

Delivering Greater Return on Events (ROE)



Unraveling the mysteries of event and meeting performance can sometimes feel like unlocking all the secrets of DNA. However, you can crack the code to meeting performance to deliver greater return on investment (ROI) or as we might say, *return on event* (ROE) to your clients.

To truly improve meeting performance, use a two-pronged approach - first, define the meeting's value in terms of business impact, and second, measure the meeting's value within the time frame of when the business impact will occur.

Consider this example of defining value: Suppose you ran an airline whose goal was to be the leader in business performance. You would likely do customer analysis, including interviews and surveys. You would learn what people thought about the food, the seating, the baggage services, ticket counters, and the experience. Or you might already have some ideas of your own, so you start improvement by acting on these ideas.

However, you must first ask one fundamental, strategic question to determine "customer impact" before you do anything: *What are our customers trying to achieve when they fly our airline?*

The most important answers will have little to do with the food, seats, ticket counters and so forth. One critical answer would be passengers are trying to get to meetings, visit customers, and attend corporate events – in other words, *they are trying to conduct business*. In this world, *speed* and *on-time reliability*, which are crucial to actually getting to the meeting, are critical dimensions for business customers. Though there are other customer values in this scenario, the highest value from the business customer's perspective is getting to their meeting.

Most airlines have continued to struggle because they are conducting business to make *themselves* succeed. What they need to do is start conducting their business to make the *customer's business* more successful.

If you focus on helping clients achieve their most important goals, what would you most want to deliver to business travelers? Everything related to speed and reliability. What would be the customer-focused initiatives you would drop since you didn't have the money to implement everything customers want? Everything not related to speed and reliability.

This scenario describes Southwest Airlines, the most profitable airline of all time. Its customers greatly benefited from this approach because customers got where they were going with more reliability.

The lesson may be applied just as easily to event planning businesses. Every day, conference rooms are filled with meeting attendees. Agendas are distributed. Decisions are made. Speakers are heard. But are participants *really* getting value from their time in that room? Is the client getting the desired result? Will your client see positive financial results three, six or 12 months later?

Meetings and events are a lot like trade shows in that there is tremendous preparation for them. However it's the post-show follow-up which determines whether the exhibition was successful. Realize that, as a meeting planner, you have a critical role in the follow-up too. Otherwise, you can never really understand the meeting's ROE.

Some meeting planners may think a larger budget makes for a better event or memorable experience to increase ROE. In some cases, that's true. Yet in all events, there are critical business drivers

behind the meeting, such as, arrival at key decisions, enthusiasm for a product launch, or employee acceptance of a revised benefits package, which all have financial implications more important to increasing ROE.

The event must ultimately be about improving the business and the bottom line. *As such, the future of meeting planning is changing from talking about how wonderful, memorable and costly a meeting is to how the event planner is contributing value to the financial performance of its clients.* What is important to the client when the meeting door closes may not be what's most important to the client outside the meeting space. Recognize that they are tightly connected.



When consulting with clients about upcoming events, determine how they define customer value—defined by what's critical for them to achieve during the year. In the planning stage, ask yourself and your client the important questions: Why is the meeting or event being conducted? What would enable my client to reach their business goals, not just this event's goals? What are the implications to my client's financial future by this event? Increased sales? More market share? Greater workforce productivity? And in what time frame will the impact of the event have the desired financial impact?

To create exemplary value for clients, meeting planners must deliver value based on four key ROE strategies:

1. Demonstrate a direct impact on your clients' growth and financial future.
2. Determine the few critical value-creating dimensions that have the highest impact on the customer you are serving/pursuing.

3. Eliminate or downplay those customer value dimensions that have lower impact, but increase your clients' and your costs – this allows more resources to deliver where it matters most.
4. Measure the business value clients received, not only after the event, but in the timeframe the event impact will be realized after the event.

Once the business value is clearly defined in financial terms, it's now far easier to measure the ROE. Though you will want to capture the participants' immediate reactions to meetings, the key is to measure its impact to clients' business success. Measure how profit, sales, productivity, new product success, etc. was realized because of the event. Work with your client to obtain post-event results, assuring the event achieved business results. This extends your relationship with the client, and that leads to even more business.

With this approach, as you consult with clients about event details, you'll be armed to speak at an executive level. They already know that top planners will ensure the food is memorable, the theme appropriate, the seating comfortable, and the audio-visual clear ... all important elements of an enjoyable event. What matters most to them is how the money they spent will impact their business success. Planners who can demonstrate this will have clients who will call you again and again.

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