

MAKING MARKETING'S CASE: PROFITABLE EVENTS POWERED BY TECHNOLOGY

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Report Highlights

p2

72% of all marketers are responsible for managing or contributing to events.

p4

Users of event marketing technology average a 66% return on marketing investment.

p5

Marketers using event management technology shorten the buyer's journey by 5.3% year-over-year.

p9

Event marketing tech users average a 9.9% year-over-year increase in marketing's contribution to revenue.

Aberdeen Group has found that 72% of its marketing respondents are responsible for managing or contributing to events. In this report, Aberdeen makes the case for taking advantage of the increased returns provided by using event management technology for marketing.

2

The greatest opportunity for increasing returns from marketing events comes from the use of event management technology.

Aberdeen Group defines “Event Marketing Technology” as:

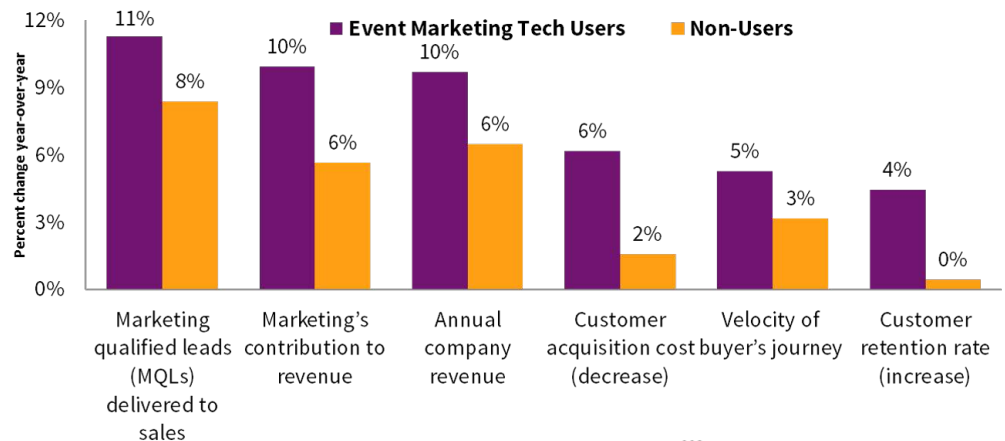
Solutions that support the end-to-end planning, attendance/execution, and follow-up elements of events. These elements include:

- Attendee documentation / tracking
- Mobile sales enablement
- Event campaign development
- Cost / conversion analyses
- Social media amplification
- And more...

Understanding the Vital Nature of Events for Marketing

Today, events are not only a mainstay of a competitive marketing strategies; they're an opportunity for maximizing marketing returns. Aberdeen Group's report, *[Event Marketing Technology: Your Invitation to Marketing ROI](#)* showed that 72% of all marketers surveyed are responsible for managing or contributing to events. A recent survey of 556 marketing and sales professionals found that 72% of respondents also cited event-specific initiatives as primary elements of their marketing and sales strategies. While these findings validate the propensity for organizations to leverage events, the most prominent opportunity for increasing returns from marketing events comes from the use of event management technology, as shown in Figure 1.

Figure 1: Marketers Using Event Management Technology Improve Performance Year-Over-Year



n= 223
Source: Aberdeen Group, October 2015

While most marketers would be happy to hang their hats on a 76% greater year-over-year uptick in marketing's contribution to revenue, or 49% more growth in company revenue, a savvy business leader should want to see more. Particularly, how much

3

is at stake when it comes to evaluating marketing's performance around events?

The first place to start is how much do organizations spend, roughly, on marketing events year over year. Based on common industry benchmarks and reported budget allocations, Aberdeen Group estimates that roughly 17% of an organization's overall marketing budget goes to events. In Table 1, we can see, based on company size and relative revenue, how much goes into events each year.

Table 1: What's At Stake in Event Marketing Spend?

| Category | Annual Revenue | Annual Event Marketing Spend |
|---------------------------|----------------|------------------------------|
| SMB | \$5 Million | \$76,500 |
| Average Size Organization | \$30.2 Million | \$462,060 |
| Large Enterprise | \$1 Billion | \$15.3 Million |

Source: Aberdeen Group, October 2016

From small to medium businesses (SMB), to the average size organization (calculated among Aberdeen's respondents), to large enterprises, event marketing spend is nothing to scoff at. Indeed, the actual returns from such investments would seem to increase in importance with any increase in spend. Fortunately, Aberdeen's research shows that users of event marketing technology average a 66% return on marketing investment (ROMI), compared to just 49% ROMI among non-users. This is the strongest direct case for event marketing technology as it overtly refutes the high expense assumption about events. Instead, those who use event management technology for marketing reap greater rewards, not only from their events, but from connecting those events to returns from all other marketing efforts.

When we apply this performance benchmark to the estimates shown in Table 1, we see, in Table 2, exactly how much of a difference event management technology for marketing can make.

Table 2: What's the Take (Return) from Event Marketing Spend?

| Category | Annual Event Marketing Spend | ROI Yield from Events for Event Management Users |
|---------------------------|------------------------------|--|
| SMB | \$76,500 | \$127,296 |
| Average Size Organization | \$462,060 | \$768,868 |
| Large Enterprise | \$15.3 Million | \$25.4 Million |

Source: Aberdeen Group, October 2016

Users of event marketing technology average a 66.4% return on marketing investment.

It is important to note that this is a correlation, not causation. Event management technology usage correlates with improved marketing performance because it measurably and systematically helps to improve the once-costly elements of event marketing.

The short, sweet, elevator pitch is that event management technology turns event marketing from an unrecovered cost to an integrated revenue engine.

From “Why” to “How:” The Factors Behind Event Management Technology's Impact on Marketing

For some, the answer to “Why event management technology for marketing?” might be simply this: it correlates to a 66% increase in ROMI. And that is certainly compelling. Nevertheless, “why” only takes you so far before you have to talk about “how.” In this analyst's opinion, the “how” of event management technology's impact on marketing is where the strongest story lives. It is also where the greatest value can be harnessed.

Using process to connect productivity and profitability

For the sake of all the marketers in the trenches executing on events, it is important to note that no technology, trick, or tool can make putting on or participating in an event truly easy. From attendee behavior to atmospheric conditions, there are always elements beyond human control that can affect an event success.

5

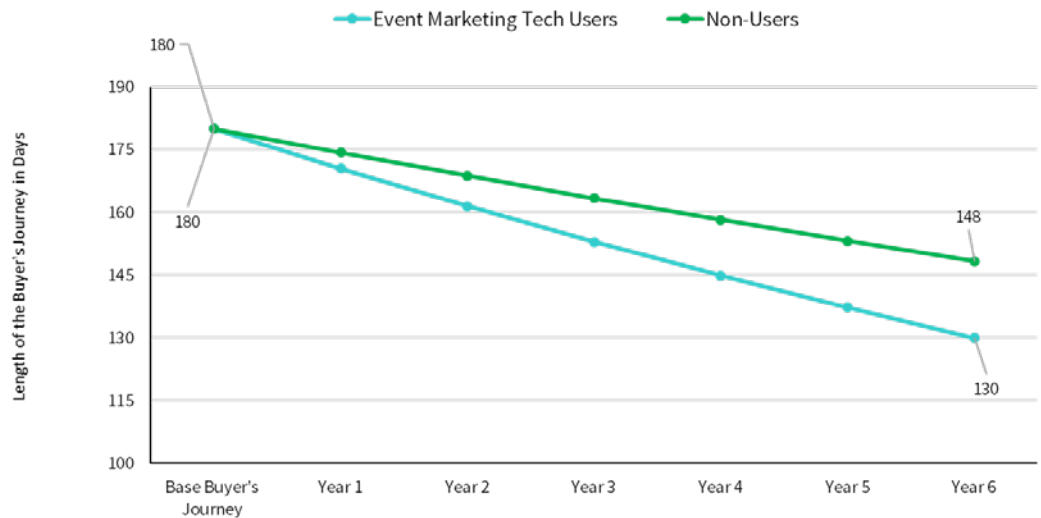
Marketers using event management technology shorten the buyer's journey by 5.3% year-over-year.

That being said, managing what can be managed with events, and maximizing the yield from those elements in a systematic way is the primary utility of these solutions (quite literally through an event management system). In terms of marketing performance, shortening the length of the buyer's journey, from initial interest to close, can be a strong indicator of how well marketing and sales are working together. To shorten the buyer's journey, marketing and sales efforts must avoid days lost to unknown opportunities, unavailable follow-up actions / incomplete tasks, or uncoordinated communications. Essentially, shortening the length of the buyer's journey correlates to improved efficiency in overall marketing and sales processes. Investing in the right technologies can be the key to overcoming these challenges.

Aberdeen's research shows that marketers using event management technology shorten their buyer's journey by 5.3% year over year. This data point alone means that, yes, marketers using event management technology are moving the needle in the right direction. Comparing it to the performance of non-users, who are also improving but only at a rate of 3.2% year over year, these results become much more impressive. From this perspective, event management technology users enjoy a **67% greater rate of improvement** in this critical efficiency metric.

While this is one way to see the value of programmatic improvements from event management technology, in Figure 2, we extrapolate the value of investing in event marketing technology over the long haul. As events happen annually, it's worthwhile to see how improvements accrue over time. Modeling the performance of event management technology users at average-sized organizations, we can see how much of a difference these improvements can ultimately make.

Figure 2: A 50-Day Faster Buyer's Journey after 6 Years of Event Management Technology



Projection based on year/year acceleration of buyer's journey

n=223

Source: Aberdeen Group, August 2016

Marketers using event management can cut a total of 50 days off of a typical, 180 day buying cycle over a six-year period.

Here, we see that, based on a 5.3% annual decrease in the length of the buyer's journey, marketers using event management technology – “Event marketing tech users” in the figure above – can cut a total of 50 days off of a typical, 180 day buying cycle over a six-year period. This long-haul context is important because the ability to accrue data about events, document what is successful (i.e. the deals that were won or influenced), and other impacts on other marketing efforts enabled by event management technology is meant to drive steady, predictable growth over time. Think of it as “iterate and improve,” as opposed to “guess and check” event marketing.

Delving into a real-world application of such a capability, take your standard industry conference. Your organization may have

7

Event marketing tech users average a 9.9% year-over-year increase in marketing's contribution to revenue.

customers who need to be catered to as attendees. (Of course, you also want to make sure that the extra effort connects to renewal, cross-sell, or even up-sell opportunities.) You also have prospects to acquire and perhaps nurture in attendance, so sorting out customers from prospects is one must-do step. Then comes planning follow-up campaigns or touches. After that, you have tracking the effectiveness of said efforts. Typically, when such efforts are left to manual mechanisms, the weeks before events are lost, in terms of marketing productivity, to preparation. The week or so after the event is lost to follow-up and reporting.

With event management technology, however, all of these efforts are managed by one system. Preparation efforts can be executed in one solution that also shares data or integrates with other solutions like CRM, marketing automation, and analytics. The first year using this technology may take the typical week to set up, but that setup only has to be cloned and copied for the next time, instead of recreated. Furthermore, follow-up actions can be automatically triggered – whether it's a reminder for a sales person to reach out, or a personalized email that directs to further touches, here, too time is saved.

Returning to the case for how event management technology positively improves marketing performance, we can't forget the most compelling metric of all: revenue. In Aberdeen's research, **event marketing tech users average a 9.9% year-over-year increase in marketing's contribution to revenue, compared to a 5.7% increase for non-users.** This is a 76% advantage in growth for event marketing tech users, which, taken alone, is a strong point for the event tech side. As this growth, too, has significant long-term applications, however, Aberdeen has modeled out the implications for a large enterprise bringing in over \$1 billion in annual revenue. Particularly, this analysis helps to show that when the most money is on the line – a \$15.3 million event marketing budget is hardly chump change – increasing marketing

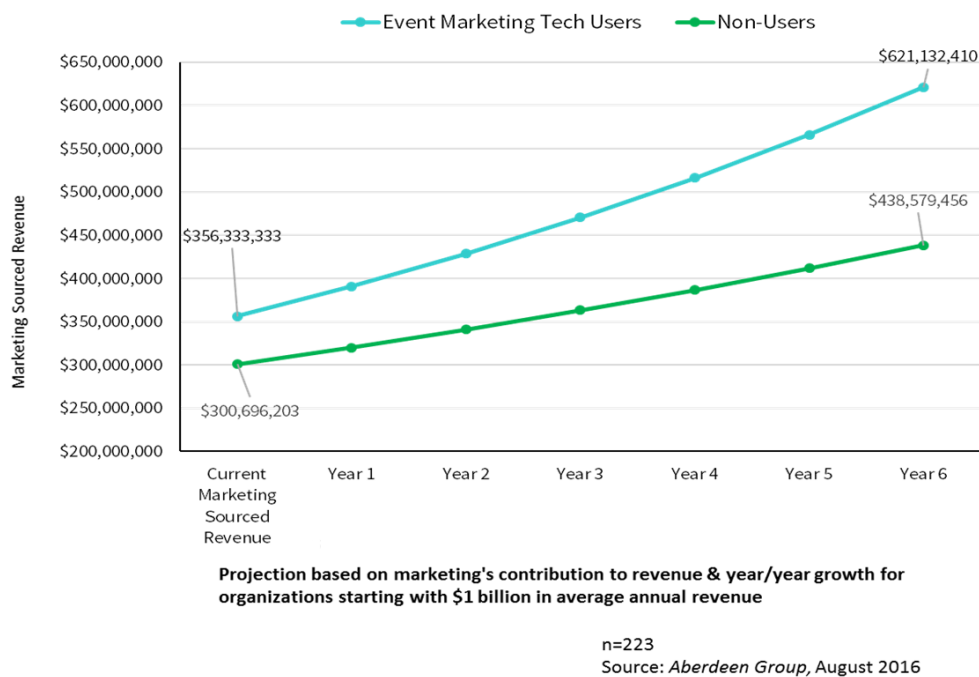
8

contribution to revenue as a result of such an investment is paramount.

As a starting point for this analysis, Aberdeen Group found that, at present, the average percentage of company revenue attributed to marketing efforts for event marketing tech users is 36%. For non-event marketing tech users, the metric is 6% lower at 30%. This clarification is also important because functionally, event marketing tech makes it much easier to attribute event components directly to revenue. Most notably, in-booth interactions, attendees or VIPs who eventually sign off on deals, and other normally hard-to-track elements of events can be recorded, shared in CRM or other systems of record, and locked in to reports on how marketing efforts influence revenue. In other words, from the beginning, event marketing tech users start with an advantage – **it's easier to attribute more revenue to marketing when more of marketing's efforts are tracked** – and then, over time, build upon it.

9

Figure 3: Making Marketing's Big Contributions to Revenue Bigger Over Time with Event Marketing Tech



➔ [Read the full report *Marrying SEO & Content Marketing: The Power Couple You Can't Ignore* \(November 2015\)](#)

➔ [Related Research *The Subtleties of Supporting Sales Enablement with Content Marketing*](#)

When all is said and done in the model in Figure 3, the large enterprise with event marketing tech is projected to attribute \$621.1 million in revenue to its marketing efforts over six years. That's a \$182.6 million dollar more than marketers without such technology over the same time period. With this projection based on a correlation may seem like a stretch, it's important as it not only applies to new customer acquisition, but also customer renewal, cross-sell, and even up-sell revenue. Using another assumption in the business field, it's pretty common to believe that events are critical in driving revenue and building relationships with customers. Otherwise, why would events be worth all the effort? Event marketing technology helps to prove how this assumption can be true (when events are executed effectively), and turns that truth into a formula for future success.

10

Conclusion & Key Takeaways:

The case for enabling marketing to more effectively manage events with technology is rather clear-cut: it is correlated with more revenue from marketing, higher returns on marketing investments, and more effective overall marketing and sales operations tied to events. While some of the examples showcased advantages to larger organizations, the value and utility from event marketing technology extends to organizations of all sizes.

Here are a few key considerations to remember:

➔ **Turn events from cost-centers to revenue generators.**

Event marketing tech users enjoy a 76% greater increase in marketing's contribution to revenue, year-over-year, compared to non-users. Furthermore, by connecting to other marketing technology and campaigns, the drivers that correlate to revenue generation, from events and beyond, become more manageable, and thus, optimizable.

➔ **Iterate and improve in event marketing efforts strategically.**

Event marketing technology users consistently see steady growth in their marketing performance because they learn from each prior effort. Previous Aberdeen Group research has shown event marketing tech users are 75% more effective at increasing their overall marketing productivity through integrated marketing technologies. This research has also shown that these marketers are 20.6% more effective at executing against a clear marketing strategy. Integrating event marketing technology with other marketing solutions can help to broaden the insight into – and impact from – overall marketing efforts. The ability to use these advantages for informed, growth-oriented marketing strategies helps to increase the value of events and event marketing even further.

Event marketing tech users are 75% more effective at increasing their overall marketing productivity through integrated marketing technologies.

11

- ➔ **Invest in event marketing and event management technology for the long haul.** 72% of all marketers host, sponsor, or attend in-person events/tradeshows. 72% of respondents also cite event-specific initiatives as primary elements of their marketing/sales strategies. Events are a mainstay of modern marketing, but from such consistency comes stable learning and growth opportunities. Do expect to see some returns after a year of implementation of event marketing technology, but don't lose sight of the long-term value.

12

For more information on this or other research topics, please visit www.aberdeens.com.

Related Research

[*Understanding Best-in-Class CRM Usage for Marketing*](#); (September 2016)

[*The B2B Business/Customer Arc: Crafting Keystones from Marketing & Sales*](#) (May 2016)

[*Aligning Content to the Buyer's Journey: The Key to Competitive Content Marketing*](#) (October 2015)

[*Content Marketing for Lead Generation: Success in Simplicity*](#) (September 2015)

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