

Our Industry – Winner Or Loser In Tough Times?

Black or white

These are precarious and uncertain times, with the eye of the storm hovering over Europe. More questions than answers. It's easy to categorize the condition of our industry and how the terms in the marketplace affect each and every one of us.

The picture of our industry that media, all analysts and we ourselves are painting is, mildly put, mixed. It depicts everything, from a stone dead sponsoring market to sold-out events and record-breaking deals. Particularly in media, the so-called truth is often black or white. Success or crisis.

In all this static and uncertainty, there are after all a few obvious trends that should boost the confidence and beliefs in the future for all of us with the privilege of working in event marketing.

- In many ways, the sponsoring and event market stands out as a winner in tough times. A comprehensive tool, able to achieve several goals simultaneously, internally as well as externally.
- The demand for relationship-building activities, focusing on the meeting place, is growing at the expense of traditional advertising and exposure.
- Environment and health are prioritized areas for essentially all businesses. A fact that has given even more reason to invest broadly in sports and activities that engage clients as well as employees.

Furthermore, the effect of downsized marketing budgets has caused an increasing number of enterprises discover a new option in entering pure barter deals. The gain is services and products instead of refraining from participation. Often a good alternative for both parties.

Various conditions with underlying causes

So, how is the patient doing? The answer is far from given. The conditions are very dissimilar depending on the category of event and sponsorship. Often the question "what is the sponsoring situation this year" is put as a measurement of how the industry at large is coping. This question, certainly warranted, seldom leads to the answer as to where the sponsoring and event market is heading. Depending on the type of event or sponsorship in question, revenue (and cost) is propelled by completely different factors. Often these underlying factors basically have very little to do with the interest from new and old sponsors.

Events dependant on prize money and TV rights must constantly find new ways to increase revenue. A proof of the competition not being outmanoeuvred by other organizers, in other countries. The challenge is not a "sponsor problem" per se. It's by far not sufficient to try and convince the sponsors to increase their investments year by year. This is a strategic issue that, among other things, concerns regional economic values and owners willing to invest.

Also needed are long-term networks between rights holders, businesses, tourism and provident industries ready to invest in infrastructure (hotels, facilities etc.).

Unholy alliances

When it comes to the development of the industry per se and the possibility to develop business activities and the unique DNA of the events, there have often been talks about the advantages of integrated market communications. Co-operation between various disciplines and departments. No watertight compartments in planning the distribution of the overall messages. Yes, this is absolutely a prerequisite in leveraging the full power of event marketing.

At the same time there is a need for a more flexible view on how we ideally can create unique events, new events and, not the least, compete for the most prestigious events in the international arena. This is a key issue for the industry but also a concern for regions, municipalities and the Swedish business sector.

What I'm talking about is CO-OPERATION. Unholy alliances with hand picked expert competencies, rights holders and regional/national interests. It's not about abandoning important principles or taking short cuts. It's about daring to break ingrained patterns. Taking operative responsibility for project management with the rights holder, completed with key resources collected from various agencies and organizations. To simply own the issue, from start to finish. Work in a small scale at "the top" with explicit personal responsibility for each main area in the project, respectively. Not think so much about which side of the table one usually represents.

In order to attract international events to Sweden or create regional event strategies, permanent organizations, similarly constructed, are obviously crucial. Resources that not only focus on the long-term strategy but also have the ability to make it come true.

Finally

Christmas is coming up and another year is closing to its end. We have selected to focus on sailing, international events with the best sailors in the world. A penchant for match racing. A combat between two teams, exciting duels. One winner and one loser.

With a fantastic Stena Match Cup Sweden and the RC44 Sweden Cup in Marstrand last summer and a super strong Artemis Racing, smack in the preparations for America's Cup 2013 we can now put 2011 behind us.

No, hold it. One last reflection. We have also seen a new team in Match Racing climb all the way to the uppermost world elite. Johnie Berntsson & Co finished World Match Racing Tour with two meritorious finals and a final third place in the year's World Cup. A big favourite, in other words, for the World Cup title in 2012!

All the best for the new year!

/Jan Torstenson, CEO Brandspot