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I N S T I T U T E

EMI STRATEGIC INSIGHTS REPORT: The Viral Impact of Events



This study
is available
as a complete
EMI Tool Kit

A Study on the
Power of Word of
Mouth Strategies
To Increase
the Impact of
Your Events



EMI STRATEGIC INSIGHTS REPORT

The Viral Impact of Events

How Word of Mouth Marketing can Increase the Impact of Your Events

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Why a Viral Impact Study?

One of the biggest challenges marketers face is justifying the high perceived cost of event marketing relative to other options that companies have for communicating their messages. On a purely cost-per-touch basis, there's no doubt that events can be more expensive than other mainstream forms of media. But few would argue that it's unfair to compare a fleeting and passive media impression costing a couple of pennies to a face-to-face engagement that might last 30 minutes and cost a few hundred dollars. Yet that's the comparison that event professionals have been facing for years, largely because there has been no reliable research they can show to management that proves there is a different way to rationalize event investments.

At the same time, study after study has shown that word-of-mouth is the single most important influence in purchase behavior in virtually any category you can name. This study, commissioned by the Event Marketing Institute, documents the impact of face-to-face engagements on creating positive (and negative) word-of-mouth about event producers/sponsors and their products and services. The research findings discussed in this report demonstrate that events reach far beyond attendees, to a wider circle of friends and families via word-of-mouth. Further, **the research shows that recommendations from friends and family have a stronger impact on purchase consideration than virtually any form of media.** And, this "viral impact" of word-of-mouth, when factored into the event-cost equation, can dramatically lower the cost-per-touch of events relative to other media, while also creating richer and deeper customer-brand relationships.

The research findings discussed in this report indicate that events reach way beyond attendees, to a wider circle of attendees' friends and families via word-of-mouth.

EMI TOP 10 Executive Insights

1. **98%** recommend products to others after a positive experience
 - a. Over half tell four or more people about a positive experience
 - b. These tie into cost per touch

2. **BUT 95%** also tell others when they have negative experiences
 - a. 62% tell four or more people about negative experiences with a brand or product

3. **78%** told friends and family about the event
 - a. 90% within two days
 - b. 69% mentioned the sponsor of the event

4. **85%** felt positive about the company or brand once the event was over

5. **Nearly 50%** of event participants purchased sponsoring products (especially food & drink)

6. **71%** spent more than an hour at events

7. **90%** attended with someone else (20% were groups of five or more people)

8. **63%** recalled the name of the company that sponsored the event

9. **93%** said it is OK for the sponsor to send coupons, e-mail and advertising

10. **92%** are willing to give feedback at events if it is tied to an incentive

The study reveals that using well-planned and executed special events is a vital component of a comprehensive Word of Mouth marketing strategy. As you will see, this study proves that people share their experiences—positive or negative—with others. If you can put on an attention-grabbing event that leaves participants feeling good, they will more than likely talk up your product or brand to many others.

Just as important, however, is the reality that live events also provide an opportune environment to gather crucial feedback from a captive audience. The attendee responses can then be used to improve your product or service, hone your target demographic, and/or develop different marketing strategies to better reach those consumers.

The ripple effect of that initial feedback at the event is that companies can identify ways to make their wares that much more appealing to the consumer or prospect. Increased marketability and appeal of a product or service could then help

Those who had an enjoyable experience with that product can turn into brand advocates because of their positive interaction with the company, brand, and/or specific product at an event.

drive sales growth. And when you measure and plan your events, make sure you consider not just attendees, but the large number of referrals that those attendees reach. What are you doing to make your event worth sharing and what are you putting in the hands and heads of attendees to maximize your VIRAL POTENTIAL?

- **Design experiences for group engagement: Most folks travel in small groups** (90% are two or more) and generally mingle **for a considerable amount of time** (71% over an hour), the study finds.
- **Reward people for spreading the word: A positive experience at an event will almost certainly prompt attendees to spread the word** to their friends or family members. And almost all (98%) will actually recommend the product or service to others. So the question becomes: Does this “viral” activity lead to positive awareness and purchases among those exposed to the sponsor’s product or service indirectly via the shared experiences of the attendees? The answer, according to this study, is yes.
- **Include purchase incentives every time: According to this survey, half of attendees will buy the promoted product or service** (53%) either at the event or shortly thereafter and more than half who buy will do so the same day. The use of attractive, interactive displays and knowledgeable company representatives at the event who can answer specific questions is critical to maximizing the event’s success level.
- **Don’t forget to measure the referral potential at your events: Word-of-mouth will also drive referrals to purchase.** Not only will event attendees consider switching brands (27%) as a result of their first-hand trial of the product or service, but their recommendation (or warning), will likely influence their friends and family to either buy it or steer clear of it (29% of those referred did purchase according to respondents).

The results of our 2007 survey detailed in this comprehensive report underscore the critical need for live events as a brand-building, strategic marketing platform. Furthermore, the survey results highlight the symbiotic relationship between experiential marketing and consumer-driven Word of Mouth.

Research Methodology

The Event Marketing Institute developed a consumer questionnaire to gauge the viral impact of experiential marketing programs. The Event Marketing Institute contracted David Van Nuys, Ph.D., of e-Focus Groups, a California-based market research firm, to conduct a survey based on the questionnaire.

To explore this issue, 10,000 U.S. members of an online opt-in panel were approached to participate in the e-survey. A total of 1,168 panelists completed the survey. Of these, 566 had attended a company-sponsored marketing event in the past year. The survey has a margin of error of +/- 2.87 percentage points.

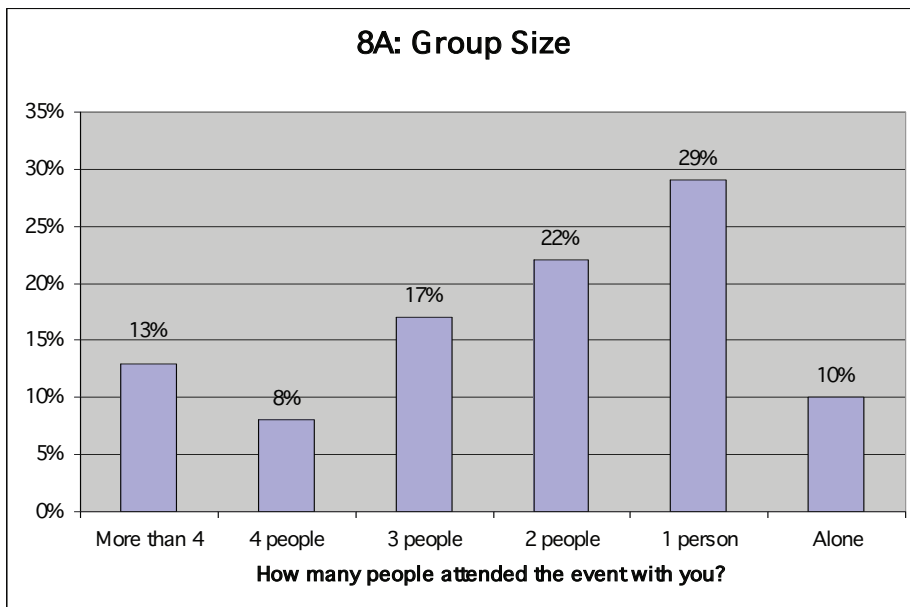
The sample skewed heavily toward women, with 78 percent being female, versus 22 percent being male respondents. Moreover, 76 percent of respondents were 50 years of age or younger. Of that group, 38 percent were between the ages of 24 and 37.

We have interspersed with the data extracted from the survey interviews with industry experts on the subject of Word of Mouth Marketing, along with case studies of real-world events that incorporated viral elements to create positive word-of-mouth and add residual value to their event investments.

Events: Attracting the Right Crowd

Few people attend events alone. That's why 90 percent of event attendees brought at least one other person with them. More than two-thirds (68%) of our survey respondents traveled in groups of two to four people; 13 percent made the outing with more than four others.

Few people want to attend events alone. That's why 90 percent of event attendees brought at least one other person along with them.



Most event attendees – a full nine of every 10 – bring along at least one other person to the events they attend.

When examining event attendance patterns by gender, the largest proportion of

women (30%) and men (27%) traveled with one other friend or family member. Another 22.4 percent of women brought along two traveling buddies. For men, however, the next largest group size was three others, at 23.4 percent.

This data clearly illustrates the importance of not assuming that everyone in attendance at a specific event is among the customers or prospects being targeted by the event sponsor. The way an event is organized can help narrow the prospective attendees. Marketers can segment the vast consumer pool using categories such as geography, demographics, attitudes, and behavior.

Recommendation: Prepare for groups and create ways to differentiate (and engage differently) buyers and non-buyers.

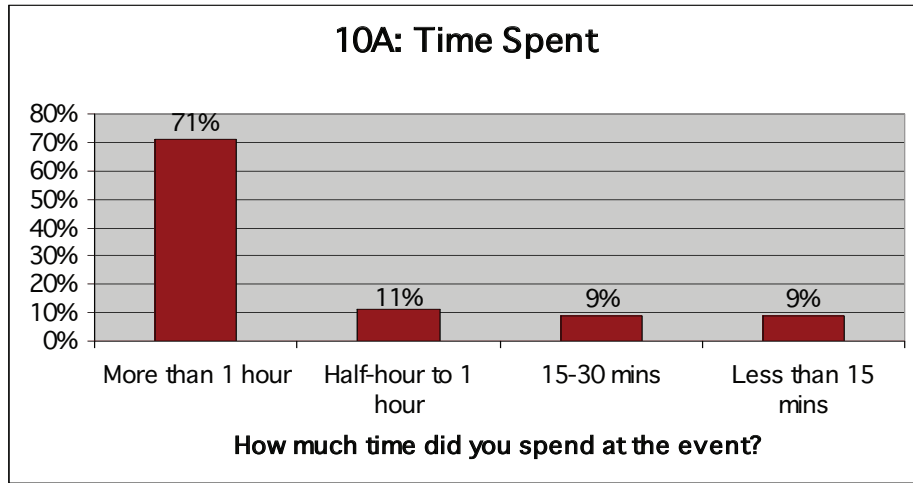
While these steps may enable you to successfully refine your event for a targeted customer or prospect, as we've established, it's likely they will bring others along. Just who they bring with them is usually out of your control (unless it is an age-restricted event, such as a "wet zone" where alcohol will be sold or served).

Although not every event attendee may be a prospect or customer, their presence is nonetheless important. The reason is simple. All event participants carry the added clout of being potential purchase decision-influencers. Just by their very words, event participants can directly encourage or dissuade other consumers from purchasing your product or service.

With people out looking for something to do, events of all types can reel them in. The most common events, however, continue to lure the biggest crowds. About a quarter of survey respondents had attended a festival/fair (27%), a company-sponsored event (24%), or a sporting event (23%) in the past year. Another 13 percent had attended a concert in the past year.

Participants recalled that nearly half of the events they attended (47 %) involved a sponsor in the food and/or drink category. Companies hosting events also fell into other categories in smaller numbers: tech—including cell phones, computers and electronics (16%), personal care products (6%), and credit cards (5%).

The time attendees spend at a function can be a good barometer of how captivating and enjoyable the event is to attendees. Our study found that a sizeable 71 percent of attendees spent more than an hour at an event, while another 11 percent spent between 30 minutes to an hour.



Of those attending events, 71 percent spent more than an hour. This suggests a substantial marketing opportunity exists to impact attendees on-site.

Crosstab analysis across gender and age show that more than three-quarters of men (81.6%) and women (76.1%) in the 24-37 age demo stay at least an hour at an event. Two-thirds of men (66.7%) aged 50-65 spent an hour or more at an event, while nearly as many women in this same age group (64.5%) spent an hour or more. See detailed discussion of behavioral and attitudinal differences between men and women, and age groups, in Appendix A and B.

Also of note, nearly 20 percent of women aged 50-65 stayed a brief quarter-hour or less. About the same percentage of men aged 38-49 lingered for between 15 minutes and a half-hour, compared to 11.2 percent of women aged 38-49.

Recall and Behavior

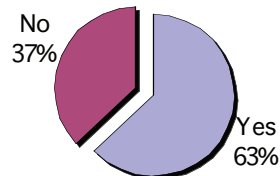
Event Marketing is one of the most effective strategies with which to not only promote your company or brand, but also to endear your company or brand with consumers. Individuals who feel personally connected to a company or brand will be more likely to become brand loyalists.

Nearly two-thirds of our sample (63%) recalled the name of the company or brand that sponsored the event. Asked how they felt about the sponsoring company or brand after the event, 85 percent of respondents said they had positive feelings about the company. In addition, the overwhelming majority of respondents (90%) recalled the event itself with pleasure.

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11A: Brand Recall

Do you remember the name of the company or brand that sponsored or produced the activity you participated in?



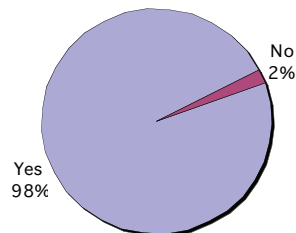
Nearly two-thirds of attendees can recall the name of the brand that sponsored the event, indicating that providing experiences creates brand recall.

But how do consumers react to products or services outside of a sponsored event setting? Regardless of whether or not they attended an event in the past year, a whopping 98 percent of respondents said they would be willing to recommend a product or service as the result of a positive experience using it. What's more, 67 percent said they would tell four or more people about a positive experience—whether or not they had attended an event. So, the opportunity for event marketers is to capitalize on this tendency by engaging customers, creating reasons for attendees to talk about your product or service, and providing them with the means to do so.

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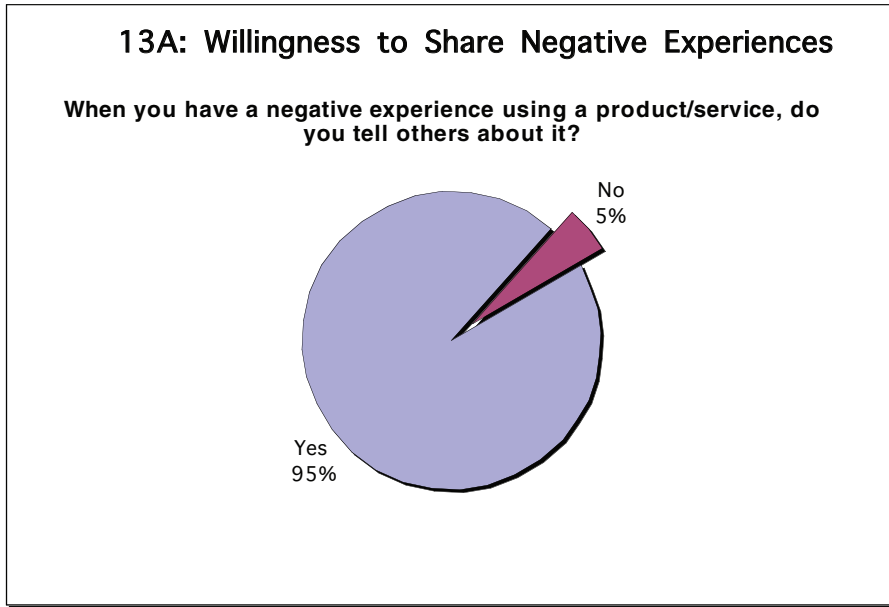
12A: Willingness to Recommend Based on a Positive Experience

When you have a positive experience using a product/service, do you recommend it to others?



Nearly everyone is willing to recommend a product/service as a result of having a positive experience with it. This underscores the opportunity of creating such experiences in a live setting.

But on the flip side, 95 percent of respondents said they would report a negative experience with a product or service (whether or not the experience was at an event). Of those who would report a negative experience, 74 percent would tell four or more people.



Nearly all attendees report a negative experience to others.

Because consumers in today’s society are bombarded with media messages, they are often looking for alternative or additional sources of information about products or services. That’s where Word of Mouth comes in. “I think we’re seeing a cultural shift in the reliance on Word of Mouth [over traditional media],” says marketing expert and consultant Ben McConnell, coauthor of “Creating Customer Evangelists,” and “Citizen Marketers.”

So while live events can ignite dialogue about a product or service, consumers can feel just as passionate (positively or negatively) about it outside of the confines of an event—and will likely pass those opinions along.

“Event marketing is the by-product of having a Word of Mouth strategy,” says McConnell, who adds that companies must embrace Word of Mouth from the top of the corporate ladder on down. “Word of Mouth [marketing] is not an add-on product. It’s not something you outsource. It’s part of a holistic marketing approach.”

Sharing Experiences—Viral Communications

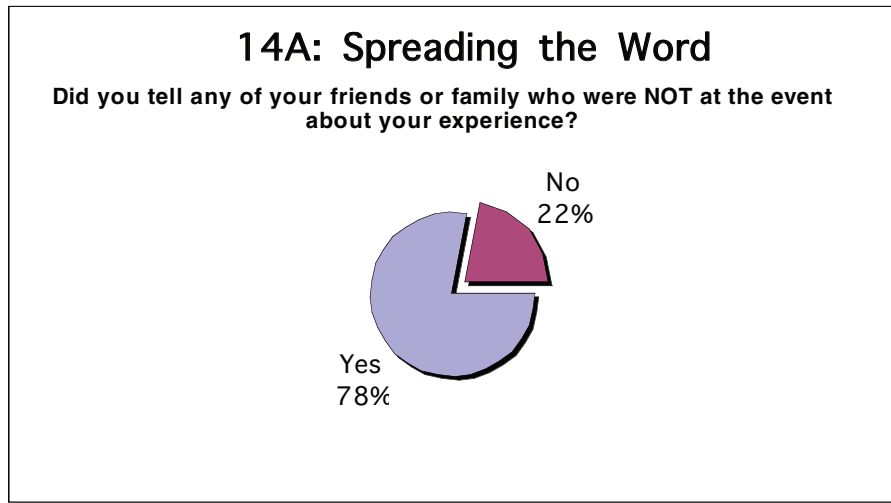
The beauty of live events is their inherent ability to bring a diverse group of people together to share a common experience. However, that experience from one attendee to the next can be as varied as the hues on a color wheel. One constant that remains paramount is our need as people to communicate our experiences with others.

In our survey sample, three-quarters of respondents (78%) told friends or family members who did not attend the event about their experience. This statistic is in line with the findings of a survey Event Marketer magazine reported on in a 2005 white paper entitled, “Spreading the Buzz: the Viral Impact of Experiential Marketing.” In that survey, 75 percent of respondents indicated they were still talking about an expe-

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rience after the event activity ended.



More than three-quarters of those recalling an event told family/friends who were NOT at the event. This indicates that not only can marketers leverage attendees to share their experiences on-site with their co-attendees, but also with an incremental group of people who never attended the event.

“I see the connection [between consumer and brand] continuing as companies start to develop experiences and messaging that are targeted to their audiences,” says Omar Albertelli, senior marketing manager at Motorola. “Companies need to engage customers in an organic authentic manner. In other words, it needs to be with a message that is relevant to their customers and enables them to advocate the brand on their terms.”

Marketers who understand the significance of consumer opinions and preferences recognize that event attendees can directly or even indirectly affect a brand. Consumers are, in fact, creatures of habit. If they like something or had a positive experience with it, chances are they’ll try it again. And not only will they try it, they will also offer their opinion about it to others.

McConnell says of the five “P’s” of marketing—product, price, place, promotion, and participation—the latter is key in any Word of Mouth strategy. He says participation between the consumer and brand fuels further participation.

“Word of Mouth tends to have a pretty short shelf life,” says McConnell. He says it’s important for “companies to create a way to keep a conversation going” by developing brand communities, customer peer-to-peer support programs, ambassador programs, and other ongoing engagement initiatives.

Example: Cadbury Schweppes in July 2006 implemented a Word-of-Mouth campaign ahead of the launch of Accelerade, a new ready-to-drink sports drink and newest Gatorade competitor that hit shelves in July 2007. The program centered around a grass-roots involvement of a hand-selected group of peer influencers—including triathletes, marathoners, and cyclists—as well as uber influencers, such as coaches, race organizers, and nutritionists.

These brand influencers were targeted at the places they naturally congregate, such as races, at club meets, during their training sessions, at conferences, and in stores. The product was then introduced into their training sessions.

Also, in each of five geographical regions, the company selected an Accelerade brand champion—an already-credible athlete with pre-existing, wide-reaching con-

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tacts into the local and regional sports communities. The BC's organized multiple racing events, seminars, and support sessions for athletes and coaches in their regions, using teams of support staff.

Roughly 500,000 single serve equivalent samples of the product were distributed. "However, the purpose of the program is deep touch, 365-day-a-year contact with the sharp-end influencer athletes across the U.S.," says Ammo's Aldridge. "Reach is gained by them using and sampling the brand with their training groups, acting as brand evangelists because they believe in the brand."

Sales results are not available from Cadbury. However, the owner of Accelerade powder form, Pacific Health Labs, saw their stock price increase 50 percent over the first nine months of the Accelerade RTD word-of-mouth program, says Aldridge. Cadbury was confident enough to launch the product based on the "huge" athlete advocacy generated by the Ammo program, says Aldridge. He says probably the most important aspect of implementing such a program, and also the most challenging, is identifying the key influencers in those communities—individuals who are respected as leaders and whose opinions are valued.

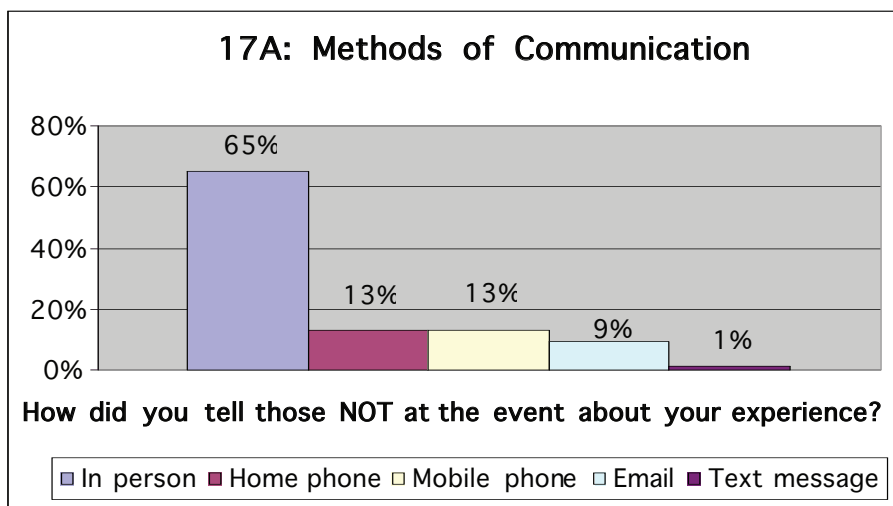
These findings once again underscore the need to engage consumers on a more personal level that simply cannot be achieved through other types of traditional advertising mediums. Once this happens, consumers who feel an allegiance to your company will naturally initiate positive buzz about your brand, product or service.

Channels of Word of Mouth Communications

Technology is not only transforming events themselves, but also shaping the ways in which event attendees spread the word about their experiences to others. That being said, most people still prefer to talk face-to-face, be it at home, in the office, or just out and about. Nearly two-thirds of respondents told their family or friends about their event experience in person.

Examining other methods of communication, 13 percent shared their event experience via home telephone; another 13 percent used a mobile phone, while nine percent sent an e-mail. Not surprisingly, only the 24-37 demo relayed their experience using text messaging (which accounted for a mere one percent of the methods used).

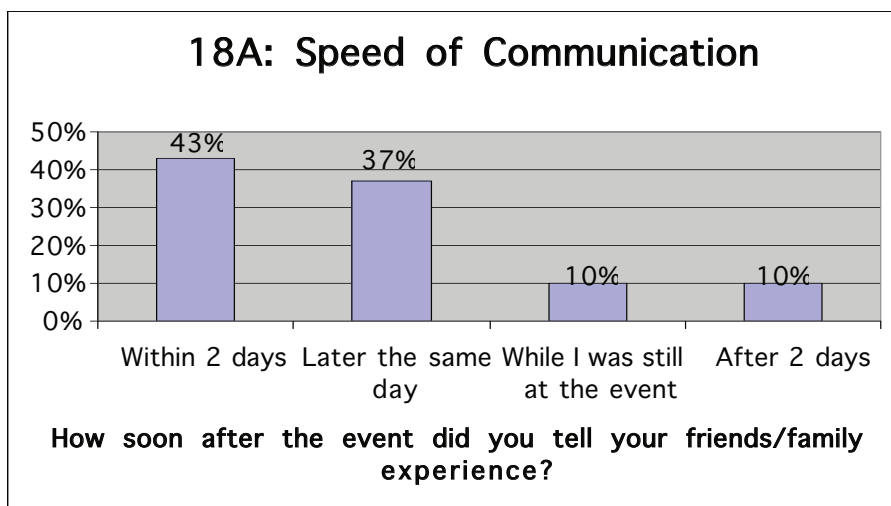
Technology is not only transforming events themselves, but also shaping the ways in which event attendees spread the word about their experience to others.



Most people shared their experiences face-to-face.

One communications trend worth noting, however, is that while face-to-face conversations are still preferred, e-mail and text-messaging as forms of communication are on the rise. Conversely, landline phone use is waning. In Event Marketer's 2005 experiential marketing/WOM survey, 66 percent of respondents shared their experiences face-to-face, followed by home phone (18%), mobile (12%), and e-mail (3%). No one in the previous survey used text messaging.

The old saying "news travels fast" is certainly apropos as it relates to event attendees sharing their first-hand experience at an event with others. An impressive 90 percent of attendees told their friends or family about their experience no later than two days after the event. Of that total, more than a third (37%) gave their rundown of what happened later the same day, while 43 percent dished within two days of the event. Women were slightly more likely than men to tell others (98.9% vs. 94.4%).



In terms of communicating with friends and/or family who were not at the event, most of the communication took place the same day or the next.

Volume of Influencing

Of those with positive experiences, 55 percent told four or more people. To illustrate the point from a real-world, cost analysis perspective—say Company X spends \$100,000 to sponsor an event that reaches 1,000 people. That means the company shelled out \$100 a person to get its message out to 1,000 people.

But, say Company Y spends that same \$100,000 to put on an event that also attracts 1,000 people. But, in this case, each of the event attendees tells four friends (or 4,000 people total). That means that instead of plunking down \$100,000 to reach 1,000 people at \$100 per person, Company Y's brand message reached 5,000 people (1,000 plus 4,000), at a per-person cost of just \$20 (\$100,000 divided by 5,000).

Looking at it another way, the company actually reduced its expenditures while reaching a larger audience with its brand message thanks to the power of Word of Mouth. And as our data shows, recommendations from family and friends carry the most weight in consumers' purchase decisions (See p. 21 of this report), making this viral, second-tier outreach potentially more important than the impact of the primary contact.

This example is analogous to investors watching their nest eggs swell through the

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power of compounding. An investor can set aside \$1,000 and be content. Or, that investor can set aside \$1,000 and watch that \$1,000 multiply with an annual rate of return.

WOM is based on a similar principle. You can target your event to reach 1,000 people and be satisfied. But if you can get those 1,000 people revved up enough about the value or quality of your product or service at an event, you stand to reach a far greater audience than what you realized at the event itself through consumer-generated Word of Mouth.

Event attendees, be they a target customer or just someone along for the ride, can have a monumental impact on influencing public opinion about your product or service. Not only is it highly probable that they will tell someone else, the reality is that they will tell lots of people, who in turn, may tell even more.

It is imperative, therefore, to develop and implement a cohesive Word of Mouth marketing plan around your event. That plan must include a vehicle to continue the dialogue with the consumer that the event spawned. This last step is often overlooked or undervalued, but is a key to generating positive buzz about your product or brand well beyond the event, and helping to boost sales.

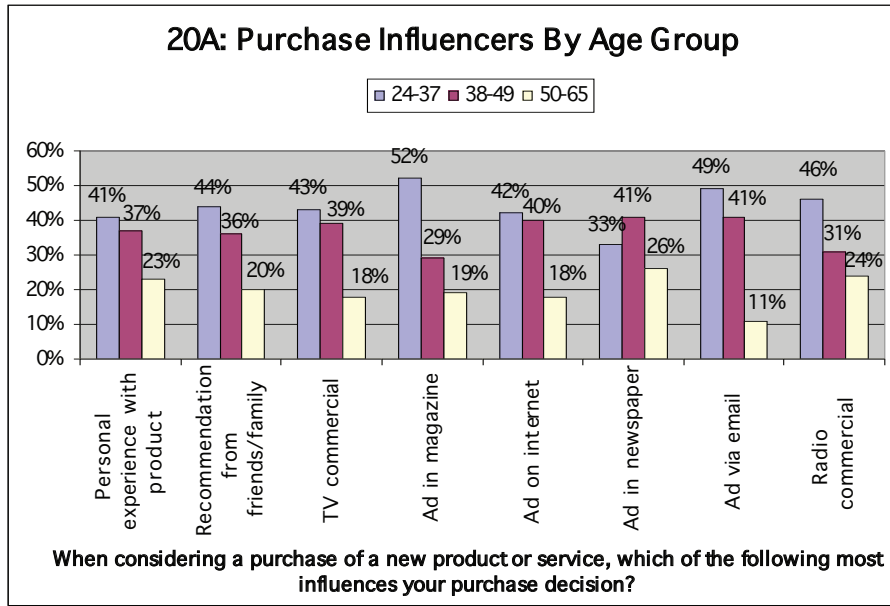
Purchase Decision Influencers

So far, we've shown that people are more than willing to share their event experiences—both good and bad—with others. This begs the question, then, of whether any of this talk leads to action. How effective are an individual's words in swaying the purchase decision of others? What other factors come into play when a consumer selects one brand over another, or none at all?

To get to the bottom of the issue, we examined respondents' willingness to sample new products or services and what influenced their purchase decisions in their everyday lives.

When asked what persuaded them to buy a new product or service, overall, the top five reasons our survey respondents cited were (in order): "personal experience trying the product," "recommendation from friends/family," "TV commercial," "ad in magazine," followed by "ad on the internet."

Not only is it highly probable that they will tell someone else, the reality is that they will tell lots of people, who in turn, may tell even more.



The two top purchase decision influencers across all age groups are personal experience trying the product, and recommendations from friends and family. This underscores the power of word-of-mouth marketing, especially the kind created via a live experience, to influence purchase behavior.

Top 5 Factors for Buying

1. Personal experience trying the product
2. Recommendation from friends/family
3. TV commercial
4. Magazine ad
5. Internet ad

A closer examination of the data reveals some striking differences across age and gender. The youngest demographic, ages 24-37, said a mix of magazine ads and e-mail ads swayed their purchase decisions. More than half (52.2%) bought a product based on a magazine ad, while 49 percent said they were influenced by ads sent via e-mail. Radio commercials were the third most important purchase influencer for this age group (45.8%).

The middle demographic group in our survey -- the 38-49 age group -- were most influenced by traditional media, with 41 percent selecting "ad in newspaper" as their top reason for purchasing a new product or service. However, new mediums such as e-mail and the internet were nearly as influential with this age group, with 41 percent of respondents in this group most influenced by ads via e-mail, and 40 percent wooed by internet ads.

Not surprisingly, the oldest demographic group, respondents aged 50-65, tended to favor "old-school" media, with about a quarter of respondents being persuaded by newspaper advertisements (26%) and radio ads (24%). Still, 23 percent of survey respondents in this age group relied on their own instincts based on their personal experience with a product.

Without regard to age, men were twice as likely as women to be influenced by an ad on the internet (18% vs. 9%). There were no other statistically significant gender differences in regards to purchase influencers.

Personal Recommendations Drive Purchases

Now that we've established that people readily talk about their experience with a product or service to others, it begs the question, Does the recommendation from a family or friend play a role in an individual's decision to purchase a product or service, and if so, to what extent?

We asked respondents about various other influencers that might sway their pur-

chase decisions outside of an event setting. The data show that numerous factors come into play when a consumer contemplates making a purchase.

Not surprisingly, recommendations from family and friends carry significant weight in consumers' purchase decisions. More than three-quarters of respondents (77%) said their purchase decisions are partly influenced by a recommendation from friends and family.

"Word of Mouth is very important because it allows a company to expand its message beyond the people at our events," says Motorola's Albertelli. "Word of Mouth is essential for technology products where consumers rely on family and friends to help them cut through the clutter by recommending products that they trust or passionately advocate."

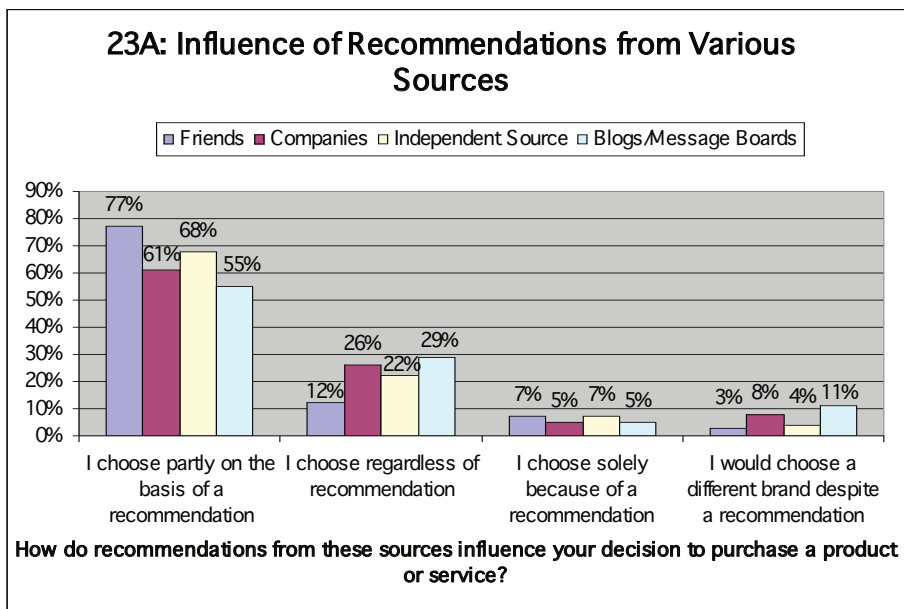
"Combine this expanded reach with the power of a personal recommendation, and Word of Mouth can be very impactful when you are demonstrating new experiences that combine technology with fun everyday activities, such as listening to music and taking pictures," Albertelli says.

As might be expected, younger people in our survey sample were more readily persuaded by a recommendation coming from friends or family. Older respondents who fell in the 38-49 demo and the 50-65 demo were most likely to make up their own minds and choose a different brand or product despite the personal recommendation from a friend or family member.

Other factors also colored respondents' decisions to try a product or service. For instance, nearly two-thirds of respondents said their decision to try out a product or service is partly motivated by a recommendation from the company behind the product or service. Twenty-six percent of respondents said they would choose the brand regardless of the company's own self-promoting recommendation. Of these, 41 percent were aged 38-49.

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Recommendations from trusted friends/family and third-party sources carry the most weight with people considering a purchase.

More than two-thirds of respondents (68%) say their purchase decisions are partly affected by independent reviews in the press. Another 22 percent said they would select the brand regardless of the recommendation in the printed media. Of those who chose the "regardless" option, 44 percent were in the 38-49 age group.

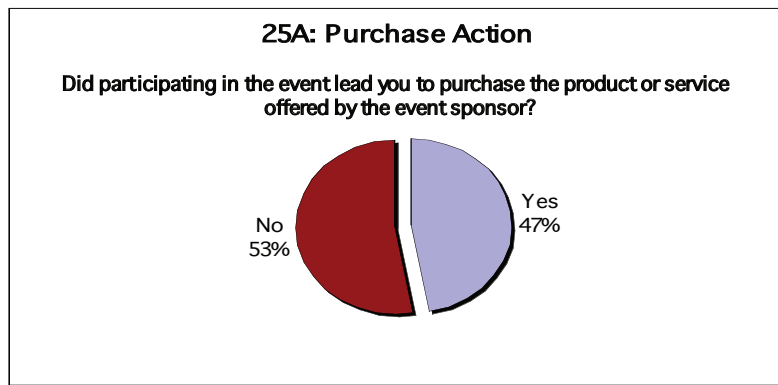
Other significant influencers in shaping consumer buying behavior are blogs, chats, message boards and other such online mediums. This consumer-generated media (CGM), also commonly referred to as Online Word-of-Mouth or Online Buzz, plays a significant role in influencing purchase activity.

More than half of respondents (55%) said recommendations from these online sounding boards are a factor in their purchase decisions. Another 29 percent said they would purchase the product regardless of what they read online.

Events Fill the Purchase Funnel

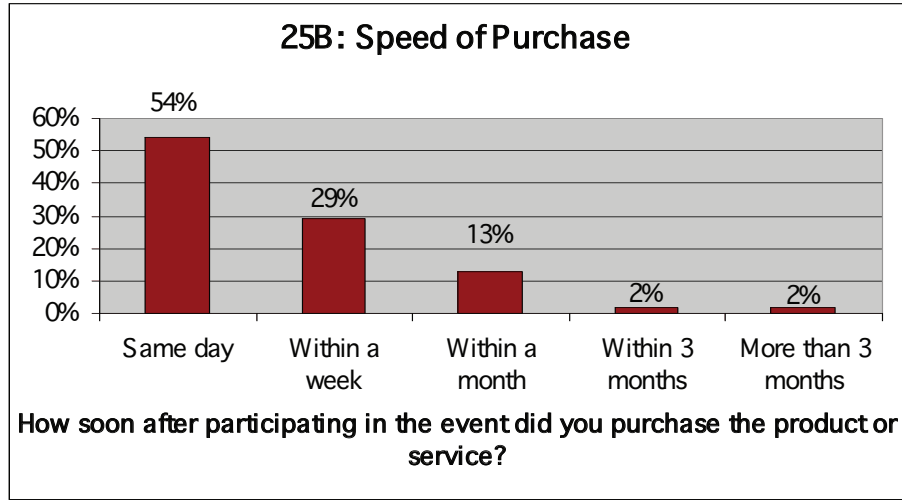
Events help foster brand awareness and recognition. Events also help endear the company or brand to the consumer. As a result, consumers are more likely to try out a product. Some may be so enamored that they become brand loyalists. More than a quarter of respondents who attended events in the past year (27%) said they actually switched brands as a direct result of attending the event and experiencing the sponsor's product first-hand.

Nearly half of our survey respondents who had attended an event (47%) said participating in the event spurred them to purchase the product or service offered by the event sponsor. With the product readily available to them, more than half of event attendees (54%), made their purchase the same day. Another 29 percent made their purchase within a week of the event, while another 13 percent bought the product within a month. This data underscores the effectiveness of experiential marketing in making an immediate impression on the consumer and driving sales.



Nearly half of those attending a marketing event made a purchase as a result of participating in the experience.

More than two-thirds of attendees, or 69 percent, mentioned the company or brand that sponsored the event to friends or family members. Most respondents didn't know whether their friends or family started using the product or brand after their mention of it. However, nearly a third, or 29 percent, said their mention of the product or brand did entice their friends or family members to try the product. Again, this data clearly illustrates the power of Word of Mouth and its residual impact beyond a single event.



More than half of those who made a purchase as a result of attending, did so on the same day; while over 80 percent did so within a week. Providing a tracking system – coupon, special offer, or other device to be able to track sales over time – can help event marketers prove the sales performance of their events.

Using Feedback to Maximize Your Event’s Impact

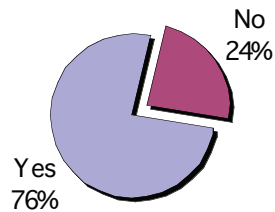
Our survey results highlight a critical strategic planning tool that should be a staple at any event, but yet is often overlooked—asking for feedback. The best way to ascertain respondents’ genuine opinion of your product or brand is to simply ask them.

Our research shows a willingness on the part of consumers to not only provide feedback, but also to be contacted with follow-up communications from the sponsoring company. Of those who were asked to complete a questionnaire at an event, more than three-quarters (76%) completed the survey. In addition, 80 percent of those who completed the survey provided their e-mail address. What’s more, nearly all of those who were asked for feedback at the event expressed a willingness to receive future coupons, e-mails or advertising materials from the sponsor (93%).

Our survey results highlight a critical strategic planning tool that should be a staple at any event, but yet is often overlooked—asking for feedback.

26A: Survey Completion

Did you complete a survey questionnaire at the event?

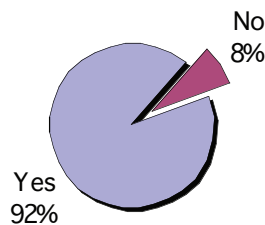


Three-quarters of those who were asked for their feedback recall completing a survey at the event. This indicates a strong willingness to provide input, and a valuable tool for marketers to further engage prospects.

Of course, it always helps to offer freebies as an incentive. In our survey, 92 percent of respondents said they would be willing to supply feedback and their e-mail address if the company offered an incentive, such as a coupon, a candid photo of the participant at the event, a T-shirt, or other such goodies. Slightly more women (93%) than men (90%) were enticed by the offer of giveaways.

27A: Incentives Spur Feedback

Would you be more inclined to provide your feedback if the company offered an incentive like a coupon, photo, T-shirt, etc.?



Freebies are an inexpensive means to elicit feedback from attendees.

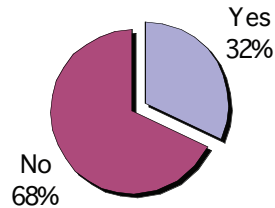
As the data shows, most people who attend an event are willing to give their opinions, provide their e-mail addresses and receive future promotional materials simply because they were asked. Of course, nearly everyone would like to get something in return.

That being said, our survey found that a relatively small proportion of event sponsors even bother to seek out the opinions of their event attendees. A meager 32 percent of participants said they were approached by the sponsoring company to complete a questionnaire at the event.

Most people who attend an event are willing to give their opinions, provide their e-mail addresses and

28A: Feedback Requests

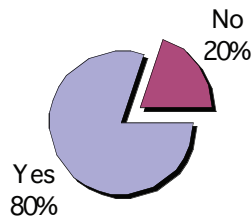
Have you ever been approached while at an event to provide your feedback?



Only a third of attendees can recall being approached for their feedback, indicating a lost opportunity for marketers to generate feedback, create further interaction, and gather a key measure of return-on-investment.

28B: Providing Email Addresses

Did you provide your email address to the person conducting the survey?



Perhaps surprisingly, people seem willing to provide their email addresses, often with the expectation that the company will send them information and promotional offers. This represents yet another opportunity to extend the life of the event by using ongoing communications to foster the relationship that was initiated at the event, as well as provide opportunities for the attendee to spread the word to friends and family.

Only a third of attendees can recall being approached for their feedback, indicating a lost opportunity for marketers to generate feedback, create further interaction, and gather a key measure of return-on-investment.

“People feel interested in something when they actually feel like they’re making a difference. They want to give feedback,” says Aldridge. “That’s what an event does, it creates a dialogue. [Traditional] advertising can never do that because it’s a monologue.”

Adds Albertelli, “Motorola views gathering feedback during and after the event as a key part of the process since it allows us to gather information about the impact of our programs on a consumer’s desire to purchase and use our products. Data capture for ongoing CRM activities is a growing area. I would expect this percentage to increase going forward.”

When obtaining feedback from new customers, either at an event or as a follow-up, it is also important to determine the source of the new customer by simply asking, “How did you hear about us?” The data capture process also includes analyzing other Word of Mouth sources, such as blogs and discussion forums to determine the number of times your brand or specific product has been mentioned.

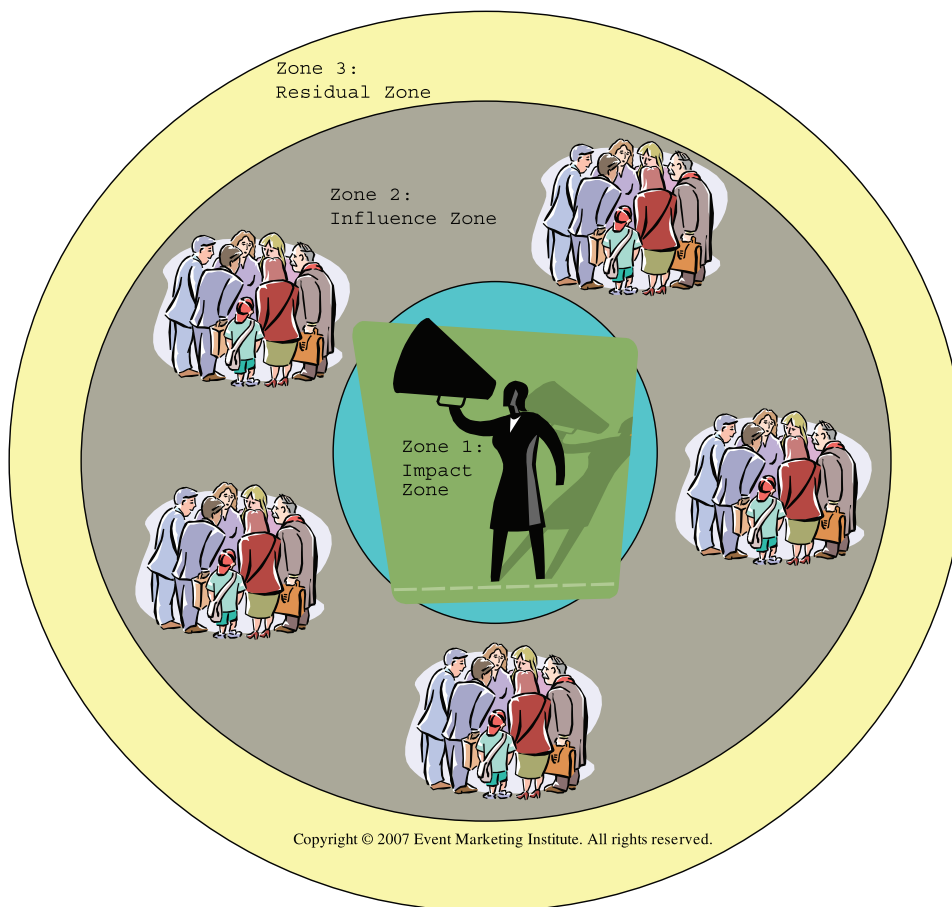
The lack of follow-up by most event sponsors translates into a lost opportunity to obtain valuable information that could enable you to improve future events to make them more effective and profitable. More importantly, the possibility of further cultivating the personal connection between the consumer and the brand initiated at the event evaporates in the absence of any follow-up mechanism or strategy.

Based on the research presented in this report, it can be concluded that the viral impact of event marketing cannot be understated. Marketers would be remiss in failing to include as part of their overall event arsenal, a Word of Mouth marketing component that fortifies and nurtures the bond with the consumer.

These consumers will become brand ambassadors of sorts, championing the product or service to countless others. Increased brand recognition, loyalty and sales are likely outcomes as the positive buzz generated from the initial consumer-brand interaction at the event spreads. Ultimately, Word of Mouth is a nearly transparent way for marketers to retain existing customers and to create new ones long after an event ends.

Zones of Influence

To understand the role that Word of Mouth marketing plays in marketing events, it is helpful to view its impact in terms of Zones of Influence.



Zone 1: Impact Zone

Zone 1 is where the initial impact is made with event attendees. Typically, these are people who have raised their hand and self-selected their participation in your event or activity at an event. These are likely your target prospects and chances are they will have 1 to 4 others with them. As the research behind this report shows, these people are very likely to share their experiences – good and bad – with many other people. In this context, to measure the return on your event investment solely based on the cost to reach Zone 1 influencers would be incomplete and would likely show a very high “cost per touch” compared to other forms of media. For a more accurate measure of ROI you need to factor in the Word of Mouth activity that takes place in Zone 2, the Influence Zone.

Zone 2: Influence Zone

It is in this zone where the influencers who engaged with your brand at the event take your message and their experience and share it with their friends and family. This is a critical group to include in your measurement strategy since as the research shows, recommendations from trusted sources, such as friends and family, play a huge role in a person's decision to try a new product or service. Thus, even though you are not spending your dollars to directly impact this sphere of people, you have done so by creating advocates among your Zone 1 attendees. And this attendee advocacy is more powerful in terms of impact than company advocacy because friends are seen as more credible than corporations when it comes to recommendations.

Zone 3: Residual Zone

This is a critical area to consider when leveraging Word of Mouth strategies. This is where the initial direct (Zone 1) and indirect (Zone 2) engagements get extended as a way to continue dialog, extend the relationships created at the event, and move prospects through the purchase funnel. In order to be able to harness the power of this important Zone, feedback mechanisms must be built into the event, ways for attendees to communicate with the company and with each other must be created, and a continuum for creating and sustaining regular information flow and tracking of consumer activity over time needs to be developed.

This activity can be enhanced further via the use of strategic public relations activity that aligns the messaging being communicated at the event and via the viral activity facilitated by the company, with coordinated messaging via the media. This coordination can serve as a reminder of the company's message in the minds of those who have been brought into the three zones, and reinforce their commitment to recommend, purchase, or consider purchasing the product or service.

Using Zones to Calculate Event ROI

So, by factoring in your ability to create impact and activity beyond your event footprint you can reduce your "cost per touch" when calculating the ROI of your event investments.

Here's a sample scenario that illustrates the point:

- Sample Event costs \$100,000 to produce and 1,000 people show up and are engaged on-site in some form of activity demonstrating your product or service attributes.
- The conventional measurement of ROI would be to divide the cost of the event by the number of attendees to arrive at the cost per attendee. In this case the cost would be \$100 per attendee ($\$100,000/1,000=\100). This may be considered high or low relative to other marketing initiatives. Regardless, it doesn't take into account the value of each engagement, nor does it account for the fact that those who attended will continue to carry your message to others.

- So, by factoring in Zone 2 indirect message receivers, you can reduce your cost-per-touch. Using the hypothetical scenario above, here's how one could incorporate Zone 2 in their ROI calculation.
- If each attendee tells an average of 4 people about your product/service, your Zone 2 reach becomes 4,000 (1,000 Zone 1 attendees x 4 people told = 4,000)

Here's the new equation:

- $\$100,000/5,000$ (1,000 Zone 1 + 4,000 Zone 2) = \$20 per "touch".

It can be argued that Zone 2 people are as valuable as Zone 1 influencers because they've been brought into the zone by trusted family or friends, which is a powerful source of advocacy.

It is difficult to factor Zone 3 into a mathematical calculation since much of this activity is reinforcing messaging among Zone 1 and Zone 2 people. However, if you build viral mechanisms into your event programs that enable you to track "new" people who are recruited from Zone 1 and Zone 2 advocates, then they would count as additional people reached as a result of the event, and thus can be added to the equation, which can further reduce the cost. The challenge is that all of this activity takes place over time, unlike other media activity like TV commercials and ads which are trackable (or not) over shorter periods of time. So, event marketers should encourage management to take a longer term view of the value of events, and not measure their worth based solely on a Zone 1 basis.

Assuming you're able to track additional people who have entered into brand engagement outside of the event, here's how the cost-per-touch can further be reduced:

- $\$100,000/10,000$ (1,000 Zone 1 + 4,000 Zone 2 + 5,000 Zone 3) = \$10 per "touch".

Word of Mouth Case Studies

The following 7 case studies showcase how leading marketers are successfully incorporating Word of Mouth strategies to boost the viral impact of their event campaigns. All case studies were originally published in Event Marketer magazine and are used here with permission from the publisher.

CASE STUDY I: GAP AMBASSADOR PROGRAM

Gap's Ambassador Program (handled by agency A Squared Group) was designed to generate word of mouth for a new line of women's jeans through 100 carefully selected brand ambassadors. Participants, ranging in age from 18 to 48, were chosen in Gap's top 10 markets. They were given access to a custom web site and tailored emails to communicate within their social circles, and Gap sent monthly communications and discounts to energize their efforts.

The marquee events were cocktail parties for the ambassadors and 30 of their closest friends at hip hotels—Gap hosted all 100 parties within a 90-day span. A total of 3,000 guests attended the parties, and to increase the viral impact, Gap dished out 30,000 coupons through the campaign. Results were impressive: Ninety-seven percent of the discount cards handed out at the parties were redeemed.

"The connection we made lives on past the party night, because I keep getting messages from these women," said Julie Alonso, Gap's director-partnerships and events. "Women like to talk about clothes and what's hot; we gave them a forum for that."

CASE STUDY II: AMERICAN EXPRESS “BLUE JAM SESSIONS”

“Blue Jams” was a music-flavored proprietary program for the Blue credit card.

Blue Jam Sessions focused on Los Angeles, which offered an opportunity to both expand the Blue line and connect with influencers in a market led by elite tastemakers. During Grammy Week, Amex turned Tinseltown’s House of Blues into a totally exclusive, completely branded platform for an all-Blue experience. Activating its ongoing Save the Music endeavor, the brand staged Blue Jam Sessions, a four-day, four-concert series. Only current card members were able to purchase tickets, and all 5,000 tickets sold out in 20 minutes. (Proceeds went to the California public school system.)

The entire venue was wrapped in white spandex, and digital branding took the place of traditional signage, which played nicely with Blue’s design-savvy ethos. “Blue Muse” dancers strutted their stuff on a 40-foot entertainment platform, which was built at roof level above the club’s entrance. White furniture, blue-lit panels, VIP areas, Yahoo! Messenger kiosks, premiums, and high-energy staffers made the venue’s interior chic, happenin’, and, well, blue. Performances by A-list acts such as Counting Crows, Elton John, Jewel, and Stevie Wonder made it four nights to remember. “It was an edgy campaign that worked well,” says Amex vp-global sponsorships Rich Lehrfeld. “In everything we do, we try and use experiential marketing to make people a part of the action.”

Direct brand recall was 90 percent following the show (thanks in part to the dozens of branded plasma screens surrounding the stage). More importantly, Blue charge volume in Los Angeles was up 26 percent in February versus the same period the previous year. Intent shot up 17 percent, 75 percent of attendees discussed the event with others, and 60 percent of attendees were “extremely likely” to recommend Amex to a friend. The events also hosted high-level b-to-b customers representing a combined \$645 million in charge volume. The program was handled by the Momentum agency.

CASE STUDY III: ADIDAS STEALTH PRODUCT LAUNCH

For two weeks in the spring of 2006, Adidas used a temporary showroom environment to preview its Adicolor 2006 collection to sneaker fanatics.

But this was no ordinary pop-up shop. What made Adidas’ space unique? The location, for starters. Because it was aiming for authentic brand loyalists rather than poseurs, the brand eschewed high-gloss retail space on Fifth Avenue, instead staking out a room in a basement on Canal Street in New York City’s Chinatown. The brand had only minimal presence at street level—a storefront window with hints of the Adidas logo. And to get into the showroom, visitors had to navigate their way into a strip mall, down a flight of stairs, and through a hallway before they reached the 700-square-foot space.

“We wanted to present Adidas lovers with a preview of the entire Adicolor collection but wanted to do it in a stealth environment,” says Liad Krispin, head of trend and lifestyle marketing USA at Adidas. The aim was to give core customers an exclusive sneak peek—Adicolor had not yet been unveiled at retail—and to create excitement and anticipation for the new line.

The Chinatown location meant Adidas was mixed in among street vendors in a district rife with stands selling counterfeit clothes and accessories. “Since vendors cannot advertise that they are selling knockoffs, they’re known for approaching shoppers with a whisper of brand names,” Krispin says.

So, although its goods were the real deal, Adidas decided to promote itself the

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same way. For the two weeks the space was open, brand reps dressed head-to-toe in Adidas gear patrolled the street outside, approaching pedestrians who fit the target profile—particularly consumers wearing Adidas duds—and whispered a few words about the showroom (“Pssst. Check this out...”) before leading them to the entrance.

To further ensure the new shop attracted its core influentials, Adidas spread the word without traditional media. Instead, the company looked to its independent boutique retailers in NYC and an existing company-owned store in SoHo. The day before the Chinatown shop opened, Adidas provided the stores with generic business cards that listed the address of the Canal Street shop. Consumers who learned about the shop that way could head to the given location, where another brand rep was stationed, ready to point them to the showroom entrance around the corner.

The night before the showroom opened, Adidas held a private event for 100 guests, including media, friends, and designers who contributed to the collection.

The party boosted word-of-mouth and media coverage, including a mention on the sneaker web site Cool Hunting, which in turn led to mentions on blogs and awareness among influencers. Adidas also sent email blasts to friends, colleagues, media, and brand enthusiasts. The mission, Krispin says, was to “publicize the space virally.” Although nothing inside was for sale, the showroom drew 1,200 visitors over two weeks. Guests received custom-made Adicolor canvas tote bags filled with Adicolor sketchbooks, pens, and locator cards listing the retailers that carry the collection. “We achieved our goals of exposing Adicolor to the sneaker fans and tastemakers of New York City,” Krispin says. “It not only created buzz for Adicolor, but also for the brand in general. The Chinatown space reinforced and enhanced the entire Adicolor project.” Agency: Idealogue, New York City.

CASE STUDY IV: VERIZON V CAST LAUNCH

Getting Los Angeles to stand still is a next-to-impossible task. But that was the goal for Verizon Wireless, which was seeking to leverage all of the hullabaloo around the Grammy Awards to generate attention for its V Cast digital content delivery service. The brand wanted to hit industry types, as well as consumers and influencers, with a proprietary program that would help secure targeted distribution opportunities for the product.

To build upon buzz it had generated a month earlier at CES, Verizon took the spotlight at Grammy week by erecting a stage right at the intersection of Hollywood and Vine. What music act could justify the unbeatable location? The Fugees, who hadn’t played live for a decade. The show drew more than 10,000 consumers, all of whom got in for free.

To build hype, Verizon sent branded Hummers and double-decker buses outfitted with DJs to 38 locations in five days, where reps conducted 1,500 product demonstrations and handed out 6,000 tickets. Another 1,000 tickets were handed out through SMS/MMS alerts to Verizon customers (all of whom claimed their ducats within three hours). The company even integrated V Cast technology into the ticketing process: The method of entry was a scannable bar code, sent by Verizon, to the mobile phone of each “ticketholder.”

The concert became the No. 1 downloaded V Cast music video in the company’s history; and Verizon projects it will take in more than \$1.2 million from concert attendees over the next five years. Agency: Momentum, New York.

CASE STUDY V: STUDIOMOTO BY MOTOROLA

Seeking to inform tech-savvy young adults about its wide array of music-capable

The party boosted word-of-mouth and media coverage, including a mention on the sneaker web site Cool Hunting, which in turn led to mentions on blogs and awareness among influencers. Adidas also sent email blasts to friends, colleagues, media, and brand enthusiasts. The mission was to publicize the space virally.

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phones and accessories, Motorola uncorked a program that—like the phones themselves—put music on the go. Motorola’s StudioMoto was a double-decker, 30-foot mobile experience that showcased the brand at events—primarily lifestyle focused, but also retail and employee events.

Three main areas gave consumers the chance to have fun while getting their hands on actual Moto products (The program was created by OgilvyAction). At the ground-level stage, reps handed out free Pepsi products to every passer-by (thanks to an existing partnership with the cola company), as well as a Pepsi-branded card good for a ringtone download at the event. Guests could also design their own cell phone wallpaper by creating a faux graffiti image on a computer-enabled wall and downloading the images to their phones.

At the product trial stage, attendees could demo several models of Motorola phones and Bluetooth headsets, while DJs played tunes and engaged the crowd in text-message-based music trivia. Attendees also could use wirelessly connected computers and Bluetooth headsets to register to win a studio session with Mary J. Blige, create their own music videos and ringtones at a Moto web site or create a “tattoo” for their mobile phones.

Finally, the VIP Moto Lounge offered a top-notch view of the events and a comfy place to sit, plus free Pepsi. Guests could also have photos taken with the new Q phone and take a print home. Following their visits, 66 percent of non-Motorola users said they’d be willing to try another brand, and of those, 45 percent said they would consider buying Motorola. Attendees also rated Moto the best among major brands.

CASE STUDY VI: NESTLE WATERS AQUAPOD

Aquapod was the physical manifestation of Nestle Waters North America’s goal to teach children and their parents about making healthier beverage choices. The Aquapod is an 11-ounce, bubble-shaped bottled-water package designed to be easy for kids to handle; the mobile marketing version—which, at 11 feet tall, was just a little bigger—was developed to bring the initiative to its target audience. The brand’s 2006 tour reached 23 states and 117 cities.

The vehicle included interactives throughout, and traveled with an Aquapod Squad, brand reps who entertained kids and parents while enlightening them about the importance of hydration. The program was handled by Universal Consulting Group.

Colorful graphics and shiny materials gave the vehicles a kid-friendly, cartoon-like appearance. The trailer housed the Hydration Mission, a compilation of games that included “Whack-a-Pod,” “Blast-a-Pod,” “Snag-a-Pod,” and well, you get the idea. When they exited the vehicle, kids got to pull a rope that dumped a bucket of water on them. Each participant got temporary tattoos and an Aquapod Squad membership card.

To accommodate Nestle’s six regional brands, crews changed out graphics on the trailer depending on the location of the stop. More than 39,000 kids completed the on-board activities, and brand ambassadors distributed 600,000 product samples.

CASE STUDY VII: STELLAR GIN VIP PROGRAM

When you think Indianapolis, race cars rather than nightlife probably come to mind. But Stellar Gin found the city hopping with happenings behind the velvet ropes of its upscale club scene. It was the ideal environment for a VIP program of exclusive events and concierge service to promote its new gin. Stellar Concierges served as in-market managers and nightlife negotiators who wrote and distributed weekly e-newsletters. They also became the face and legs of the program for 200 VIPs, their

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friends and colleagues who experienced exclusive parties at top-notch clubs, the city's hottest parties, fashion shows and happy hours. Biweekly contests awarded iPods, Indy 500 giveaways and gift certificates to those with the most "Gin-Telligence." The program was handled by Ammo Marketing.

The VIP program helped Stellar out-sell every other city where the gin was introduced, delivering more than 2,500 direct touch experiences with 80 percent of VIPs attending three events or more.

EMI Thought Leader Connections: Conversation Catalysts

At the 2007 Experiential Marketing Summit, presented by the Event Marketing Institute, Ed Keller offered new insights, current research and even a few surprises about the word-of-mouth phenomenon and the Conversation Catalysts (as the author calls these highly influential consumers) that propagate it,

Should a dedicated word-of-mouth strategy aimed at these power-wielding chat-terboxes be a part of your program? "Fifteen percent of the population are creating 1.5 billion brand impressions every day," says Keller. "If you can pick up a share point or two on a base of 1.5 billion impressions, it's an awful lot."

Here, five of Keller's new research-backed suggestions on how to join the dialogue and turn Conversation Catalysts into brand evangelists.

1. CREATE A GROUP DYNAMIC

Conversation Catalysts are also power listeners, Keller says. Thirty-eight percent tend to be the ones doling out advice in their social circles, but a close 37 percent participate in an equal exchange of ideas. Catalyst conversations are also more likely than the average consumer's to be group affairs; 35 percent include two or more people besides themselves, and 19 percent involve three or more other people. How to tap into the group dynamic? Create environments that are less about one-on-one and instead encourage Catalysts to involve more of their peers in the conversation. "If marketers can create opportunities for one consumer to be talking to another so they're learning from the marketer but sharing their own experiences with each other, I think that provides an opportunity that is consistent with the way consumers like to talk about brands," Keller says.

2. TALK TO TEENS

Digital media and viral campaigns are a great place to start the conversation with tech-obsessed teen audiences who are three times as likely as the average American to be engaging in word-of-mouth online. Although it's tempting to beef up the web-based budget to reach youth audiences, don't believe the hype, says Keller. The majority of conversations about products, services and brands still take place face-to-face. "We have to distinguish between the growing trend toward online marketing and not mistake that with it being the predominant medium for word-of-mouth conversations," he says.

3. MIMIC ALL-STAR RETAIL

Keller says there are Conversation Catalyst all-stars; brands that generate the highest volume of net-positive word of mouth. They are: Pepsi, Coke, Target, Honda, Sony, Apple/iPod, Toyota, Wal-Mart, Hewlett-Packard and Budweiser. What do they have in common? Hands-on, peer-driven retail environments. "The number one thing that

Stellar Concierges served as in-market managers and nightlife negotiators who wrote and distributed weekly e-newsletters. They also became the face and legs of the program for 200 VIPs, their friends and colleagues who experienced exclusive parties.

“If marketers can create opportunities for one consumer to be talking to another so they're learning from the marketer but sharing their own experiences with each other, I think that provides an opportunity that is consistent with the way consumers like to talk about brands.”

helps to stimulate word of mouth in retail stores,” Keller says. At the Apple Store, for example, there are always new products available to try out, the staff is generally enthusiastic and knowledgeable about the brand, and loyal customers are surrounded by potential customers who are picking up on their excitement for the brand. “It becomes an experience that generates energy and enthusiasm,” Keller says. “After they leave, they go out and start talking.”

4. ENERGIZE THE BASE

“A lot of marketing focuses on new customer acquisition,” says Keller. “But with word of mouth, it needs to be about energizing the base of customers; giving them new, interesting experiences with the brand.” Keller says word-of-mouth all-star, Apple, and its user event, Macworld Conference & Expo, are a great example of how to keep the customer base energized. “They give them just enough information so six months in advance of the iPhone [launch], for example, they’re talking about it, then [when they go on sale] everyone wants it,” he says. “Current customers are ready, willing and able to become a group of evangelists; you just have to think about them in that way.”

5. EMBRACE THE W.O.M.

Marketers tend to worry that word of mouth can just as effectively ruin a brand reputation as promote it, but Keller says not to fret. “By a very large margin, word of mouth about brands does tend to be positive,” he says. Why? Conversation Catalysts are generally sought out for their ability to weed out the good from the bad. “If you’re just telling me about one bad travel experience after another, it’s not helping me make a decision,” says Keller. “But if you have a good experience with an airline, good fares and convenient connections, that’s what I’m looking for.”

EMI Insights Summary

Up-close-and-personal marketing experiences that unite brands with their target customers or prospects remain a powerful and effective strategy to foster recall and loyalty. While traditional media, including television and radio, continue to garner billions of dollars annually in advertising spending, companies are increasingly turning to alternative methods, such as event marketing, to get more measurable results for their marketing investments.

Event marketing is not a new phenomenon. It has been used by companies of all sizes for years, albeit with varying degrees of effectiveness. Part of the problem in the formative years of event marketing was just that—its status as uncharted territory in a brand-building arena dominated by traditional media. Another major turnoff for its early detractors was the lack of any type of reliable methodology to determine a company’s return on investment (ROI) for an event.

But the new millennium and reshaping of the business landscape, through the melding of traditional and non-traditional media, has propelled the use of live events exponentially over the past five years. More companies are finding success in creating face-to-face interactions between the consumer and a brand or company at an event.

In today’s hyper-competitive business environment, it is no longer enough to simply produce a great product. The saying, “If we build it, they will come,” is far from practical as it relates to consumer-oriented products or services. With a plethora of choices available to consumers, often at their fingertips, they have become savvy comparison shoppers.

Events ignite an immediate buzz about a particular product or service. However,

““ Current customers are ready, willing and able to become a group of evangelists; you just have to think about them in that way. ””

that chatter may not always be positive. Be it good, bad, or ugly, consumers will invariably gush enthusiastically or eviscerate a product or service to their friends, family, coworkers, and just about anyone else—depending on their direct experience with that product or service.

The product itself may generate immediate buzz because of its originality or just because it's the newest "must-have" on the market. But that buzz is often short-lived, since it generally doesn't take long for newer items to hit the shelves to capture consumer attention.

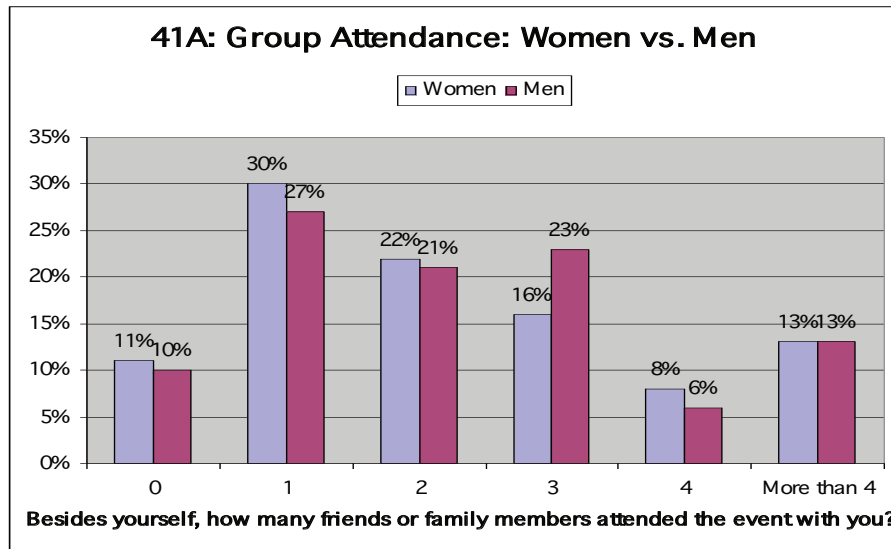
One key to fueling positive Word of Mouth over time is to ensure that event attendees become active participants in the brand experience. It is critical for your event to provide something memorable for attendees to want to experience individually, share as a group and talk about after the fact. Thus, if your event can capture their attention and engage them in a more direct and individualized way, then your chances of creating brand loyalists increases dramatically. More companies are using Word of Mouth as a marketing vehicle to maintain that personal connection with the consumer long after an event has shuttered and the booths dismantled.

One key to fueling positive Word of Mouth over time is to ensure that event attendees become active participants at an event.

APPENDIX A: Gender Analysis

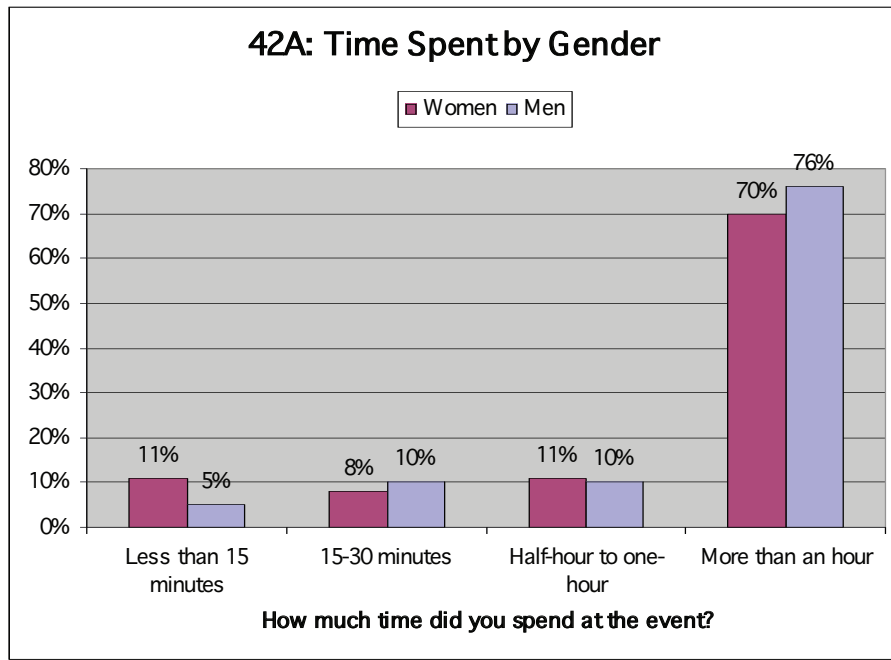
When comparing the propensity to spread the word by gender there is general consistency between the sexes, although there are some apparent gender-differences that are worth noting.

Gender cross-tabs show that of the women in our survey pool, 76 percent attended an event with between one and four other people. An additional 13 percent of women brought more than four others along.



Thirty percent of women paired up with someone else to attend the event versus 27 percent of men. As for men, almost an equal number, 77 percent, traveled in groups of one to four people. Another 13 percent of men traveled with a posse of more than four people.

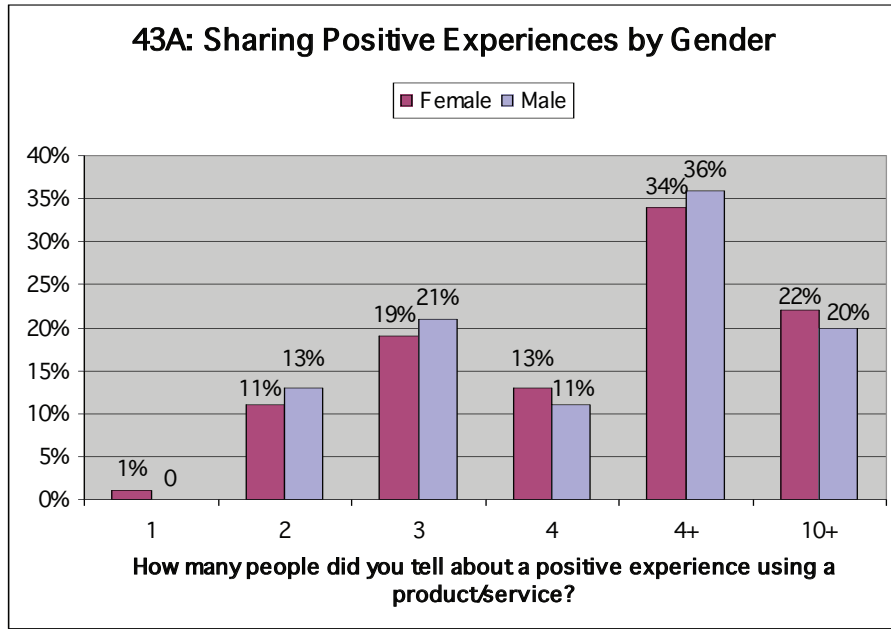
In addition men were more inclined to go to an event as a foursome at 23 percent, compared to only 16 percent of women.



Eighty-one percent of women spent between 30 minutes to more than an hour at an event, with 70 percent of these spending more than an hour at an event. Eleven percent of women spent less than 15 minutes at the event they attended.

Men also like to spend time at events, with 86 percent of our male respondents spending a half-hour to more than an hour at an event. Of that number, 76 percent spent more than an hour at the event. Another 10 percent of men spent between 15 minutes to a half-hour.

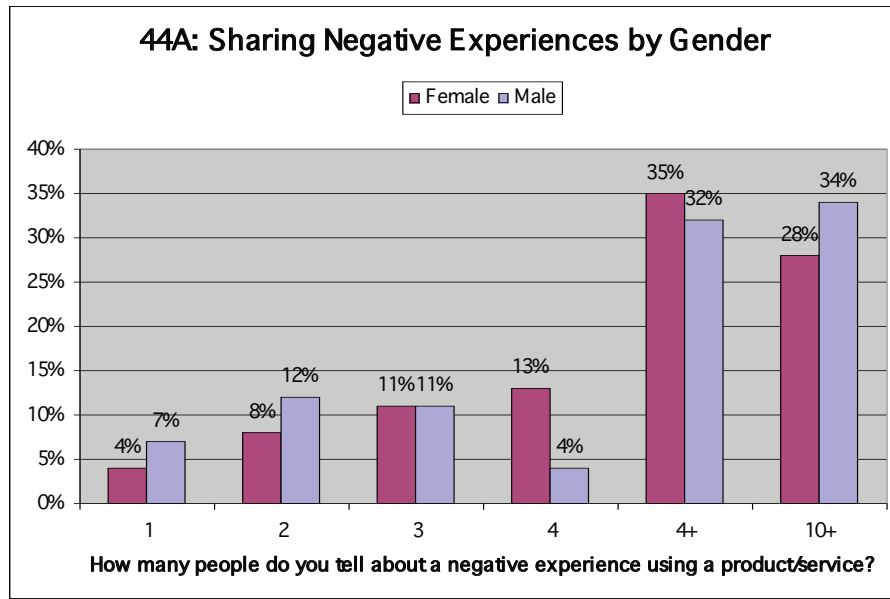
That men tend to linger longer at events jibes with an earlier Event Marketer study that found that not only do men tend to spend more time at company-sponsored events/exhibits, but what gets them to hang out is the opportunity to interact and explore at the company exhibit. Women, on the other hand, tend to be more interested in finding out what the exhibit is all about, getting a purchase incentive, and moving on – a finding that is borne out in this study, as twice as many women as men on a percentage basis (11% women vs. 5% men) say they spend 15 minutes or less at an event. The upshot: If you’re targeting men, provide an interactive experience; if it’s women you’re after, provide an experience that clearly communicates your message, and provide purchase incentives.



Our survey shows that both men and women were most likely to tell four or more people about a positive experience they had using a product or service. Sixty-nine percent of women would convey their first-hand experience with a product or service telling four or more people. Of these women, 22 percent spread the word to 10 or more people.

Men were nearly as likely to start buzzing about their experience with a product or service, with 67 percent indicating they would tell at least four or more people. Fifty-six percent of both men and women shared their positive experience with four or more people.

Twenty-two percent of women told 10 or more people, while 20 percent of men told 10 or more people about their positive product/service experience.



When it comes to talking about a negative experience with a product or service, most people have neither a shortage of words nor a shortage of people to whom they can complain about it.

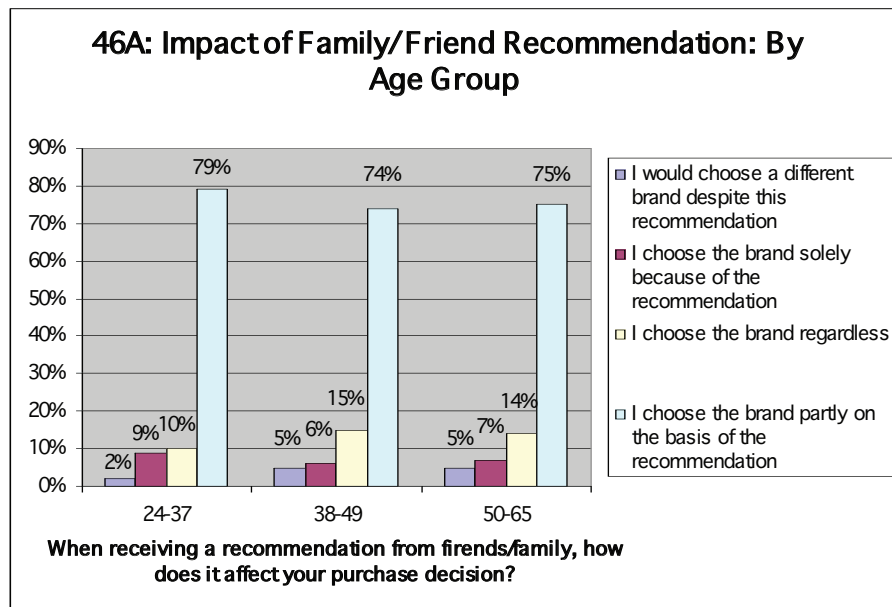
Women were most likely to tell more than four people about a bad experience with a product/service, while men were most likely to tell 10 or more people. Among women, 76 percent vented to four or more people. Among men, 70 percent told four or more people.

Sixty-three percent of women told more than four people about an event; of these, 28 percent told 10 or more people. Men were even more likely to complain about a bad experience with a product or service. Sixty-six percent of men told more than four people about a bad experience, with more than a third, 34 percent, telling 10 or more people.

APPENDIX B: Age-Group Analysis

There are some significant differences in Word of Mouth activity by age group.

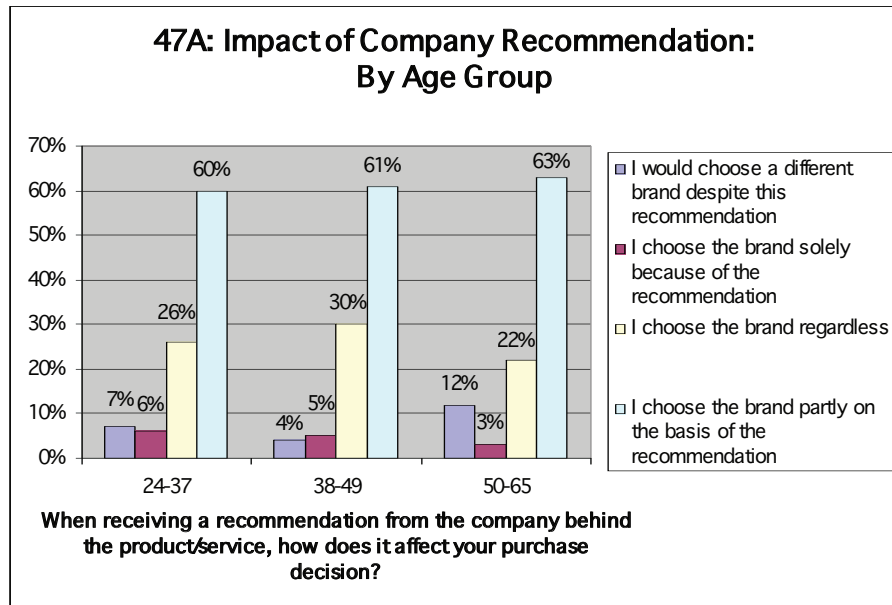
The overwhelming majority of respondents, regardless of age, said the recommendation of family or friends at least partly influenced their decision to buy a product or service.



Younger adults are most likely to be influenced by the recommendation of their friends and family. According to our findings, 79 percent say the recommendation of a family member or friends carries enough weight to partly influence their purchase decision. In addition, another 9 percent said they based their purchase decision entirely on the strength of that personal recommendation. That means that 88 percent of adults ages 24-37 base their decision to buy a product or service partially or entirely on the recommendation from friends or family.

Similar findings were true of the older demos also. For example, 74 percent of adults aged 38-49 said their purchase decision was at least partially influenced by the advice of friends and family members. An additional 6 percent said they based their purchase decision wholly on the opinion of those closest to them. So, 80 percent of adults in this age group base their decision to buy a product or service in part or in full on the recommendation of friends or family.

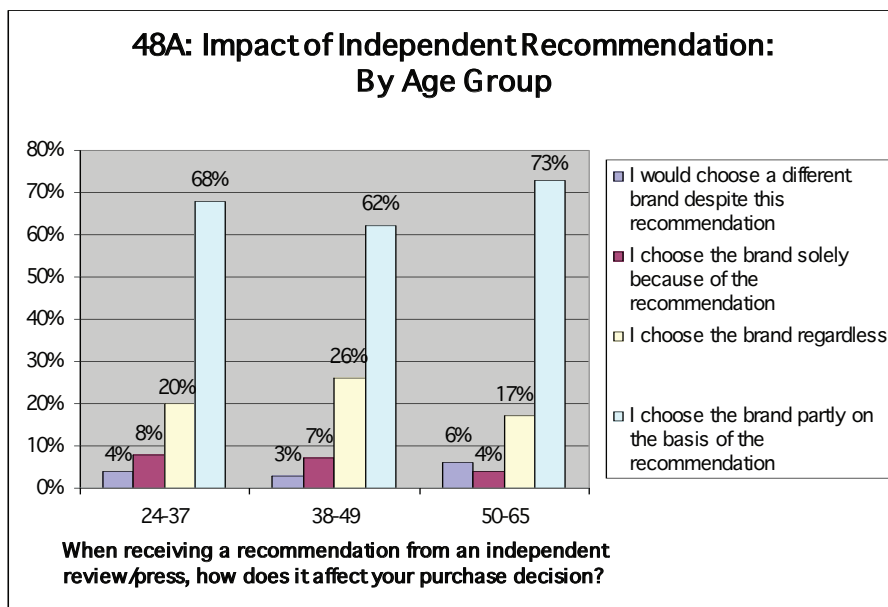
For adults in the oldest demographic age group of 50-65, 75 percent said their purchase decisions are also somewhat influenced by the recommendation of family or friends. An additional 7 percent said they based that decision entirely on the opinion of family or friends. That means that 82 percent of older adults also highly value the opinion of those closest to them when making a purchase decision.



A recommendation coming directly from the company behind a brand carries significantly less weight than one coming from a personal contact.

Our findings show that 60 percent of adults in the youngest demo are someone swayed by the company recommendation, compared to 61 percent of adults 38-49 and 63 percent of adults 50-65. In those same demos, 6 percent of the youngest adults said they would choose a brand solely because of the recommendation from the company behind the brand, versus 5 percent for those aged 38-49 and 3 percent for those in the oldest age group.

Perhaps even more telling, 33 percent of adults aged 24-37 say a company recommendation has no bearing on their decision to either buy the product or pick a different brand. A similar number of adults in the older two demos feel like-minded, at 34 percent for both age groups.

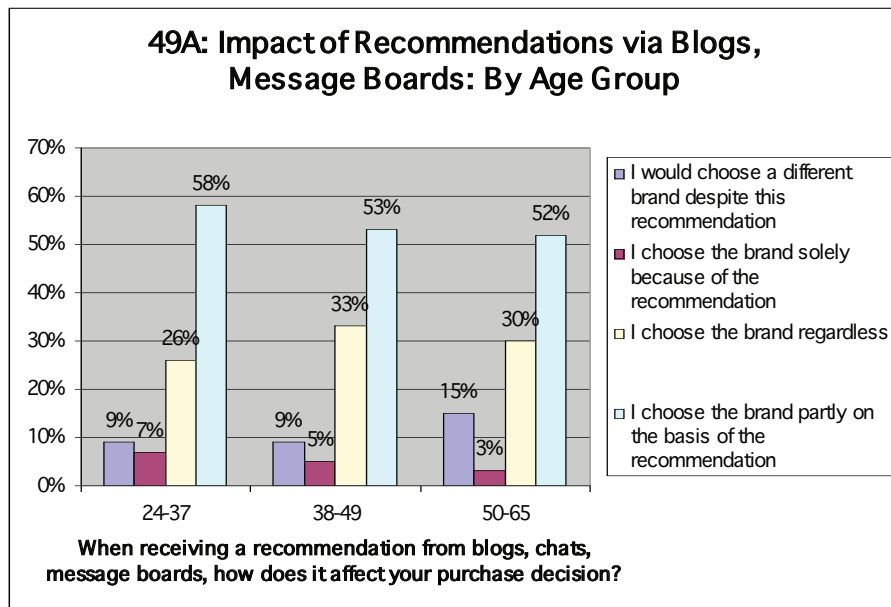


Independent product reviews in the press carry a significant weight in the minds of consumers. Sixty-eight percent of adults aged 24-37 said recommendations from independent reviews/press reviews helped them make their minds

to buy the product, compared to 62 percent of adults aged 38-49, and 73 percent of adults aged 50-65.

In addition, another 8 percent of those in the youngest demo said they would base their purchase decision solely on the recommendation from an independent review; 7 percent of those aged 38-49 were likewise persuaded, and only 4 percent of older adults were swayed.

On the flip side, nearly a quarter of adults aged 24-37 said the recommendation from an independent review/press had no bearing on their decision to purchase a brand, saying they would choose the brand anyway or they would choose a different brand despite the recommendation. Twenty-nine percent of adults in the middle age demo also said they would not be persuaded, as did 23 percent of older adults.



While it is true that consumers are increasingly using technology to gather comparative data on a product or service, these sources are the least influential when it comes to their purchase decisions, according to our survey findings.

As might be expected however, blogs/chats/message boards and other related sources rank higher in importance relative to age. In other words, the younger the respondent, the more importance respondents placed on them. For instance, adults in the 24-37 age group were most likely to be persuaded to purchase a brand based on a recommendation from one of these online sources. Fifty-eight percent of adults in this age group said they would select a brand at least partly based on such a recommendation. An additional 7 percent of adults in this category said they would buy something entirely because of such a recommendation.

For adults in the middle demo aged 38-49, 53 percent said they would choose a brand in part because of a recommendation from a blog/chat/message board. Another 5 percent said they are completely convinced to buy something based on the recommendation from such a source.

Older adults are the least likely to put as much weight on such recommendations. While 52 percent said they would base their purchase decision in part on the basis of the online recommendation, a scant 3 percent said they would base their recommendation entirely on the advice from this source.

At the same time, 35 percent of adults aged 24-37 said the recommendation from these online sources would have no bearing on their purchase decision, compared to 42 percent of adults aged 38-49, and 45 percent of adults 50-65.

Sharing Experiences

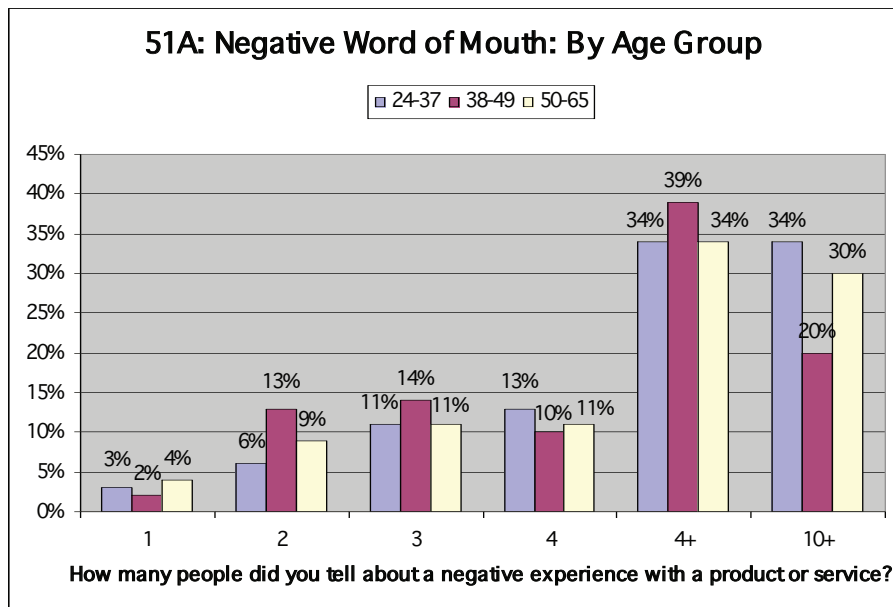
When looking at age cross-tabs, it's clear that most people won't hold back when it comes to sharing less-than-wonderful product experiences with others (See chart, next page). Younger adults, aged 24-37, were most likely to tell four

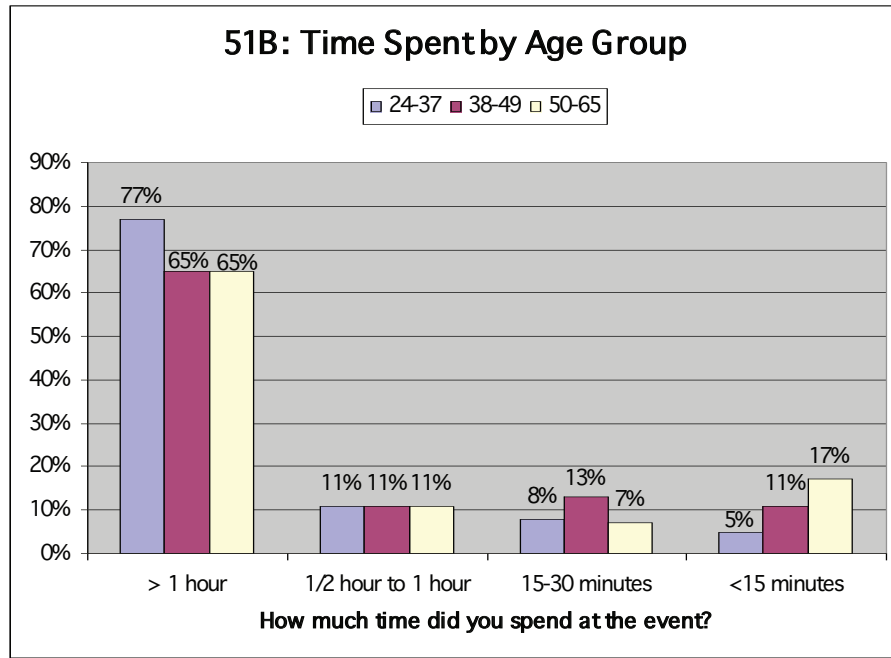
The Viral Impact of Events

How Word of Mouth Marketing can Increase the Impact of Your Events

or more people. Eighty-one percent of respondents in the youngest demo shared their gripes with four or more people, compared to 69 percent of adults aged 38-49, and 75 percent of adults in the oldest demo of 50-65.

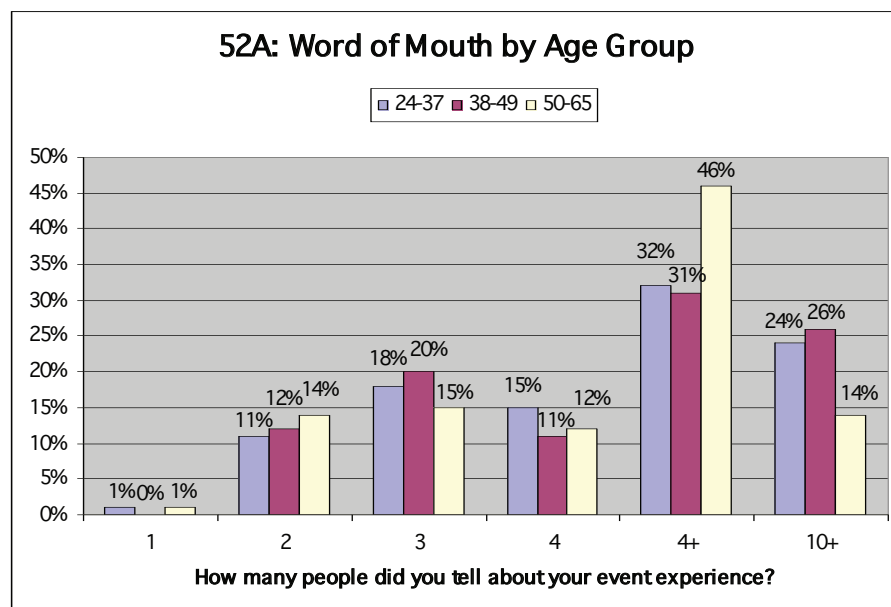
Of those in the 24-37 age bracket, 68 percent told more than four people, with half of those telling 10 or more. Fifty-nine percent of those in the middle age group told more than four people about their bad experience with a product or service, with one-fifth telling 10 or more. In the oldest demo, 64 percent told more than four others about a negative experience, with nearly a third (30 percent) blabbing to at least 10 people.





Most event attendees, regardless of age, spent more than an hour at an event. Those in the youngest demo, aged 24-37, were most likely to dawdle for more than an hour (77 percent). An equal number of attendees in the 38-49 demo and 50-65 demo spent more than an hour at an event (65 percent).

Eleven percent of respondents, regardless of age, spent between a half-hour to an hour at an event. A sizeable portion of older men in the 50-65 demo, 17 percent, stayed just 15 minutes or less.



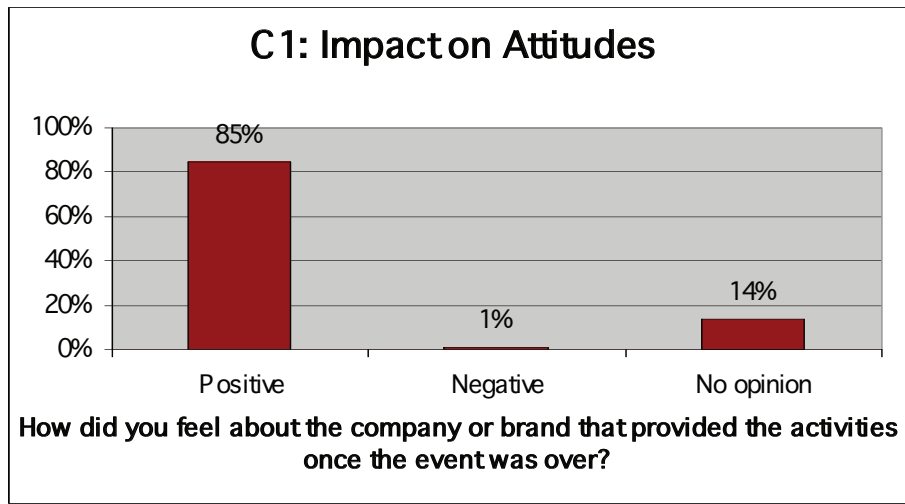
Our survey respondents, regardless of age, were most likely to tell more than four people about a positive experience they had using a product or service. Respondents in the oldest demo, aged 50-65, were the most likely of any age group to tell more than four people (60 percent).

Older folks seemed most eager to share their good news about a product or service, with 72 percent telling four or more people.

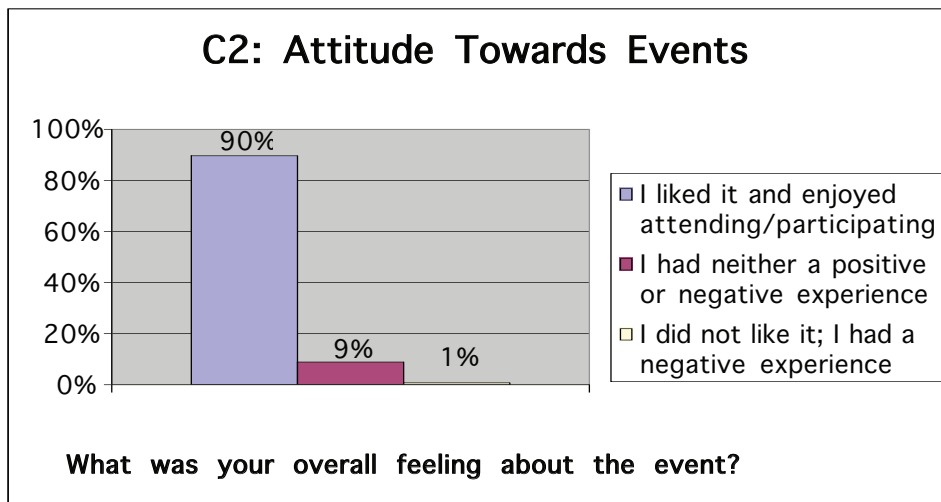
The middle demographic, aged 38-49, were the second-most likely to spill the beans, with 68 percent telling four or more people (with 57 percent telling more than four people).

APPENDIX C: General Findings

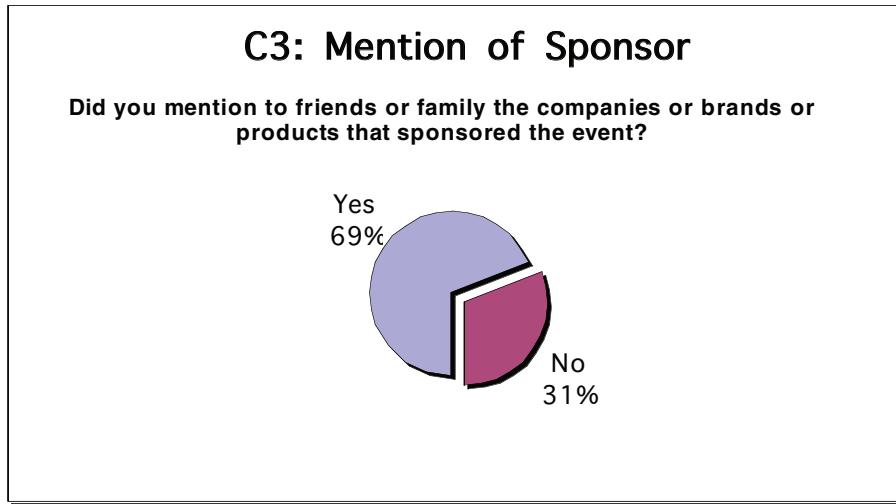
The charts on the following pages further support the impact of Word of Mouth strategies in enhancing image/awareness, spurring trial and purchase, and extending the life (and residual impact) of an event long after the physical event has ended.



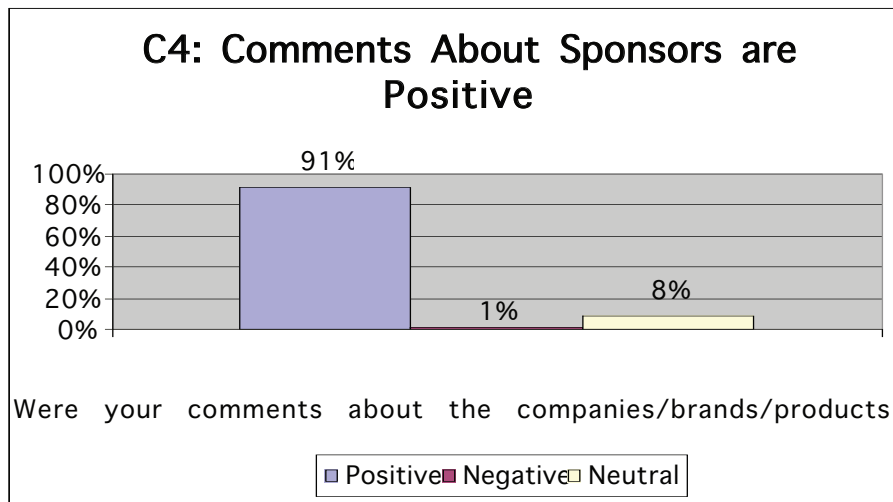
Event participation has a powerful effect on feelings about the sponsor or brand providing the activity or experience.



An overwhelming majority of attendees recall the marketing event with pleasure.



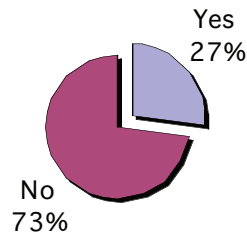
More than two-thirds of attendees report mentioning the brand or sponsor to friends and/or family.



A strong majority of respondents recall making positive comments about the sponsoring company/brand.

C5: Brand Switching

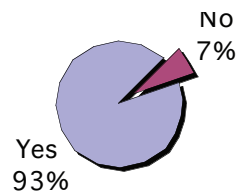
Have you switched brands as a result of attending the event and experiencing the sponsor's product/service?



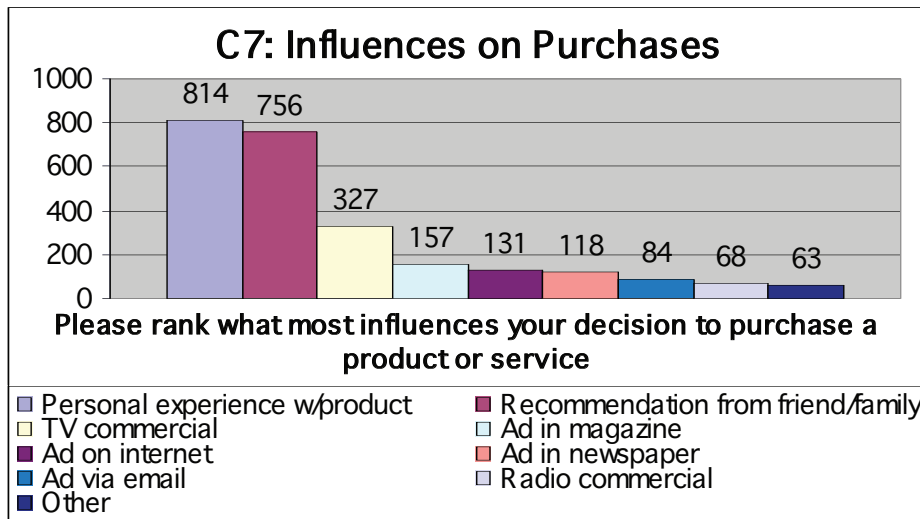
About a quarter of attendees report switching brands as a direct result of attending the event.

C6: Willingness to Receive Promotional Offers

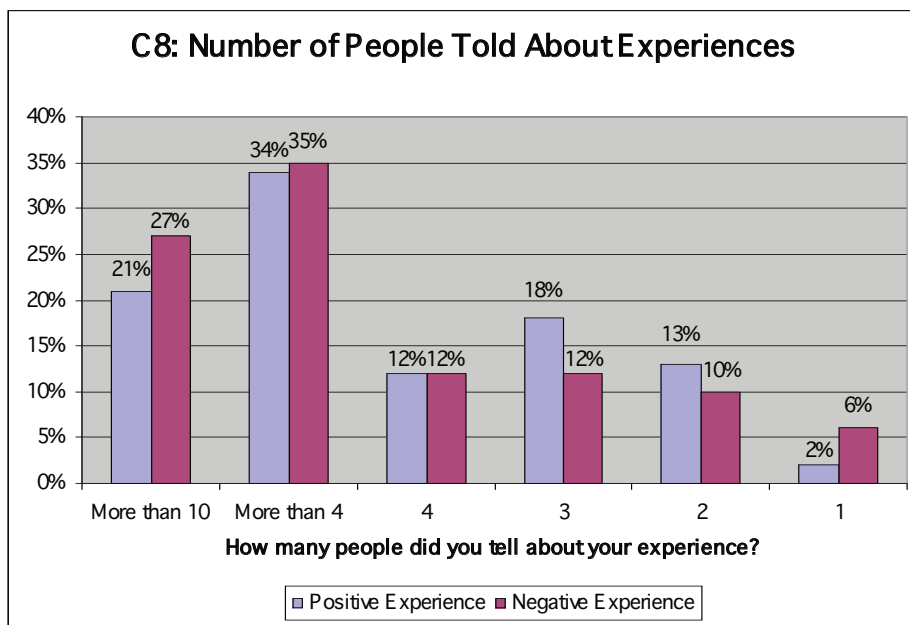
Is it OK that the company whose event you attended sends you coupons, emails or advertising materials?



Most attendees express a willingness to receive promotional materials after the event.



The two top purchase-decision influencers are personal experience trying the product and the recommendations from friends and family.



Most people tell more than 4 people about their experience with a product or service at an event. Bad news travels further than good news, with more people likely to share their negative experiences with more people.

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