



ROI 2.0

IS IT REALLY THAT DIFFICULT TO MEASURE ROI? Simply track expenses or compare the attendance figures to last year's event. If you come out in the black, it's meeting accomplished, right? Not really.

Today's corporate silo-crossing, return on investment-demanding hospitality environment requires much more. But what is the best way for a meeting planner to begin to measure performance?

In many ways, today's event planning metrics resemble those the media may have used 20 years ago in a traditional ad campaign to sell products to a mass audience. After evaluating consumer trends and other research, a marketing team would build a brand by reaching the largest possible audience with a blend of carefully crafted television commercials or print ads in important daily newspapers or large-run magazines. Sure, there was a choice among programs airing on three networks or ad placement in periodicals, but the goal was the same: Build enough impressions and let the rest take care of itself.

It might be how many planners would describe their events today. The key metric: the number of people exposed to the advertisement. Once the media (read: meeting planner for analogy's sake) delivered the requisite number of viewers (attendees), its job was over. Services rendered, with no further responsibility for a client's success or failure. If sales didn't take off, well, maybe the cigarette wasn't as smooth as the Marlboro Man had promised.

But over the past few decades, niche cable markets, specialty publications, round-the-clock news cycles, and new technology such as the Internet have turned the traditional mass media advertising model on its head. "Media companies are increasingly asked to go beyond reach and frequency metrics to more tangible and quantifiable evidence of return on marketing investment," write analysts from Booz Allen Hamilton in a recent report called "The Future of Advertising." "No longer do marketers ask: What is the cost of the [gross ratings points] I am buying? Instead, they ask: How many toll-free calls or online registrations did that ad generate, and how many were converted into sales?"

It's time to think like a marketer. Just as the media landscape has undergone radical change in recent years, so has

the world in which the planner must navigate. Meeting technology futurist Corbin Ball predicts that technology will reshape society more in the next decade than it has over the past 40 years. Ball foresees a world that will get bigger again, as rising fuel costs keep people closer to home. Tradeshows dealing with commodities will radically evolve to a point when it may no longer make sense for a third party to join buyers with sellers. It's a new world where ROI 2.0 is king.

Simply put, head counts no longer define event success. A meeting planner must get closer to each business unit in her organization, her "customer" if you will, and begin to frame goals and accomplishments in terms of business success. If planners want to be seen as part of the solution, they will have to take more responsibility for the outcome.

When looking for ways to begin bridging corporate silos, planners can also borrow from marketing. Effective marketers connect advertising activities and sales by using what Booz Allen calls a "purchase funnel"—a new measure of marketing initiatives that move potential customers past brand awareness to try a product and eventually become a loyal customer.

"Interactive appeals that invite audiences to vote via mobile phone, register an e-mail address at a company Web site, or test-drive automobiles at a promotional event can create opportunities to forge one-to-one relationships, thus creating value that can be monetized well beyond the initial impression," analysts say. "That's meaningful currency to marketers."

And it's meaningful currency for planners. They can adapt language and techniques advertisers use to articulate their value to their "customers"—marketing terms Booz Allen highlights such as "session quality" (brand retention, and type of content viewed), "opt-in" activity (online registrations and information requests), or sales impact (leads, store traffic).

Maybe this is what companies that have trouble measuring an event's ROI fail to understand. The event is not the idea; it is the container for the idea. It's a tool among many to bolster the bottom line. Yet, today only 35 percent of all ROI discussions, when they occur, actually involve strategic goals such as reduced employee turnover, revenue generation or improved loyalty, according to MPI's *FutureWatch 2006*.

Where is the value in what you do? It's not only found in your ability to cut costs or count heads. Stay close to your "customer." Think like a marketer, and you'll gain a better sense of how to build a more effective event or meeting for your attendees, along with the data to prove it. ■■

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