

THE EVENT MARKETING EVOLUTION

An Era of Data, Technology, and Revenue Impact

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New technology shows companies exactly how their events are translating into real revenue and profit growth—all while making event management easier and delivering a better customer experience.

In the age of digitalization, meeting customers and prospects face-to-face at events to initiate or nurture relationships remains a highly valued marketing tool. But companies that aren't using the latest event marketing technology may not be realizing full value from their investments in events—and ultimately could be dulling their competitive edge.

A new global survey of more than 700 senior executives and managers by Harvard Business Review Analytic Services documents the ongoing popularity of event marketing. It finds that the vast majority of companies—more than 90%—prioritize hosting events for customers and potential customers, and nearly as many prioritize sponsoring events. A majority have been ramping up their event activity over the past three years, and many plan to do even more event marketing next year.

This enthusiasm is founded on a simple proposition: 52% of survey respondents say event marketing drives more business value than other marketing channels, while only 8% say it drives less.

The catch, for many, is that their enthusiasm is largely intuitive, based more on anecdotal evidence than on hard data. Even as marketers face increasing pressure from CFOs and other C-suite leaders to track their return on their investments, only a minority of survey respondents—23%—say they can calculate an ROI for events. To be sure, it isn't that they aren't measuring at all; most track top-of-the-sales-funnel metrics like how many customers and prospects are attending their events and how many mentions their events are getting in the press, and maybe how many sales leads they're able to qualify. But few have figured out how to accurately tie event activity to actual revenues or profits.

HIGHLIGHTS

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OF SURVEY RESPONDENTS SAY THEY CAN CALCULATE AN ROI FOR EVENTS.

IN ADDITION TO GIVING CUSTOMERS AND PROSPECTS A BETTER EVENT EXPERIENCE, NEW SYSTEMS ALLOW USERS TO BETTER TRACK BOTTOM-OF-THE-FUNNEL SALES METRICS.

The tide is changing, though. Thanks to the development of new software platforms that combine event management and data analytics capabilities, companies can now begin to understand more clearly what they're getting from their investments in event marketing. Legacy event software was aimed at facilitating event logistics, but often suffered from poor design, yielded a poor user experience, and was not easily integrated across platforms or at scale across the enterprise. The newest event marketing platforms overcome these limitations, and, perhaps most importantly, are geared not just at managing events but also at driving revenue from them. So in addition to giving customers and prospects a better event experience, these new systems allow users to better track bottom-of-the-funnel sales metrics, which in turn allows them to make better decisions about how they allocate their event marketing resources—ultimately driving even better returns on their event investments.

Many leading companies are already reaping the benefits of this technology, and pointing the way forward for others. These leaders tend to be the fastest-growing companies. They are ramping up their event marketing activities—both as event hosts and as sponsors—and investing in the resources necessary to support that effort.

Specifically, our survey finds that:

- Companies growing fastest—those that have seen their revenue grow 30% or more over the past two years—have been increasing their event activity the most.
- The most popular types of hosted events are one-day conferences or seminars, product trainings, business or channel partner events, thought leadership workshops, and VIP meals.
- The most popular sponsored events, by far, are industry trade shows and conventions, followed by one-day conferences or seminars and business or channel partner events. (A third of companies also host their own trade shows.)
- Only a third of businesses have thus far adopted event marketing technology, but among those early adopters, 51%—a group we identify here as “best adopters”—say they are getting good results from their technology investments.
- Among non-adopters, nearly one in five (18%) say they plan to adopt event marketing technology in the next 12 to 18 months.
- Nearly four in 10 best adopters (37%) say they're able to calculate an ROI for their events, versus only 23% of non-adopters. Among other things, the best adopters are more likely to be able to calculate key metrics such as the amount of new revenue sourced, the cost per opportunity generated, and the cost per customer acquired.
- Best adopters on average consider themselves better positioned for future success than non-adopters.
- The most aggressive adopters of event marketing technology are tech companies, followed by business/professional services and consulting firms, and then healthcare companies.
- Two-thirds of tech adopters spend under \$100,000 annually on event marketing technology, including 37% that spend between \$20,000 and \$100,000. Meanwhile 16% spend between \$100,000 and \$500,000, and 17% spend \$500,000 or more.

Best Practices

Our research findings suggest that marketing executives in large organizations can benefit by developing and adopting these event-marketing best practices, which we explore in more detail later in this report:

- Integrate event technology into the company's information systems to enable ROI measurement, real-time action, and cross-department collaboration.
- Measure bottom-of-the-funnel sales metrics to align your events program to its impact on revenue.
- Use the rich datasets that events unlock to become more personalized and relevant.
- Align metrics to the event type, reflecting the fact that different types of events are used at different stages of the sales funnel.
- Adopt a bias for hosted events, which give organizations better control of the customer experience.
- When sponsoring events, get involved outside the booth and give attendees a reason to engage with you.



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