

# Pencils & Towels

*Put the marketing into event marketing and help make CMOs brand heroes again.*

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Nothing from my marketer's past could have prepared me for this meeting.

Fresh from having run a large, publicly traded interactive agency, I was in my second month as president/ceo of a mid-size, independent experiential/promotional agency. Earlier in my career, I had been embedded in the fact-based, data-driven world of direct marketing.

Sitting around the table were some very smart guys with great energy. They were responsible for outfitting brands that get involved with NASCAR's three race circuits (Nextel Cup, Busch Series and Craftsman) with the actual teams needed to race across the entire country for 36 weeks.

They were in our offices because we were convinced that one of our clients would benefit greatly from making the leap into this large segment of the market. Eventually, we got around to cost: What does it actually cost to become part of such an iconic and definitively American pastime?

"Well," the head of business development and partnerships began, "there's \$14 million to own the paint (so your brand's name appears across the hood), and depending on the quality of the team, \$18-\$20 million locked-and-loaded for the sponsorship and finally, about \$12-\$15 million for *activation*."

*Activation*, I thought. Hmm, this is where it would get most interesting for me. If you have been in

financial services, *activation* means someone has not only applied for your credit card, they have actually started using it.

If you talk about *brand activation* to a data-driven marketer, you are basically saying—*yes, we have had an exchange of value*. That usually means that you have created something relevant, that the individual gave you some personal information. Hopefully, a successful dialogue breaks out.

Not so in event/experiential marketing. In event/experiential, *activation means we're talking about giving away pencils and towels*. Yup, that's right. We are approximately \$50 million in and we are activating a brand's presence and developing criteria for success by putting up a tent and giving away pencils and towels!

## A CMO'S NIGHTMARE

I began to think about 1997-98, when advertising types hijacked the discussion about what the web could be and brought us banner ads, gross reach and CPM's. It was only later that we applied direct-response science and data and the real nature of the medium emerged. A marriage of both was not only realized; it was demanded.

And so, sitting there, it all began to come clear to me. After two months on the job, I realized there really was very little *marketing* going on in "event marketing." There were a lot of arms and legs, a lot of logistics and a helluva a lot of tee-shirts, key chains, loud music and swarms of people.

But where was the *marketing*? This was more like a living tableau of a brand billboard—a sort of daydream of all the fun things that a brand could do for you. After \$50 million, you would hope *someone* was having fun, and maybe someone will. It just won't be anyone on the sales staff.

If you were to compare this scenario with the function of an "event" in the B-to-B world and you—as the head of events were being reviewed by your boss—would be fired. Where were the leads?

Where were the insights? What were the follow-ups — the proposals, the visits to the office and the inevitable start of the long road to a sale?

Oh, I can just hear the guffaws of the veterans of consumer event marketing: *That's not our gig — leads — that's not our job.* These are people who came up through an industry rich in concert promoters and logistical producers (this is a business with more moving parts than a game of Twister). But it's not a business with a lot of marketers — who live and die with data, results, tweaking, conversions of leads, etc...

So, as this meeting (it was really a revelation, complete with angels, cherubs, choruses of bad singers...) came to a conclusion, it dawned on me that there was a great opportunity to talk to senior marketers whose organizations spend so much and yet expect so little.

This is a part of the industry that needs to grow up a little and live side-by-side with the scrutiny and ROI expectations many of us live with every day. This is why there is crisis in American marketing — personified by the declining tenure of CMOs — currently at 18–23 months (depending on which study you follow). It's not getting any better.

Helping CMOs by optimizing and integrating everything that is done, showing value to the sales function and upper management by creating success criteria that can help manage expectations, is all a part of our jobs.

#### NEXT-GENERATION EVENTS

At the risk of being less relevant to “event marketers” but hopefully instructive to marketers who would love the opportunity to turn a great, direct-to-consumer, face-to-face opportunity into a strategic addition to our marketer's toolkit, I offer five things to think about, and propose a next generation of event/experiential marketing:

### 1 Create a “theme park” focused on generating demand, making sales and building relationships.

You're already making the investment — so why not apply the brand immersion techniques we have learned from the online world? The experience needs to be built from the consumer in, not the product out.

For example, Abt Electronics, a consumer electronics and appliances retailer, works with manufacturers to build out elaborate environments in which to showcase their products. In some cases, Abt and its partners have spent upwards of \$1 million to create a suitably luxurious showroom for its upscale merchandise. Abt

provides a great example of bringing relevant theatrics to the retail space.

In the business-to-business arena, Boeing has caught on to a similar concept with its Dreamliner Gallery, a showroom where its customers can experience everything from the seats to the windowshades to the microwave ovens. The same kind of thinking can be applied to pop-up retail, mall tours, and stadium demos.

### 2 Integrate events with online and other marketing activities.

Get your agencies and teams together. Share the media plans across all disciplines while there is still time to develop integration strategies. Inform your strategy with what you have learned from face-to-face encounters with consumers, and *vice-versa*.

Given the power of face-to-face brand marketing, one can learn an incredible amount about what is really going on — as opposed to trying to approximate these moments between products and consumers online.

We will soon launch a campaign that integrates high PR currency through a live brand experience — a tour across the country introducing a new line of cosmetics. The brand itself will be launched on MySpace and six, highly influential “brand ambassadors” will document their lives through the brand on the launch site.

This never could have happened or even been contemplated had we not asked that we have a tighter relationship with the brand's media agency. In other cases, even when most media is pre-bought, you can still influence the creative product and overlay your event schedule with your annual media plan.

### 3 Deploy field marketers, not activators.

You need to turn events from field *activation* exercises to field *marketing* experiences. This means training the people who represent the brand at an event to watch and listen and ask closely.

For example, on the makeover tour, a total of 55 aspiring makeover artists will be trained to look out for what we call *brand diffusers* — young ladies who can't contain their enthusiasm for the makeover experience.

We actually have employed a cultural anthropologist to develop a guidebook that teaches staff to look for certain types of behaviors that will allow them to focus on truly enthusiastic consumers who have the potential to become loyal advocates. Once these *go-to's* are identified, we have the opportunity to invite them into special programs.

We deliver such elements for Tremor, Procter & Gamble's in-house, word-of-mouth agency. Such

programs focus on validated brand connector/diffusers who are recruited into each brand through exposure and education. They then turn their social circle onto a variety of products that are relevant to their lives.

**4 Create a word-of-mouth architecture.** Yes—there is such a thing as “word-of-mouth architecture” and no event should go off without one. It simply means that you have taken the time to provide multiple pathways back to the brand to consumers, to the people those consumers influence, as well as the online and community-driven parts of your strategy.

For inspiration, check out a new online social-network called MogTV.com, which not only enables members to meet other people with similar musical tastes, but also view music videos based on the songs in their music libraries.

It’s all about finding common-ground interests between your consumers, giving them something to talk about, and then providing them with a means to talk about it. Make sure there are plenty of ways to converse between the brand and individuals within a like-minded community.

**5 Develop ROI/KPI measures.** I visited with the head of experiential marketing of a leading American brand recently and he told me they were letting their four experiential agencies go because none of them could express any ROI metrics for the activities they were executing. “They win a lot of awards for creativity, but it turns out it is an awful lot of fluff,” is how he characterized the situation.

The challenge, as I see it, is that another layer of marketing knowledge needs to be added to the mix when contemplating face-to-face activities.

There is a lot of time and effort that goes into understanding how the consumer interacts in the retail experience. We observe how people move through aisles, how much time they take looking at this particular display or that, and we talk about optimizing the experience to allow for the best marriage between making consumers comfortable and transactions (see “Shopper Insights Machine,” page 14).

We need to deploy the same commitment to events. At our company, we are developing “cookbooks” for each of our programs so that our staff develops a better understanding of the various consumer behaviors; that way, we can segment them appropriately. Collecting data—be it consumer surveys or trained observations—is key to helping companies add additional insight into how people interact with brands.

## OTHER MEASURES

Some other ROI/KPI components that can be deployed immediately are:

- Collect data. Have people fill out surveys and interview consumers—but make absolutely certain you have a plan to get that data back into a company’s infrastructure.

Some companies throw this data away or do not bother collecting it (because they know it will only be thrown away). These are *leads*—prospects who can be contacted through larger, well thought-out CRM and e-mail programs.

- Make it easy for consumers to share their information with you. Technologies like SMS and MMS allow you to offer value and receive data in return—in a way that makes it easy for both sides.
- Connect the dots to retail. Have offers ready and available to drive people to transactions, or at the very least drive people online to relevant landing pages (*not* to your homepage).
- Develop analytic strategies that defend special consumer experiences beyond basic reach. Get third-party sales data from retail partners that validates your spend by looking at sales on the days events happen at retail.
- Commit to ambassador programs. Once your staff is trained to look for potential brand connectors, develop a program that deputizes them to carry your brand into their lives.
- Think of all your activities as lead generation and surround them with the appropriate processes and tools.

The outcome will be a much deeper and more sophisticated marketing exercise that will deliver data and insight; integrated efforts across other tactical channels; potential leads that can be carried to retail or face-to-face sales forces; and—above all—brand growth. ■



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