A Guide to Measuring Event Sponsorships

by

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Executive Summary

As more organizations strive to develop multi-faceted relationships with their customers and other publics, events have emerged as an excellent conduit. Top management associates the development and management of special events almost exclusively with PR.

As more sponsorship money flows into events, top management is taking a greater interest in the area and posing the question, "What did we get in return for the dollars invested?" Increased sales would certainly be a welcomed reply, and many events are implemented to achieve this objective. But there are many kinds of events and many objectives in addition to sales. This paper will present an overview of the field and several methods for evaluating events.

Currently only a small proportion of PR organizations measure the events they produce. An often-cited reason is that most PR people simply do not know how to go about it. In this paper we attack the problem head-on by presenting a detailed discussion of research tools available for developing events and evaluating their impact. These research tools are appropriate for both large and small organizations, and for large and small evaluation budgets.

It is vital that PR executives take up the challenge of evaluating their events for three reasons: (1) everyone needs to be accountable for the wise use of the resources made available to them; (2) evaluation can help develop and implement better events; and (3) measurement can help maintain and grow PR budgets.

This paper addresses two audiences: PR leadership who will be requesting and reviewing the results of evaluations, and staff members doing the actual assessment.

Types of events

The term "events" as used in this paper refers to the following broad categories:

- Sports events, typically sponsored by several companies.
- Cultural events, e.g., museum shows, concerts, TV specials. Sponsors may be a single company or multiple companies.
- Community events, e.g., music, theater or sports, linked in some way to the city or town in which they occur.
- Charitable events, e.g. United Way drives, hurricane relief.
- Trade Show exhibits, mall booths, etc.
- Affinity group events, e.g., a toy manufacturer's series of contests involving its products.

Successful events

Successful events share three key characteristics.

- They interest your target public,
- They are a good fit with your organization, and
- They cultivate the desired perceptions and behaviors.

<u>Your event should interest your target public</u> in order to maximize efficiency in reaching large numbers of your target. It also demonstrates that you and they share common interests, which is vital to furthering your relationship and increasing your target's likelihood of doing business with you.

<u>Your event should be a good fit with your organization</u>. If an event seems out of character or contrary to the reputation of your company, it may lead to confusion among your target public about who you are and what you stand for. As a result, the event will probably not have the desired impact. Research can help you assess whether the events you are considering fit with your company. We will present different approaches later in this paper.

<u>A successful event achieves the desired outcomes.</u> These might be communication-related outcomes, such as building awareness of a new product or associating new characteristics with your brand, or they might be sales-related, such as generating leads or sales. Research can help you in the developmental stage to choose the best event for your purposes, and then help you to measure its success once it is in the market and at the final post-event evaluation stage.

Existing vs. original events

You will need to decide if you wish to use existing events, such as trade shows and sports events, or develop original events. There are several considerations when making this choice.

Existing events have the benefits of audience data, known costs, and relatively small labor requirements. Unfortunately, they also tend to be expensive and your organization may well be one of many competing for attention. Events you develop yourself can be less costly and, of course, you will be the sole sponsor; but they require much more labor on your part. Further, it is more difficult to assess the likelihood of attracting large numbers of your target public because you lack audience data.

Research approaches for event development

There are “good”, “better” and “best” approaches to developing events that are likely to interest your targets and cultivate the desired outcomes.

Good:

- Make a list of your target publics’ interests.

  Your company’s Marketing and Advertising departments may have data on interests of target publics and surveys they can share with you.

  If you believe that a certain type of event might be attractive to your target public but you cannot find enough information within your company, contact a trade association that represents that activity. For example, if you believe that your audience likes car racing, contact NASCAR. These organizations typically can provide a lot of information on the demographics and psychographics of the audiences for their events, usually at no cost.

  Get the data for several kinds of events and compare. Be sure to compare the <u>actual numbers</u> of your target public likely to participate on each, vs. the percent of total attendees who meet your target criteria. You may be surprised that some less "glamorous" events actually attract more of your specific target public than the high-visibility events. These would be real finds because it is likely that sponsorship participation will be less expensive.

- Armed with these data on the interests of your publics, set your creative team loose on identifying or developing candidate events.

- Rank the candidate events based on your team's best judgment as to the events' fit with the interests of your target public.

- Next, evaluate your candidate events in terms of their appropriateness to your organization's reputation. Events should either be completely in sync with your reputation, or just a slight stretch.

- If you know your organization's reputation among your key publics, rate and compare the candidate events as to degree of fit. For example, if your target market views your organization as fast-moving and innovative, your events should have the same characteristics. This same target public probably will not see an antique show, for example, as a good fit with a fast-moving and innovative company. If you don't know much about your reputation, your Marketing department or Advertising group are likely to have this information.

- While this "good" approach is based entirely on judgment and provides no quantification, its logical approach to identifying candidate events helps you to avoid wasteful or harmful mistakes.

Better:

Expose focus groups representing your key publics to the candidate events that made it through the "good" approach.

- Describe the events and assess the overall appeal of each. Diagnose what participants find attractive and unattractive about each.

- Ask participants to describe other events (beyond those you brought to the groups) that they attend and find enjoyable, or would like to attend.

- Obtain open-ended evaluation of a small number of companies (for masking the research's sponsor) on a few specific reputation dimensions, e.g. innovative, fast-moving. Suggest companies that might sponsor such events and obtain reactions.

- Lastly, bring the events and the companies together by asking participants to tell you which events each company would likely sponsor and why. Ask how such events would make respondents think or act differently, being sure to ask about the kinds of perceptions and behaviors you are hoping to cultivate.

Qualitatively analyze the results of these groups to identify the events you wish to pursue, but be sure to include in your deliberations the relative cost and risk associated with each event.

Best:

Conduct a survey that exposes significant numbers of your target public to the candidate events that made it through the "good" and "better" approaches.

- Hold out a control group of respondents who will not be exposed to any concepts.
- Have the exposed respondents rate the appeal of each event and whether they would attend or participate in such an event. Then have these respondents rate your organization and one or two others (for masking) on a number of brand perceptions or corporate reputation elements that are important to you.
- Ask them about likely purchase behavior or other relevant outcomes.
- Compare the responses of respondents exposed to your different event descriptions and those unexposed.

Hopefully, the events will influence their perceptions and likely behaviors, producing higher numbers in the exposed vs. unexposed groups. Use these differences (if any) and the likely cost of the different candidate events to conduct a return-on-investment (ROI) analysis on each event.[1]

After completing one of these research approaches, you should have a list of highly qualified candidate events. Be sure to consider the relative resources required, in terms of dollars and staff time. At this point you are ready to select the event or events that you will pursue.

[1] A method for doing this is described later in this paper.

Evaluating Effectiveness

Once you have implemented the events you need to evaluate their success. There are four central questions to keep in mind concerning event evaluation:

1. How effective was the event? To what extent did the event impact the target public in the desired manner?
2. Did the event change the targeted public in unexpected ways, whether desirable or undesirable?
3. How cost effective was the event?
4. What was learned that will help improve future events?

It is important that staff developing and implementing events know at the outset that they will be required to answer these four questions with hard data and insights.[2]

Throughout the following sections of this paper, when we refer to "products" the reader should understand that this is shorthand for not only products but also services, or whatever you are selling or promoting. In some instances the "product" might be your organization, or a piece of legislation, or a social issue.

Similarly we will talk about "sales" and "purchasing." These should be read to also refer to other supportive behaviors you might be trying to cultivate, such as recommending a product, recommending a stock, voting for a piece of legislation, etc.

[2] You may select any of the accepted evaluation techniques to be presented shortly.

Measuring effectiveness

Before your event you should review the event's objectives. Sort the objectives into one of three major categories:

(1) *communications process related* e.g., attendance tracking or number of handouts taken; attendees' favorability towards the event; message recall and retention;

(2) *communications effects related* e.g., changes in cognitions such as awareness and understanding; changes in motivations (attitudes to and opinions of and preference for your organization, products or services) and behavior such as stated intentions to buy or becoming a sales lead. (intent; commitment; actions such as going to buy; becoming a sales lead) and,

(3) *sales related* e.g., lead tracking, sales tracking.

Then have your team translate these overall objectives into specific objectives such as, "At the conclusion of this event, participants will demonstrate 20% more likelihood to try our product than non-participants."[3]

Depending upon the nature of your event and your specific objectives, several research tools may be appropriate. Figure 1 presents an overview. We will define and discuss each of these tools.

Figure 1
Objectives by Appropriate Research Tools

			Post-	Pre-	Sales		Media

[3] Be sure that your objectives are specific, measurable, and contain a timeframe. It is always challenging to write objectives, and particularly if there is no track record to look back on. Suggestions on how to get started with writing objectives can be found in several Institute for Public Relations Research publications. See in particular "Setting Measurable Public Relations Objectives," by Forrest W. Anderson and Linda Hadley, and "Guidelines and Standards for measuring the effectiveness of PR programs," by Walter Lindenmann, both at www.instituteforpr.com.

Objectives:	Leads analysis	In-event Surveys	event surveys	Post Surveys	Conversion Surveys	Lead Tracking	coverage analysis
Communications processes & effects:							
Messaging		X	X	X			X
Image/branding/ Awareness		X	X	X			X
New product introductions	X	X	X	X	X	X	X
Media coverage							X
Sales:							
Generate leads	X						
Generate sales/ influence recs. Or prescribing, etc.					X	X	
Enter new markets	X		X	X	X	X	

Source: Adapted from Exhibit Surveys, Inc.

Leads analysis. Events such as trade show exhibits, mall demonstrations, and booths at community fairs are often used to generate sales leads. Cards or lists are typically used to capture critical information on consumers expressing interest in your products. At a minimum, you need to capture identification and contact information, along with an indication of which product is of interest. If you gather additional information, several useful analyses can be performed, as shown in Figure 2.

Figure 2
"Leads" data gathered and related uses.

Data	Purpose of Analysis
Name, address, phone #, email, etc.	Provide information requested. Re-contact. Monitor purchase behavior.
# of leads	Assess communication cost-effectiveness. Compare this event vs. similar events in past. Compare this event vs. other types of events. Assess viability of a new product or new market.
Demographics	Identify which products appeal to which types of consumers, thus facilitating future marketing and PR efforts.
Information desired.	Guide future marketing communications.
Recall/ recognition of key messages	Assess effectiveness of in-event communications.
Source product awareness	Guide future media mix.
Source of event awareness	Assess media relations efforts supporting the event. Guide future media pitches and advertising.

After performing these analyses, be sure to re-visit the leads-related objectives that your team formulated before the event and determine the extent to which the event achieved these objectives.

In-event surveys. During many types of events it is possible to conduct surveys among those attending. Sporting events, concerts, and even professional conferences can be evaluated through this technique. Surveys are generally conducted via personal interviews. In-event surveys are particularly useful in determining whether your sponsorship of the event is being clearly communicated and if so, what impact this has on audience members' perceptions of, attitudes toward and interest in your company and products. Figure 3 summarizes the types of data it is useful to collect and the purpose of analyzing these data.

Figure 3
In-event survey data gathered and related uses.

Data	Purpose of Analysis
Demographics and product ownership/usage	Identify the types of consumers attracted by the event. Assess the event's efficiency in reaching target market. Compare to other events to assess reach efficiency.
Unaided and aided sponsorship awareness	Determine effectiveness of event communications (ads, logos, flyers, etc.).
Attitude and perceptions of company or products (unaided and aided)	Compare to similar attitudes and perceptions among total target market to help assess event's impact.
Changes in attitudes and perceptions of company or products	Assess event's impact.
Recall/ recognition of key messages	Assess effectiveness of in-event communications.
Purchase intent	Compare to similar purchase intent levels among total target market to help assess event's impact.
Changes in purchase intent.	Assess event's impact.
Source of event awareness	Assess media relations efforts supporting the event. Guide future media pitches and advertising.

After performing these analyses, be sure to re-visit your various communication-related and sales-related objectives formulated before the event and determine the extent to which the event achieved these objectives.

Examples:

An in-event survey was used to determine NASCAR fan's awareness and reaction to Daimler-Chrysler's return to auto racing a few years ago. The survey was able to determine that a very large majority of fans were aware of the D-C's return, and were extremely supportive of the move.

MacDonald's, Kodak and Nike, among several other sponsors of the Olympics were required in the Sydney games to use much smaller, more low-key exhibits than in the previous Atlanta games. Many wondered whether sponsorship and message recall would suffer. Yet in-event surveys found no decline in spontaneous recall of either.

Post-event surveys. If you are unable to conduct in-event surveys, post-event surveys can cover much of the same ground. Even if you have conducted an in-event survey, a post survey provides excellent points of comparison, facilitating evaluation of the event's impact.

One unique feature of post-event surveys is that they provide a measure of the proportion of your target public in a given geography that became aware of your event and your sponsorship, and whether or not they attended. Often this awareness leads to changes in attitudes, perceptions, etc. among those who did not attend. It is appropriate to include these people in your effectiveness evaluation.

The data and analyses of post-event surveys are generally identical to those listed in Figure 2. However, a critical question needs to be added to the post-event survey to identify whether the respondent attended the event, was aware of the event but did not attend, or knew nothing about the event. This question allows you to compare all the other survey data among these key groups and through these comparisons determine the event's impacts. If your event was effective, perceptions will be more positive and supportive behavior more likely for those who attended or heard about your event, vs. those who did neither. These findings should be even more pronounced among those people aware of your sponsorship.

Be sure to build into your survey questions the ability for respondents to talk about any attitudes or perceptions that you don't expect or even desire to cultivate. If you develop your event carefully any unintended results are likely to be positive, but it is always good to check for undesirable results.

If your event is a trade show where participants visit multiple exhibits sponsored by different companies, a post-event survey allows you to compare the effectiveness of your booth vs. those of your competitors.

Be sure to re-visit your various communication process-related, communication effects -related and sales-related objectives formulated before the event and determine the extent to which the event achieved these objectives.

> *Example:*
>
> *A major international manufacturer of cosmetics recently used a post-event survey to investigate the awareness and impact of their sponsorship of an exhibit at a museum in New York City. The survey found that nearly one-third of their target market was aware of their sponsorship of the event. This matched the average awareness of their last three sponsorships and was thus judged satisfactory. Awareness among the general public was found to be lower than their three-event average. Among those who attended the event, purchase intent showed a 26% increment over those unaware of the event. Among those aware but not attending, there was a smaller (8%) but significant increment to purchase intent over those unaware of the event.*

Pre-post surveys. Pre-post surveys typically address the same objectives as in-event and post-event surveys. The purpose of conducting two waves of surveys, one before and one after the event, is to gain a better measure of the event's unique impact, over and above things happening in the environment. For example, if your target public is exposed to a favorable and widely-published article about your company before your event or unrelated to your event, this may boost some of your variables (e.g., attitudes, behaviors). A pre-post study allows you to discount your data appropriately.

The typical pre-post study design involves simply polling a random sample of your target market before and after your event. The "after" respondents may or may not be the same as the "before" respondents. Poll enough people in both waves to analyze your data by three groups; (1) those who attended, (2) those just aware, and (3) those neither attending nor aware. Your analysis should first look for pre-post differences between groups 1 and 2 (those attending or at least aware of the event). Then look for pre-post differences in group 3 (those neither attending nor aware). This latter group serves as your control, showing you the impact of things going on in the environment completely unrelated to your event. If you see differences here, they should be subtracted out of any differences you see in groups 1 and 2 in order to get a clear assessment of your event's true impact.

The downside of using different respondents in the pre and post studies is that you cannot know for sure how much of the apparent differences on your important variables (e.g., attitudes, behavior, etc.) are attributable to your event vs. differences among individual respondents that have nothing to do with the event. The pre-post panel design addresses this problem.

Pre-post panel. In a pre-post panel the same individuals are in both the pre and post waves. This is accomplished by asking first-wave respondents if they are willing to be re-contacted after the event for another, much briefer survey. Those who agree to be re-contacted become your "panel." Continue to poll pre-wave respondents until you have enough panel members to permit pre-post comparisons for those who attended and did not attend your event. In the pre wave be sure to ask panel members who are aware of your upcoming event whether or not they expect to attend.

The post survey interviews your panel plus a small group of non-panelists who neither attended nor were aware of your event. This latter sample is your control group.

For your panelists, the post survey will be briefer than the pre wave because you will have already collected demographics, product ownership/usage data, etc. You need to include only those questions related to your objectives regarding attitudes, perceptions and purchase intent.

Compare differences in pre and post responses regarding your objectives for (1) those who attended your event vs. (2) those who did not attend. Comparing pre and post responses for these two groups indicates the extent to which attending the event influenced your publics' attitudes, perceptions and behavior. Interviewing the same individuals pre and post means that differences can be more validly attributed to the event itself, compared with a post-only study.

Examples:

A major telecommunication company recently used a pre/post survey to assess the impact of its sponsorship of a concert series on its brand awareness, image and interest in using its services. The pre survey found substantial goodwill and usage interest. The post wave found a high level of *awareness of the concert sponsorship and, among those aware, much more favorable brand perceptions and much higher levels of interest in using the telecomm sponsor's services. By looking strictly at increments over pre levels rather than the raw post-survey figures, the external environment's impacts are controlled for and the increments can safely be attributed to the event itself.*

The pre/post event design was also recently used by a major beer manufacturer to assess which of several forms of auto racing it was simultaneously sponsoring was having the greatest impact on brand perceptions and purchase intent.

In each case pre/post designs were selected because it is recognized that consumers would very likely have been exposed to brand messages prior to the events in question.

Ideally you would identify and survey a control group (i.e., those who were not aware of the event at both the pre and post stages) in order to discount your panelists' pre-post differences, as discussed previously. This provides a more accurate view of your event's impact over and above environmental influences.

Sales conversion surveys. These surveys are typically used to measure the quantity and dollar value of sales resulting from leads generated by an event. They are also used when an event includes giving away trials of your product or service. The survey's main objective is to determine the rate at which these leads or trial users eventually begin purchasing (or recommending) your product, and to determine the extent to which your event influenced this rate. However, such surveys also provide a means for assessing other things, such as attitudes, perceptions, degree of influence of your event, the level of post-event follow-up by sales personnel, etc. Figure 4 summarizes the data and analyses involved:

Figure 4
Sales conversion survey data gathered and related uses.

Data	Purpose of Analysis
Demographics and product ownership/usage	Determine respondents' level of category involvement. Identify the types of individuals most likely to convert from trial to purchase.
Product purchase	Determine the rate at which leads and trial users convert to sales. Assess the typical length of time between trial and purchase. Describe those who convert from trial to purchase.
Experience with trial product	Facilitate understanding what is most appealing and unappealing about the product. Facilitate understanding types of product experiences that lead, and do not lead, to sales.
Contact between trial and purchase	Assess which intervening contact contributed to conversion.
Attitude and perceptions of company or products (unaided and aided)	Compare to similar attitudes and perceptions among total target market to help assess event's impact. Assess the impact of trial use on attitudes and perceptions.
Changes in attitudes and perceptions of company or products	Assess event's impact on moving consumers through the purchase process.
Purchase intent (among those who have not yet purchased)	Compare to purchase-intent levels among total target market to help assess event's impact. Compare purchase intent between those whose attitudes and perceptions were impacted by the event vs. those not impacted to further assess event's cultivation of purchase intent.
Changes in purchase intent (among those who have not yet purchased)	Assess event's impact.

As with other approaches, be sure to re-visit your communication-related and sales-related objectives formulated before the event and determine the extent to which the event achieved those objectives.

> *Example:*
>
> *A manufacturer of music software conducted a sales conversion survey after a recent consumer electronics trade show. At their booth representatives gave visitors copies of their new software title on DVD, which would operate in trial mode for 10 days. After the 10 days, those who had trialed the software were surveyed. Along with obtaining much information about the software itself (useful features; ease of use, etc.) the survey also investigated purchase intent and found a large majority expressing a very high likelihood of purchasing. Three months later another survey was conducted among all the people trialing the software and actual purchase rates were calculated. These data allowed the manufacturer to determine the efficacy of using trade shows to stimulate trial of its software. They also allowed the manufacturer to "calibrate" the relationship between stated purchase intent and actual purchase behavior for use in future studies and business cases.*[4]

Lead Tracking. This form of evaluation is based on what is often called a "closed loop system." When leads are generated via events, they are initially analyzed, as we have already described, and then entered into a database. Ideally, this database is linked to your organization's sales information systems. Such linkage allows matching names, and thus provides the ability to determine which leads have been converted to sales, as well as whether and when they make repeat purchases. These data can be highly useful, as summarized in Figure 5:

[4] To be discussed later in this paper.

Figure 5
Lead tracking data gathered and related uses.

Data	Purpose of Analysis
Date of first purchase (if any)	Calculate lead conversion rates. Calculate a preliminary ROI for the event. Determine relative ability of different events to generate high quality leads. Insight into the length of the purchase cycle.
Date of first purchase coupled with demographics, category involvement, etc.	Identify the types of individuals most likely to buy a particular product.
Date of subsequent purchases (if any)	Refined calculation of the value of the lead. Refined calculation of event ROI. Insight into the re-purchase cycle.
Date of subsequent purchases coupled with demographics, category involvement, etc.	Specify the types of individuals mostly likely to buy multiple products.

A lead-tracking system analysis is similar to a sales-conversion survey in that both are concerned with sales rates. The unique feature of a lead-tracking system is its ability to comprehensively determine conversion rates. Surveys, on the other hand, usually draw samples of populations rather than taking a census, resulting in a "margin of error" when attempting to project results to the entire target market population.

The challenge with setting up lead-tracking systems is that they require tight coordination between computer databases typically designed for different purposes and maintained by different groups within your organization. Making them interact is often a major challenge.

Example:

A cellular-telephone service provider used a mall-tour with a popular stand-up comedian to generate leads for its service. Having a closed-loop lead-tracking system, it was able to monitor the subsequent purchase behavior (if any) of its leads. It was also *able to assess which type of follow-up efforts were most successful in converting leads to sales.*

Media coverage analysis. Most PR people are familiar with media content analysis systems, so they will not be described here in detail.

We have listed "media coverage" as a communication-related objective. Some people would argue with this, saying that media coverage is only a means to the more important end of impacting people's attitudes, perceptions and behaviors. That is undoubtedly true. However, for events to be successful, your target market must learn about them, and most often this is communicated through the mass media. The extent to which your event is covered, and the way it is covered, will influence how many people attend and what they expect once they get there. For these reasons we feel it appropriate to list coverage as an objective.

Media analyses can produce data and insights concerning your event's communication objectives, as shown in Figure 6:

Figure 6
Media coverage analysis data gathered and related uses.

Data	Purpose of Analysis
Amount of coverage	Assess effectiveness of media relations efforts. Determine event's degree of success. Assess relative newsworthiness of different types of events.
Message content	Assess effectiveness of media relations efforts. Understand what target market was likely exposed to. Assess relative newsworthiness of different messages.
Editorial tone	Effectiveness of media relations efforts. Understand what target market was likely exposed to.

Some media research firms conduct a very specialized form of content analysis designed for events. Firms such as Joyce Julius and TNS Sports precisely measure such things as the frequency with which your company's logo or product or spokesperson appeared in the televised coverage of events, the extent of visibility, and the length of time you were on screen. They typically overlay these data with the per-minute advertising cost for time on your event and calculate an advertising value equivalent (AVE). As most PR people know, this is a very controversial measure,[5] yet it can be used as an index of the prominence of your coverage. Used in this way, it can help you understand what the television audience was exposed to, and thus help you to assess the extent to which your event was successful or not.

Whether talking about editorial coverage or product-placement coverage, it should be recalled that measuring the extent and nature of your events coverage cannot, in itself, tell you how much impact that coverage is having on your target markets. Measures of editorial and product-placement coverage are diagnostic tools. To understand the coverage's real impact, you must include questions in your lead cards and in your surveys to determine exposure to the media's coverage and then relate this exposure to such things as changes in attitudes, perceptions and purchase intents.

Measuring cost-effectiveness

As mentioned early on is this paper, it is often the case that an event's objective may not be to generate leads or sales, but rather to build awareness or cultivate perceptions. In these situations it is probably not appropriate to attempt calculating an ROI. This section refers only to those events in which sales-related objectives were a key part of your rationale for producing the event.

The main idea in measuring cost-effectiveness is to compare the cost of producing the event with the effectiveness of the communication effects arising from the event. Costing the event is, of course, no problem. Simply add up your team's out-of-pocket expenses, any agency fees, and the value of your staff's time.

Putting a value on the event's effectiveness can be done in two ways:

- Estimate the value of changes in perceptions, attitudes and likely behavior (e.g. purchasing, recommending, voting).

- Estimate the value of actual behavior.

[5] For a summary of this controversy, see this author's paper on the IPR website entitled, "Advertising Value Equivalency (AVE)."

Calibration studies. To put a dollar value on changes in your publics' perceptions, attitudes and likely behavior, someone in your organization (typically in Marketing) needs to have done a "calibration study." Such a study correlates changes in perceptions (etc.) with actual behavior, e.g., buying your product. A typical outcome would be a statement such as, "If we raise purchase *intent* by 10%, we will sell 1% more products in the next year." Armed with such insights and using data from the evaluation methods described previously, you are able to assign a dollar value to the impact of your event. By comparing this dollar value to the event's cost, you can generate an ROI figure.

The first step, therefore, is to go to Marketing and see if the staff has conducted a calibration study. If not, you may wish to encourage them to do so—perhaps offering to contribute to the cost, along with any other departments in your organization that would gain benefit.

The ROI calculation. We will describe two methods for calculating an ROI for your event.

(1) A survey-based method:

- Identify the % of people that attended your event who say they are now highly likely to purchase your product.
- Subtract from this the % of people who have not attended your event, and who weren't aware of it, who nonetheless say they are highly likely to purchase your product.[6]
- The difference will be considered the increment caused by your event.
- Multiply this percentage increase by the number of target persons you reached with your event.
- Multiply this result by the value of a new purchase (obtain this from Finance or Marketing), and you have a good estimate of the value of your event.
- Compare this to the event's cost to calculate your ROI.

The above calculation provides only an estimate of ROI, because even with using a calibration study's insights there is a margin of error in correlations between purchase intent and actual purchase behavior. Still,

[6] A surrogate for this figure might be available from a Marketing study that simply asks your target market for purchase intent.

if you use the same correlations that other groups in your organization use, you are on firm ground.

To go further and provide a "best case" scenario, you can perform the same calculations on those persons who, in your surveys, became aware of your event but did not attend. Assuming they too showed incremental purchase intent, the value of their likely purchases can be added to the value for event attendees.

(2) A database method:

- Identify the number of leads or trial users generated by your event that converted to sales within 6 months.
- Multiply this number by the average value of a sale.
- The result is the dollar-value of your event.
- Compare this with the cost of putting on your event to calculate your ROI.

Learning

It is critical to diagnose what went right and what went wrong with your event. This will help you do better in the future, showing you how to improve the event. Have your team investigate each part of your event development and evaluation program to gain as much learning as possible.

Figure 6 is a brief summary of the kinds of diagnoses your team might employ:

Figure 7
Post event diagnostic questions.

Event component	Diagnostic questions
Publicity	Did the event receive substantial coverage among your target public? Was the coverage of your event accurate? Did the coverage contain your key messages? Was your coverage favorable? Was your coverage cited by survey respondents as a substantial source of awareness of your event?
The event experience	Did adequate numbers of people attend your event? Were your event's attendees aware of your sponsorship? Did attendees enjoy the event?
Influence on attitudes, perceptions, purchase intent, etc.	Did your event have a positive impact on these? Were there any unexpected negative impacts?
The event as a whole	Was your event cost-effective? Did your event take up more resources than expected? Did your event have positive impacts that you hadn't anticipated?

The importance of consistency

We have alluded to the great diversity in types of events, and have examined several evaluation techniques that can be used in different situations. We now need to emphasize the importance of consistency in measurement. In order to be able to compare one event against another, or this year's new improved version of an event versus last year's, you need to use the same yardstick. Try not to invent new measures but, whenever possible, use measures that have been employed previously. Over time this will allow you to build up a database of comparable data that becomes increasingly valuable as it grows. By reviewing the results of multiple events using the same criteria it becomes much easier to see what is working and what is not. These are extremely useful insights for guiding future efforts.

Summing it up

Successful events are those that cultivate the desired outcomes among target publics and, for those with a sales objective, yield a good ROI. Intuition and creativity are crucial to developing event ideas. Research can help develop on-target events with a high likelihood of success. After an event has been fielded, research can provide an objective, quantitative evaluation of its impact on your target public. PR leadership should insist that the "normal course of business" includes using research to develop and evaluate events. Doing so will allow you to (1) identify and implement more effective events in the future, and (2) present solid data to upper management about impact and cost-effectiveness.

Follow-up resources

Papers:

"Measuring Exhibit Results," Exhibit Surveys, May 2003, (www.exhibitsurveys.com).

"Setting Measurable Public Relations Objectives," Forrest W. Anderson and Linda Hadley, Institute for Public Relations Research website (www.instituteforpr.com)

"Guidelines and Standards for measuring the effectiveness of PR programs," Walter Lindenmann, Institute for Public Relations Research website (www.instituteforpr.com)

"Beyond ROI and ROO: Using Measurement to Enhance Decisions & Improve Exhibit Results," Exhibit Surveys, June, 2003, (www.exhibitsurveys.com).

"Advertising Value Equivalency (AVE)," Bruce Jeffries-Fox, Institute for Public Relations Research website (www.instituteforpr.com)

"Event evaluation research," Carlson, Getz and Soutar, Ingenta Connect website (www.ingentaconnect.com)

Companies:

Exhibit Surveys Inc. (www.exhibitsurveys.com)

Performance Research Inc. (www.performanceresearch.com)

Joyce Julius And Associates (www.joycejulius.com)

TNS Sports (www.sportsbusiness.com)

Expo 24-7 (www.expo24-7.com)

The Bonham Group (www.bonham.com)

MORI (www.mori.com)

SportBusiness (www.sportbusiness.com)

IEG, Inc. (www.sponsorship.com)

Echo Research (www.echoresearch.com)

Front Row Marketing Services (www.frontrow-marketing.com)

Professional organizations:

Center for Exhibition Industry Research (CEIR) (www.ceir.org)

Australian Centre for Event Management
(http://www.business.uts.edu.au/acem/research.html)

Promotion Marketing Association (www.pmalink.org)

International Association for Exhibition Managers

Trade Show Exhibitors Association

The Institute of Sports Sponsorship (www.sports-sponsorship.co.uk)

The Retail Council of Canada (www.retailcouncil.org)

Sponsorship Communications Research (www.scomm-research.com)

Publications:

Exhibitor Magazine (www.exhibitornet.com)

Trade Show Week (www.tradeshowweek.com)

Sales and Marketing Management (www.salesandmarketing.com)

Journal of Advertising

Research and Markets (sponsorship research reports) (www.researchandmarkets.com)

Academon (sponsorship research reports) (www.academon.com)