Proving the VALUE of B2B Event Marketing

Your All-In-One Guide to Measuring ROI from Your Events

splash

What's Inside

Foreword: It's Your Time

B2B in-person events aren't just important — they're necessary for converting prospects into customers.

Based on a recent Chief Marketer research study, half of B2B marketers plan to invest 26-75% of their entire budget on events[1]. With so much budget and time dedicated to events, it's crucial to prove these programs are actually working — and more importantly, impacting the business.

On average, we see event planners in their roles for 2-3 years. The event planners that understand how to measure their events' return on investment (ROI) and how to translate that ROI into business outcomes are usually the ones that assume leadership roles. Those that can't — fail to measure or fail to understand — tend to be the ones who never climb the corporate ladder.

Now, it's your time to prove the ROI of your work and effort. We're giving you the tools to justify your role, strengthen your budget, grow your team, and prove the impact of each event you throw. So you can transform high-potential, face-to-face experiences into real opportunities and revenue.

Sound good? Let's get to work.

Ben Hindman
CEO of Splash

1. https://www.martechadvisor.com/articles/events-webinars/the-oktoberfest-of-martech-how-to-plan-b2b-events-that-count/

Executive Summary

Events matter to budgets and revenue: not only do events make up the largest portion of corporate marketing budgets at 21%[2], they also yield a whopping 3:1 ROI for 44% of marketers[3].

If the event channel is given the majority of the marketing budget *and* proves to drive outstanding ROI, why would department leads and company executives expect anything less than positive business results?

Gone are the days of measuring surface-level, vanity metrics. As event marketers, it's our job to show how effective in-person experiences are at fueling pipeline and driving ROI. But here's the thing: **while 75% of marketers report in-person events are their most effective marketing tactic[4], 65% do not have a way of measuring the impact[5].**

The good news: it's easier than ever to track, measure, and *prove* the impact of your events on the bottom line.

In this resource, we take you through the holistic process of ROI measurement. We cover it all – everything from defining, attribution, and analyzing – so you can find the approach that works best for you and your organization.

2. adage.com/article/btob/b2b-marketing-budgets-set-rise-6-2014-forrester/291207/

3. https://www.statista.com/statistics/307741/use-of-event-marketing-in-the-us/

4. contentmarketinginstitute.com/wp-content/uploads/2015/09/2016_B2B_Report_Final.pdf

5. https://www.b2bmarketing.net/en-gb/member-resources/b2b-leaders-report-2013

SECTION 1

Set the Stage

On the surface, event ROI is a simple formula: value of (business won - amount spent) / amount spent.

But every organization looks at event success differently. What's more important is keeping your ROI calculations as consistent and relevant to expected outcomes as possible. In other words, **you need to report on the impact that matters.**

In this resource, we'll share common event ROI measurements and processes; but first, you need to have the right foundation in place.

1. Understand and Align with Key Company Metrics

If your goal is to uncover the impact of events on buying behavior, you need to understand the metrics your company uses to track opportunities and new deals.

Here are the most common ones:

- **Average duration of the sales cycle.** This helps determine your influence window for events. Say your average deal cycle spans 30 days. If you host an event 90 days prior to a deal closing – and prospects from that account attend –that event probably didn't influence the sale considerably. On the other hand, if you host the event

15 days prior to close – when prospects are weighing and evaluating their options – that event likely did influence the deal closing.

- **Average deal size.** Understanding this metric can help you forecast event ROI before deals even close, using the formula *Deal Size X Number of Prospect Accounts in Attendance*. For instance, if your average deal size is $50,000 and your event draws 100 different prospect accounts, you could forecast that the event could impact as much as $5,000,000.
- **Average conversion rate**. To be more precise with your forecasts, you need to understand average conversion rates. This is the formula: *Deal Size X Number of Prospect Accounts in Attendance X Conversion Rate.* Say your average account-to-deal conversion rate from event attendees is 15%. The calculation would be $50,000 (average deal size) X 100 (accounts) X 15% = $750,000. In other words, you can forecast confidently that your event can help drive $750,000 in revenue.

Understanding these high-level company metrics will help you forecast event success more accurately. If you are on the hook to help generate a certain amount of pipeline or revenue, you can back up the number of events and attendees needed to hit that goal.

2. Organize Your Data and Simplify Data-Tracking

Without the right data in the right place, you can't effectively calculate ROI.

Before you dig into the measurement process, make sure you've got what you need. Here's what to look for:

1. **Do you have interaction data from all events (registrants, attendees, no-shows)?**
2. **Do you have complete business contact information for all event registrants (first name, last name, company, job title, business email address, phone number)?**
3. **Does your event data live in campaigns within your systems of record (e.g., marketing automation, CRM, etc.)?**
4. **In your CRM system, has your sales team accurately added event attendees to opportunities that resulted from (or were influenced by) your events?**
5. **Are you time-stamping opportunity stages so you can measure event influence – such as impact on pipeline velocity following an event – as opportunities move through the funnel?**

It's difficult to wrangle event data when it lives in different systems, and especially when it's on unclaimed paper name tags, business cards, slips of paper, Google sheets, etc.

It's nearly impossible without the right tools – integrated ones – that enable automated processes and real-time data tracking and measurement. Make sure you put these tools and processes in place to calculate event ROI continuously and consistently.

What are the hallmarks of an effective integrated, automated event management system? Look for these signs:

- Instantly and consistently captures event data like registration and check-in data.
- Syncs to existing systems in real-time for easy visibility across the organization.
- Syncs bi-directionally with systems of record for easy collaboration across teams.
- Able to print name badges on site during check-in for real-time reconciling of check-in data and massive time-savings.
- Able to scan business cards at check-in and automatically import to systems of record in real-time.
- Easily able to add new registrants on site to ensure data collection from late participants.

3. Calculate your Investment

ROI measurement isn't one-size-fits-all. It starts with determining your actual event investment, which is often more complicated than it sounds. Make sure your organization knows all the costs associated with events, so everyone is clear on what is considered the *actual* investment.

What costs do you include in your investment?

ROI calculations become useless when the "I" isn't consistent. Ideally you want to be able to compare apples to apples across events. For example, you don't want one event to include travel costs but another event to exclude it.

Here are a couple common ways companies think about calculating their costs:

- Only hard costs (don't forget shipping, even if it's on the company's account!)
- Hard costs + marketing travel and expenses
- Hard costs + all travel for staff attendees (marketing, sales, company leadership, etc.)
- Hard costs + time allocation + travel and expenses

4. Standardize on Measurement

Determine a standard way to measure the investment and ROI. Agree on the approach that works for your business and is aligned with your company goals and sales leadership team.

At the same time, remember not to handle event measurement and attribution in a silo. Instead, approach it as you would any other marketing measurement that takes into account a holistic view of the sales cycle. If you're going to measure events differently, know why and be ready to explain the reason.

What do you include in your measurement?

Ideally, you're tracking all activities related to the event – invitation opens, registrations, check-ins, on-site engagement – but you'll need to decide what attendee interactions count toward actual attribution.

Will you include just attendees or also those who RSVP but don't attend? There's a strong case for the latter because RSVPers also experience your brand on some level, but many companies only count actual attendance.

Depending on your attribution model, you may not have to decide. If you use multi-touch attribution (more on that later), you can measure the influence of an attendee versus an RSVP differently. Regardless of your attribution model, you'll need to consider how particular event interactions affect your likelihood to win a deal.

5. Partnering with Sales

With events, your best partner is the sales team. Get their help on maintaining clean, accurate data, driving prospects to your events, and validating your measurement model.

How to Incentivize your Sales Team

Need help collecting, updating, and maintaining good, clean data? Incentivizing the sales team can arm you with the crucial information you need to prove ROI.

Hold a contest and award prizes to the reps that ring up the highest numbers in categories that drive the right attendees and keep data accurate:

Contest Categories:

- Drove the most active pipeline to RSVP
- Drove the most checked-in opportunity (pipeline) in the room
- Most opportunities opened post-event with proper contact roles associated
- Most number of deals closed from the event and with the cleanest data
- Most $$$ closed

The Reward: The sales rep that closes the most deals or brings in the highest revenue from the event wins an amount to use toward hosting their own event with marketing's support. Plus, you get reliable data that proves the ROI of your events.

How to Validate your ROI Measurement with Sales

When it comes to event ROI measurement, there is no such thing as pinpoint precision. It's far more realistic – and useful – to get all key stakeholders to buy into the same estimates and predictions. Once you've settled on an approach, vet your ROI assumptions and model through interviews with sales. Then, conduct these interviews after your next few events to confirm the approach is actually working (more on this later).

Questions to ask when validating with sales:

1. Salesforce shows this opportunity as an outcome of an event. Is this accurate?
2. Are all decision-makers and influencers represented on all opportunities?
3. Are we missing any opportunities that resulted from the event?
4. If using multi-touch weighted attribution, do the weights for event interactions represent the value of the touch in the opportunity?

SECTION 2

Align Expectations with Event Types

There are so many different and unique ways to host a gathering of decision-makers. These events can be intimate dinners, user conferences, cocktail parties, thought leadership workshops, trade show activations, roadshows, community meet-ups — you get it, there's a ton of different types.

While you can throw any type of event you want, you should also expect different outcomes based on the event type. For example, sponsored events usually drive net-new names, while hosted events usually influence existing opportunities by accelerating their velocity through the sales cycle.

Before planning any event, ask yourself the following questions to determine if your event will help meet your goals:

- What are we trying to achieve with this event?
- Who are we targeting with this event?
- How will we measure the success of this event?

Event Type	Who It's Best For	Expected Outcomes
Happy Hour / Cocktail Party	· Prospects · Customers	· New opportunities from your existing database · Pipeline acceleration · Customer engagement and retention
Roadshow / Field Event	· Engaged prospects (in an opp or actively engaged with you) · Prospects · Customers	· Pipeline acceleration · New opportunities from your existing database · Customer engagement and retention
VIP Breakfast, Lunch, Dinner	· Engaged prospects · Customers	· Pipeline acceleration · Customer engagement and retention
Community Meetup	· Late-stage prospects · Customers	· Pipeline acceleration · Customer engagement and retention
Hosted Conference	· Prospects · Customers · Net-new prospects (often from paid campaigns) · Industry influencers · Press	· Net-new names · New opportunities from your existing database · Pipeline acceleration · Customer retention · Social and press mentions
Sponsored Event	· Host company's audience (which should align with your ideal customer profile)	· Net-new names · Brand awareness
Satellite Event at an Industry Conference	· Your customers and prospects attending the big event · New prospects attending the main event	· Net-new names · Pipeline acceleration · Customer engagement
Partner Event	· Partner company's audience · Any overlapping audience you have with partner (prospects and/or customers)	· Net-new names · New opportunities from your existing database · Customer engagement

What's the goal of your event?

Steal an event tip from Megan Vandervort, formerly the Associate Director of Marketing at true[x]: *"Before we create an event, we categorize by goal. Is the event about brand awareness? Is it to educate our potential clients? Or is it simply to build relationships with existing contacts? Sometimes it's a combination of goals."*

Are sponsorships dead?

Event sponsorships with generic benefits are proving ineffective over time. Savvy event planners are only sponsoring events that guarantee direct interaction with target accounts and unique engagement experiences.

"99% of the time I say 'no' to sponsoring a general event. I'd rather invest our budget on an event where I can control the content."

Som Puangladda, VP of Global Marketing at GumGum

SECTION 3

The Most Effective Attribution Models

Event attribution is about determining how events (and the various activities and actions associated with events) impacted a goal, such as driving opportunities and revenue. There are a lot of different attribution models you can use to measure an event's success. The key is to figure out an attribution model that works best for your program, your event goals, and aligns with your marketing team's overall approach to attribution.

Comparing and understanding the trends across event types allows you to compare the effectiveness of the varying event types and accurately measure the impact of your overall event program. You may want to use different attribution models that align closely to each event type, but it's also important to choose a common attribution model to measure your overall events program.

Attribution methods are frameworks for determining the impact of actions on a desired outcome. With an event-specific attribution model, you can assign a value to the actions taken with your events with consideration for where those events fall in the sales cycle and how influential they are to winning a deal. Your ultimate goal is to determine the impact of each attendee action, the impact of each event, and the overall impact of your entire event program.

Regardless of your choice of attribution models, it's important to understand how and why to apply different models, and to communicate and report the model you're using if it varies in your reporting.

Turn the page for our leading marketer-endorsed, tried-and-true attribution models.

1. First-Touch Attribution

In this ROI measurement method, you allocate all value of an opportunity to the **first-touch** source. In most cases, this will be about the event responsible for adding a net-new lead/ contact to your database.

The Formula:

Event ROI = (Sum of value of opportunities closed-won where Lead Source was the event - Cost of Event) / Cost of Event

For the math-minded, here's what the actual calculation looks like for first-touch attribution:

$$R = (\sum OIs - Ce) / Ce$$

R: Event ROI

$\sum$OIs: Sum of value of opportunities closed-won where Lead Source was the event

Ce: Cost of Event

Report Card: First-Touch Attribution

⚡ **What it's best for:** Event types that acquire net-new leads (sponsorships, partner events) or for very short sales cycles.

👍 **Pros:** Very easy to track and measure.

👎 **Cons:** Does not capture the influences of other marketing touches after the initial touch.

🕵️ **Keys to tracking the data:** Beyond tracking normal budget and opportunities, you will need to track lead source.

2. Last-Touch Attribution

The **last-touch** is the marketing event that the opportunity experienced just before an opportunity was opened *or* before the deal closed. You'll need to determine which conversion event (opportunity creation or deal closing) is most impactful to measure and then be consistent when using this model. This model assigns 100% of credit for an opportunity or deal to that event.

The Formula:

Event ROI = (Sum of value of opportunities closed-won where Last Marketing Touch was the event - Cost of Event) / Cost of Event.

For the math-minded, here's what the actual calculation looks like for last-touch attribution:

$$R = (\sum OIm - Ce) / Ce$$

R: Event ROI

$\sum OIm$: Sum of value of opportunities closed where Last Marketing Touch was the event

Ce: Cost of Event

Report Card: Last-Touch Attribution

What it's best for: To understand what event helped open the opportunity or push the opportunity across the finish line, regardless of the sales cycle length.

Pros: Very easy to track and measure.

Cons: Does not capture the influences of other marketing touches before the last touch.

Keys to tracking the data: Outside of tracking normal budget and opportunities, you will need to track the last touch before opportunity creation or close.

3. Influence Attribution

Influence captures the total number of opportunities and revenue impacted by the event. This method is also known as even attribution because all event elements or activities are assigned equal credit for influencing a deal to close.

Note: the influence should only be measured within your typical sales cycle window.

The Formula:

Event ROI = (Sum of value of all opportunities opened and closed-won - Cost of Event) / Cost of Event

For the math-minded, here's what the actual calculation looks like for influence attribution:

$$R = (\sum Ooc - Ce) / Ce$$

R: Event ROI

∑Ooc: Sum of value of opportunities opened and closed-won

Ce: Cost of Event

Report Card: Influence Attribution

⚡ **What it's best for:** Good for a quick view of how an event has touched revenue.

👍 **Pros:** It's a simple calculation.

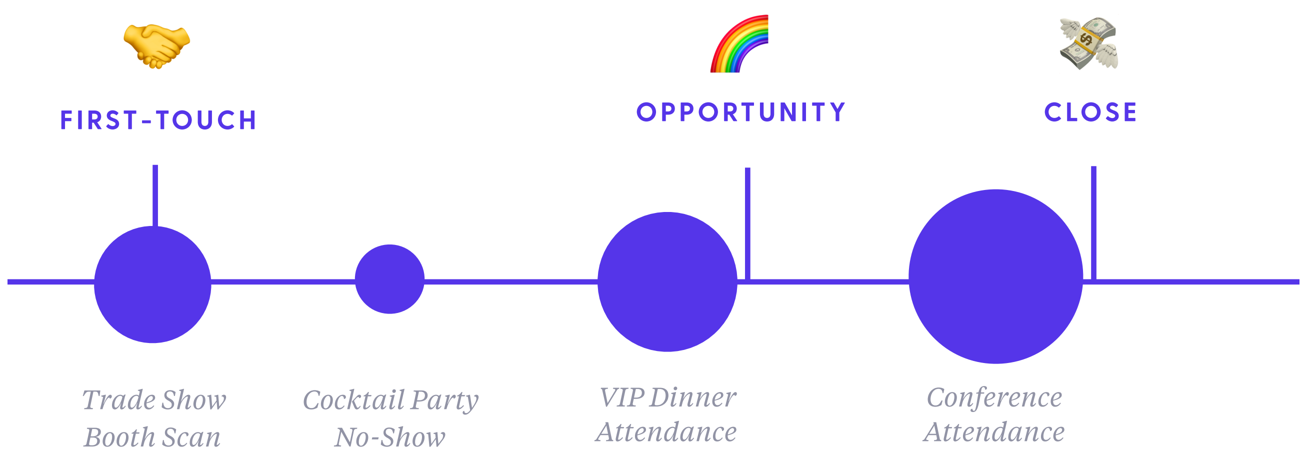
👎 **Cons:** Does not capture the influences of other marketing touches. Often, more in-depth analysis needs to be done to determine how influential the event actually was to each individual deal.

🕵️ **Keys to tracking the data:** Track budget and opportunities.

4. Multi-Touch Weighted Attribution

It's hard to determine the exact influence of an event on a deal with consideration for where they fall in the sales cycle. The best way to accomplish this is by using a **multi-touch measurement model** that allows you to allocate values to different marketing and event touches. Influence is binary; it either happened or it didn't. Multi-touch adds weighting to those influences.

While multi-touch is the most accurate attribution method, it's also the most difficult to calculate without the right strategy, data, and technology.



The Formula:
Event ROI = (Sum of value of opportunity influence - Cost of Event * coefficient of marketing influence) / Cost of Event

For the math-minded, here's what the actual calculation looks like for multi-touch weighted attribution:

R = (∑Oi - Ce * im) / Ce

R: Event ROI
∑Oi: Sum of value of opportunity Influence
Im: coefficient of marketing influence (see the next section for how to determine)
Ce - Cost of Event

Report Card: Multi-Touch Attribution

What it's best for: Longer sales cycles and when your marketing program is multi-channeled.

Pros: Allows you to attribute a portion of the event influence to the ROI of your event and to assign different values to the different ways people engaged with your events (i.e. attended, no-show) or based on where the event fell in the sales cycle.

Cons: It's complicated. Understanding the many influences on an opportunity requires solid processes that yield clean, credible data. It also requires a strong understanding of the influence of each event touch.

Keys to tracking the data: This requires diligent data capture on all marketing activities a lead encounters. A full history of the lead and opportunity is needed to understand the multi-touch influence.

"Salesforce is great for collecting contact and account data and tracking simple attribution, like first-touch or last-touch. But you need another tool to determine if your events accelerated velocity through the funnel."

Melissa Blazejewski, Owner & Director of Events, BlazeEvents

Multi-Touch Attribution: Determining the Significance of Event Touches

Similarly to how a marketer would set up lead scoring, start by listing factors that impact event performance, and then assign values to their influence on desired outcomes. For example, you might assign more points to a happy hour than to a booth scan, but may assign more points to a late-stage dinner than a sponsored roadshow.

While no two companies will assign the same values to different events or event interactions, here's what to consider as you come up with your weighting schema:

1. **Value of event.** For instance, a 3-day user summit carries more weight than a happy hour because it requires more of a time commitment on the attendee's part and is usually more explicitly focused on business issues and solutions.
2. **Attendee action**. An attendee that checked into the event is worth more than someone who RSVP'ed but didn't attend.
3. **Attendee type.** You might assign different values to net-new contacts versus existing leads or customers.
4. **Event investment.** The events getting a larger share of your time and/or budget will likely be assigned a higher value than those requiring little time and few resources.
5. **Proximity to opportunity or close.** Someone attending an event and purchasing a short time after is usually given more weight than someone attending an event and not purchasing for quite some time after.

If you are just starting out with a weighted attribution model, you will need to take a best guess at assigning values. However, you can analyze your historical data to guide your decisions. This might even help you determine if all or certain types of events carry a certain weight. Additionally, you should check your value assumptions with your sales team. They'll anecdotally know how valuable certain event types and interactions have been.

For example:

Less Point Attribution ⟷ **More Point Attribution**

Registering for a Happy Hour but not showing up	Checking in to a VIP Dinner	Attending a Community Meet-Up	Attending a 3 Day User Conference

"Attribution weights can change over time, as you start to see trends. You may notice that certain events are hugely influential, so you assign more weight to those while reducing the weight of other events or activities. It's similar to creating a lead scoring model for the first time. You have to start somewhere and as you measure over time, you realize which interactions matter most and weight those more heavily."

Amy Holtzman, VP of Marketing at Splash

Post-Event Attribution Validation: Now It's Time to Re-Engage Sales

After each event, interview sales to answer these questions:

- Did we fulfill the event goals?
- Do the model results make sense?
- Do we better understand event performance?
- Can we make better event decisions moving forward?
- Did the event propel existing opportunities further along the funnel?
- Does the model need adjusting? If so, in what way?
- Does everyone agree that the model(s) work (or need adjusting)?

SECTION 4

Key Performance Indicators and Event Success Metrics

While an attribution model provides a way to calculate your event ROI, sales cycles can be long and complex, and it can be a while before you'll see real ROI from your events. That's where metrics and Key Performance Indicators (KPIs) come into play. These can be great early indicators of event success, but should be used carefully as they're unlikely to tell the full ROI story.

Metrics and KPIs have different purposes. For example, the number of event attendees could be a metric. But the percent that converts to opportunities is a KPI – it measures contribution to business performance. In other words, KPIs indicate how well your events are moving the needle for your business.

KPIs should be SMART: specific, measurable, attainable, relevant, and timely.

Think of KPIs as the hard metrics or golden values in the set of business metrics. They ultimately show internal stakeholders how valuable events are to specific business outcomes. By tracking historical averages (such as number of new leads generated by an event), you can forecast that success metric for future events.

On the next page, we've listed out some of the top KPIs and metrics top event marketers are tracking. None of these alone will enable an effective event measurement strategy. But all of these can be indicators of event success.

🙋 **Attendance Quality:**

- C-level or decision-maker attendees
- Ratio of net-new to existing contacts
- New press contacts
- Average number of attendees by account
- Attendance ratio
- +1s and value of +1s (additional people invited by your attendees and their value)
- Number of attendees
- Time spent at event

👀 **Demand Generation:**

- Net-new leads generated
- Demos/meetings held at or after event
- Net-new qualified leads (or MQLs)
- Pipeline generated from event
- Newly generated qualified opportunities
- Target accounts engaged

⚡ **Funnel Influence:**

- Pipeline touched or generated from event
- Funnel velocity / acceleration
- Win rate improvements
- Closed/won pipeline attributed to event (overall and by sales rep)

📈 **Customer Performance:**

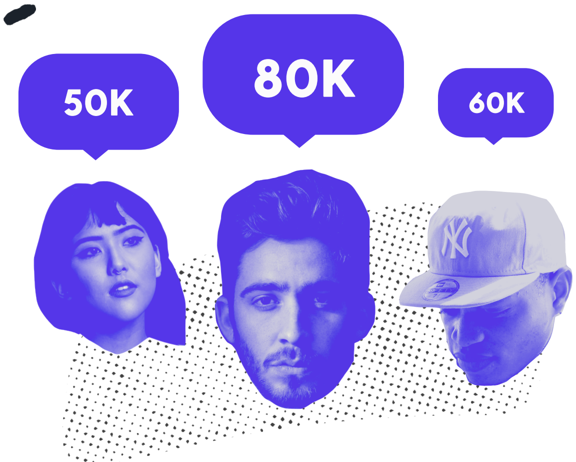
- NPS of those that attended vs. those that didn't
- Expansion/opportunities generated
- New leads from customer accounts
- Renewal rate improvements
- Reference customers gained

💵 **Spend Efficiency:**

- Cost per contact/attendee
- Cost per lead/opportunity

The Future of Event KPIs

As marketing continually evolves, we see new KPIs established regularly. Here's what we've seen added recently:

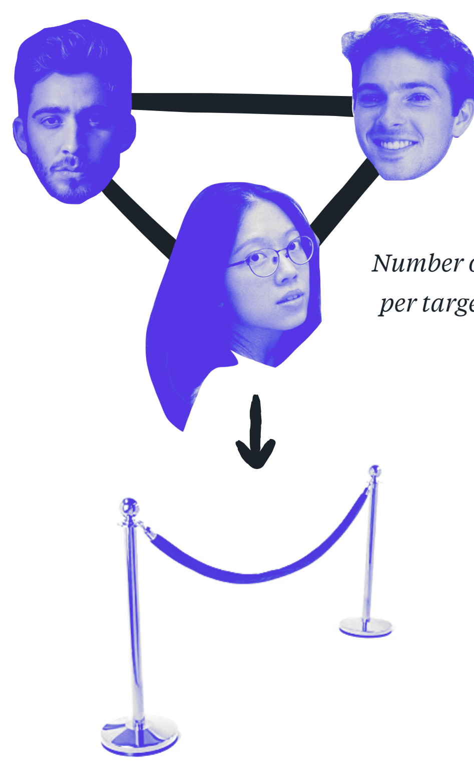


Opportunity in the room.

Opportunity in the room (one of our favorite metrics at Splash)**.** Quantify the potential value of all open opportunities in attendance at the event.

Lift from Events. A/B testing on "attending events" vs "not attending events" allows you to quantify the effect that hosting an event has on win rates and deal sizes.

Account-Based (ABM) measurements. To understand the impact of events at the account-level, track the number of attendees from target accounts, the number of target accounts in attendance, the average number of attendees per account, and opportunity in the room from target accounts.



Number of attendees per target account.

Brand value. Determine the impact an event has on your brand perception. Are people who encounter your brand through events more likely to recommend or buy?

Summary

Savvy businesses see events as a way to not only engage with customers and prospects, but also as a way to influence and generate revenue. That's why your company's executives and sales team expect you to measure events in terms of pipeline and revenue. To do that, it's important to first define your goals, set the right expectations, and put in place the right elements for tracking, measuring, and reporting on outcomes and impact.

Using the formulas, insights, and guidance in this ebook, you can measure your event ROI and make your event data actionable. When you understand and prove the impact of your events, you can confidently make decisions about future ones. **Better yet, by continually tracking and measuring the impact of your events, you can take measurement to the next level: predict the impact of future events, and even make real-time adjustments that help you optimize that impact.**

Congrats. You're now a best-in-class marketer. Say goodbye to job insecurity, and say hello to more event budget.

Now, take it away.

Ready to prove event ROI? We make it easier.

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