grove, Ill.-based company.

Integrating Retail, Online

Whether an event takes place at a festival, out of a bus or on a street corner, tying it back to retail is key. KC Masterpiece and Kingsford charcoal have partnered with country singer Keith Urban for his summer tour,

using scent technology to create the smells of a backyard barbecue as concertgoers enter the venue. But the brands' parent company, Oakland, Calif.-based Clorox, is also using a sweepstakes, various promotions and P-O-P to bring the campaign to shoppers who aren't attending the concerts.

“It's important for us to not just talk to fans during the actual tour because barbecuing is year round,” says Drew McGowan, senior group manager, public relations and sponsorships. “59% of barbecue occasions are happening outside the summertime period, so it's really important to keep people engaged and excited.”

Mott's, Rye Brook, N.Y., has a similar goal with its Pink to the Core campaign. As a sponsor of the Susan G. Komen Race for the Cure, the brand has a full experience at 17 of the 121 races, with product samples,

coupons and tote bags for those who make a pledge to adopt healthy habits that reduce their risk of breast cancer. During that same time, in-store displays and pink packaging promote that message at retail. New York-based PowerPact is executing the campaign.

In addition to living on in-store, events are increasingly adding an online component to keep consumers engaged after the event. One widespread practice is taking photos of consumers at events that they can go online and download once they're home.

“Sharing photos is probably one of the No. 1 ranked things that people like to do at an event to remember the experience, so there are several companies out there that offer that as the data-collection engine,” says Smith of the Event Marketing Institute.

This method also allows brands to collect information about consumers, such as e-mail addresses,



The Hershey Co., Hershey, Pa., hosted the Tour de Pink four-day bike ride for the fifth consecutive year. The company also showed its support for breast cancer awareness with special graphics and pink ribbons on packages of Hershey's Bliss chocolate.

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cell phone numbers and their opinions about the brand by requiring users to answer a few questions before downloading their photo.

Daymon and Pierce both encourage their clients to create microsites and e-mail campaigns to let consumers know when an event is coming and to stay in touch with them after the tour is over. Clorox took this idea to the next level by putting branded content directly on Keith Urban's website to reach even more of its target audience.

Logistics

With so many moving parts and the added pressure of being live, pulling off

an event requires the help of experts. "This is not for amateurs," says Smith. "There are too many things that can go wrong." Some event agencies are full service, while others are divided into what Smith calls "heads" and "arms and legs," with the heads handling creative planning and the arms and legs dealing with execution.

Walmart uses Shopper Events as the head and Advantage Sales and Marketing and Crossmark as the arms and legs. Each company is in charge of 1,000 Walmart Supercenters, running a combined total of 40,000 to 50,000 in-store events per month, estimates Walter.

Walmart deployed this new system in January, cutting down from seven event management companies to "ensure a more consistent effort as opposed to the old model," says Walter.

Each of the 2,000 Supercenters houses the same Walmart branded tables, cooking equipment and uniforms in the back room. P-O-P and other materials needed for a particular event are shipped to the stores each week. But perhaps most unique is the program's direct staffing model, in which the samplers and demonstrators are employees of either Crossmark or Advantage.

"These folks are tied to a particular store. They get to come to work and know that all their equipment is there waiting on them, as well as their samples and fulfillment materials, and they get to strike up a relationship with not only the store management but also the consumers," Walter says.

For mobile events, like the Walgreens Wellness Tour that delivers free health screenings via nine customized buses in the United States and Puerto Rico, charting the most efficient route is an important consideration.

"When it comes to clients having preferred places to go, our expertise would



Keith Urban concertgoers enter the venue through a 30-foot inflatable grill that pumps out the smell of grilled chicken (above) and can take their picture with a standee of the singer in a backyard setting (left). George P. Johnson Experience Marketing is responsible for the campaign.

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be in counseling them on routing so that it's very efficient," says Guida of Marketing Werks, which is handling the Walgreens tour. "When you're going cross-country, you really need to decide if that event is worth it to go to."

Attention-grabbing visuals and engaging activities are also crucial in creating an event experience. At the Keith Urban concerts, 3-D dioramas of the singer in a backyard setting, a 30-foot inflatable tunnel shaped like a grill and large billboard signage throughout the venue help attendees make a connection with the brands. And as part of Marketing Werks's Gore-Tex and Windstopper "Know What's Inside" Tour, consumers were able to try on jackets and other outdoor gear in an Extreme Weather

Chamber that produced 32-mile-per-hour winds and rainfall up to 22 inches per hour.

"You always want to have things to help generate a crowd and generate excitement because just having a static event site really doesn't help you," Guida says.

Growing Sophistication

"Being able to demonstrate something in a live setting is a tried-and-true tactic that is just becoming more sophisticated every day," says Martin of Pierce Promotions. One area of growth is the use of specialized talent to perform demonstrations, such as nutritionists, cosmetologists and chefs. At Pierce's Gillette Fusion tour, consumers can get a shave on-site rather than simply hearing about product benefits, bringing to life "what the brand means to men and how it talks to their passion points," Martin says.

Although many companies are already integrating online and other marketing vehicles with events, there are still more opportunities to enhance the experience. "There are things that can be merchandised along with the [sampling] table. For example, displays and signage opportunities for the sponsoring brands may be improved," says Chip Hoyt, vice president, marketing at Crossmark. "It's getting beyond the table to integrate other tactics that are available in-store to enhance the experience at the lowest possible cost but with the highest possible impact."

One of the biggest trends is bringing



At the Gillette Fusion tour, consumers can get a shave on-site to fully experience the razor.

