

B2B lessons learned from World Youth Day: Part I

Article by Sam Hunter



This post is part one of a three-part series

- 1. World Youth Day: the Event Marketing Lessons Learned
- 2. World Youth Day: the Distribution Lessons Learned
- 3. World Youth Day: the Business Relationships Lessons Learned

In this three-part series, Sam Hunter, the managing director of Bout Time Solutions explores some of the learnings he took from helping the World Youth Day (WYD) organisers deliver one of the great events Australia has staged. Papal visits are right up there with the Olympics when it comes to numbers of visitors and disturbance to a city. But WYD presents a different challenge - 225,000 pilgrims to bed, feed and water.

When John Moore, former marketing director of the Sydney Olympics, asked Sam in 2006 how he would feed 225,000 pilgrims, Sam's response was to go direct to the manufacturer avoiding the caterers. This simple answer became the strategic thrust of the WYD organising committee, and now Sam discusses what can be learned from the staging of a religious event that can be applied to current business problems.

World Youth Day: the Event Marketing Lessons Learned

From the get-go I assumed that the vast majority of corporate Australia was no different to the rest of the population - waning in their enthusiasm for structured religious rigor, dead-set on dodging dogma and, in a time of heightened religious tensions, very happy to leave sleeping dogs lie.

My task was to establish the relationships with corporate Australia so that WYD could feed 225,000 people for as little as possible.

To be honest at the start it looked impossible

- an event few Australians knew much about
- an event with huge media interest, 99% of it overseas
- an event about God
- an event without sex and drugs
- an event about young people, most of whom don't speak English

Not a great starting point.

I had bought and sold sponsorships before, I had been in the shoes of the corporates I needed to impress, I knew that if I could convince them there was a buck in it for them, I stood half a chance.

Sell the benefits

In a sales situation I believe in selling the benefits. I had to find some benefits my prospects wanted. I sold a partnership not a sponsorship, and there's is a big difference: one is a sale where a brand is tacked on and the other is a pursuit of common objectives.

From that point I began to introduce the partnership notion to the food companies, encouraging corporate Australia to get involved with what was to many of them in 2006 a low-profile religious event. The supplier partners were encouraged to provide millions of food items for as little as possible, in return for benefits including product sales at the events, potential sales to the not-for-profit community across Australia, as well as the event marketing benefits.

I did not believe I could sell WYD on the normal basis, I had to deliver the sales opportunity to get involvement. In other major events where catering has been part of the deal, the organisers have appointed a master caterer, which in 2006 was still an option. It's easier for the organiser but in my view was a more expensive option.

My task was to provide what in the end was breakfast and lunch for the pilgrims for about five days. How could I minimise cost and still deliver a tasty set of meals? In one sales pitch to a prospective partner, I described the alternative of going to a massive caterer. Experience told the partner that the caterer would drive a bargain and deliver no other benefits. We had a different discussion, it was about business building, not the event.

A helping hand from the NSW government

The NSW government legislated a number of measures, which were critical to the success of corporate involvement. One of these measures defended the retail opportunity within the event areas, meaning the opportunity for retail sales could be passed on to the partners, delivering extra value to them.

So the retail opportunity or benefit was becoming real, and the look and operation of the event was being changed to fit the commercial reality.

The other major benefit of being involved in a partnership was the chance to sell product to the not-for-profit segment of the Australian community. The second post in this series (World Youth Day: the Distribution Lesson Learned - coming 15th October) takes a closer look at this.

Results and the lessons learned

In short, the partnership play worked: Coca-Cola Amatil, Arnotts, Cerebos, Cadbury Schweppes, SPC Dairy Farmers, Kraft, McDonalds, Mrs Macs, Safcol, Sanitarium and Sara Lee all became partners in the feed the pilgrims programme, providing the necessary millions and millions of food items for cost and importantly helping stage the event where they could.

Because the cost pressure was so strong and the participation of the partners voluntary, the event had to accommodate them, not the other way around.

As a result I formed the following view:

Organisers of events should think about all elements of the event with the clear objective of maximising the business payback from the event for the potential partner if they wish to maximise the corporate involvement i.e. revenue!

Sounds obvious but it often doesn't happen.

Its all about the bang - companies want a positive revenue result from almost all things they do - at least that was my assumption. When I was in discussion with the partners, talk invariably moved on to the retail potential and the opportunity to grow their distribution. In a sponsorship sales presentation, being questioned as to the

real sales benefit of the sponsorship can spell problems for the sales person not able to demonstrate the business benefits

Not so with WYD.

Redesigning the total offering is the key

The organisers of sports or events who think in these difficult times that the popularity of the sport or event will sell the sponsorship, need to think again and devise benefits that directly link to the success of the business they are targeting.

In the case of WYD, it was the decision by the NSW government to legislate a number of measures, which were critical to the success of corporate involvement. Regulating the retail opportunity within the event areas meant the opportunity for retail sales could be passed on to the partners, delivering real business value to them.

Another great example comes from India with the IPL T/20 cricket tournament.

Here in my view is a event designed to be successful from a spectators and sponsor point of view first. It's not about the players so much, or even about the game. It's designed with the needs of commercial reality in mind. Not to every cricket purists liking I am sure, but very successful as a business venture.

Organisers of events should think about all elements of the event so as to maximise the business payback for their current and potential partners if they wish to maximise the corporate involvement. What I think happens too often is that the organisers of the sport or event put the sport or event at risk because they have not or will not redesign to make the whole involvement synergistic with the needs of their partners and consumers alike.

The NRL is a good example. It has a product for sale. The NRL is not keeping up with other sports and is losing its stars at the same time money is short. If I am right the pressure will continue to mount for the code to morph into a more saleable product, which means making the game both more entertaining for fans and successful for the corporate partners.

Cricket in India was willing to morph the game into a more saleable, popular product. Will the NRL have the same courage to redesign their total offering?

The learning?

There are lessons for other events and sports. The combination of retail sales, advances in distribution, a very successful event, can make for a very happy group of partners.

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