

case study

Strategic Event Planning for the Florida Music Festival, (FMF), USA

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Introduction

Events bring people together for the purpose of trade, culture, art, sport, religion, and social interaction (Ruzandra and Razva, 2012). People travel short and long distances in order to attend various events. This phenomenon - people traveling to a city or a region to attend an event and returning annually - is called "event tourism" (Getz, 2008). A key component of event tourism is that the destination becomes synonymous with the image of the event, and vice versa. Event tourism also encompasses the idea that in order to expand upon the social, cultural, and spatial capacity of a destination, the city needs to develop a portfolio of events and infrastructure in order to engage and attract as many tourists as possible during the year (Getz, 2013).

This case study follows the strategic event planning process in order to outline how to use and implement the model and to demonstrate how the implementation of the model can change an event that is attended by local residence into a tourist attraction attended by domestic as well as international tourists. The Florida Music Festival (FMF) is investigated as an example of the application of the method. This is an Orlando, Florida, USA based music festival that has been around for fifteen years. However, it has not passed beyond a locally recognized event due to problems with increasing the return on investment for stakeholders, inadequate understanding of the current visitor profile, and the inability of the event thus far to grow the attendance reach beyond that of local residence. The main questions that this case study aims to answer are:

- Why are domestic and international tourists a viable market for events in Orlando?
- How can the strategic event planning process be used effectively to capture the local community and the tourist market for the Florida Music Festival?
- Based on the current visitor profile and external and internal environment and mission of the event, what new tourist market segments and initiatives should be targeted?
- What are the perceived and actual effects of implementing strategies compared to the desired outcomes?
- How do the implemented strategies affect the return on investment for stakeholders?

Theoretical Foundation

With the increase in technology and the globalization of the world through the Internet, the number of events and attendance has grown in practically any given destination, and this extends to the amount of exposure for events and festivals (Desilva & Phillips, 2008; Irina & Corbos, 2012; Preuss & Solberg, 2015). Internationally, the events industry grows at an average rate of 5.5%; the United States market grows on average 4.2% annually (Desilva & Phillips, 2008). This situation gives rise to more competition for resources, space, and attendees and it is becoming difficult to establish a destination as an event destination. Therefore, one needs to take a much more detailed and research driven approach in the form of strategic event planning. This entails a comprehensive approach that focuses on the internal issues: motivators, operations, and resources as well as the external ones: environmental stakeholders, climate, infrastructure, and organizational positioning (Getz, 2013). It is a continuous model that is comprised of the organization's current standing, desired position, actualization strategies, and evaluation and modification. Each aspect of the strategic planning process can take place in sequence or simultaneously; however, for a sustainable approach, the process should be continuous over time (Figure 1) (Getz, 2013; Olsen, 2011).

The strategic event-planning model has four closely linked and overlapping phases/aspects. The first phase is "Where are we now?" This includes a situation demand, supply, and gap analysis and an environmental analysis, which encompasses a SWOT evaluation and current visitor profile of the event (Getz, 2013; Olsen, 2011). The second phase is "Where do we want to go?" This phase outlines the organizational vision, goals, and objectives. The third phase is "How do we get there?" this phase utilizes potential strategies, projects, action planning, and implementation (Getz, 2013). The last phase, namely the "Have we arrived?" phase, entails monitoring the outcomes based on the overall objectives and stakeholder input and return on investment then subsequently making adjustments. The continuous process in strategic event planning allows for a segmented and compartmentalized analysis, and entails a more detailed approach to finding motivational gaps for tourists to attend the festival.

¹ This case study was written for the purposes of classroom discussions. It was not intended to show effective or ineffective handling of decisions or to interrogate a managerial situation. Published materials and academic sources were used when preparing this case study.

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Figure 1

Strategic Event Planning



Source: Adapted from Getz (2013) and Olsen (2011)

The Tourism Industry in the USA

In 2013, there were 1.09 billion international travelers, equating to \$1.16 trillion in global tourism revenue (Statista, 2015). When looking at the United States, the tourism industry is currently the second rated revenue builder, and it grows 5% annually. In the state of Florida, this number has reached an average of 5.9% growth annually, indicating that Florida's percentage is above the national average for visitors and tourism revenues (Scott, 2013). Florida alone brings in around 95 million visitors per year, and Orlando has 58% of the market share in Florida. Orlando is the number one visited city (62 million) in the United States, and is also the top leisure destination in the USA (CBRE, 2012; Visit Orlando, 2014). Table 1 presents the impact of tourism globally, nationally, and statewide in order to indicate the importance of the tourist industry in the USA. Table 1 outlines the tourist markets in Orlando, Florida, United States.

The majority of spending by tourists is directed towards activities and events around Orlando (CBRE, 2012). For example, in 2011, 12% of international and domestic travelers to Orlando pursued the category of concerts, play, and dance, totaling around 6.62 million of the total visitors that year (CBRE, 2012). This percentage is up 169% from the previous year, 2010, which saw about 2.46 million tourists attracted to the concerts category. In 2009, there were only 1.47 million travelers interested in concerts, play, and dance, showing a 67% increase from 2009 to 2010 (CBRE, 2012). These numbers are related to the exponential growth in the number of domestic travelers who form part of this

category, showing a 2.5% increase in 2009 and progressing to 12% in 2011. This state of affairs is indicative of the fact that Orlando has the potential to capture this tourism market segment and create tourist driven events and festivals.

Case Synopsis: Florida Music Festival (FMF)

A local music festival such as the Florida Music Festival (FMF) has the potential to become a nationally or even internationally recognized event. FMF is an annual music festival in downtown Orlando. It is a three-day event comprised of concerts in multiple venues, talent competitions, industry parties, and a conference with industry panels that discuss topics that are relevant to production, management, artists, and technology (Florida Music Festival, 2015). There are 18 stages across the entire downtown area of Orlando, all of which have schedules starting at noon and ending at two in the morning every day. There are festival targets; people between the ages of twenty-four and fifty-four and generally bring in around 15,000 attendees, over 200 bands, and around 50 industry professionals each year. However, only 5,000 attendees are from destinations outside of the Orlando area (Florida Music Festival, 2015). While FMF has a \$7.5 million dollar combined direct and indirect impact on the local economy, most attendees are from the local community (Florida Music Festival, 2015). Orlando alone has a population of 255,483, and this means that the festival is only attracting 3.9% of the local population to the event and only 0.03% of the entire Florida market (Florida Music Festival, 2015). In comparison, smaller first-time festivals like the Ice Cream Festival have attracted 20,000 visitors in their first year.

The entire festival is planned by five directors and a small production staff; everything else functions through the volunteer program that was established with a view to give students the opportunity to experience what it is like to work in the music industry (Florida Music Festival, 2015). These volunteers set up the conferences, stages, industry parties, and distribute all marketing materials. The volunteers in turn have the opportunity to meet and spend the weekend with industry professionals and network in addition to building their résumés. Rooted partnerships with Miller, Gibson, Jet Blue, Blue Man Group, The Grammy Showcase, Downtown Orlando, and the local universities have helped the festival to gain attention and momentum (Florida Music Festival, 2015). However, even having these relationships with recognized brands and spanning a reach of over 10,000,000 social media impressions and 25,000,000 traditional print impressions, the FMF struggles to realize their vision to become one of the most recognizable and visited music festivals and conferences in the United States. Some of the issues that may contribute to this struggle are that there has been little effort pertaining to marketing the festival outside of Florida. Another issue is that the tourism market tends to be overlooked when devising strategies for a farther scope of marketability

Table 1

Tourist Markets Analysis

ECONOMIC IMPACT				
	International	Domestic	Florida*	Orlando**
International Visitors	1.09 billion	62.7 million	15.2 million	3.8 million
Domestic Travel		686.6 million	79.5 million	51.4 million
Direct Spending	\$7.6 trillion	\$887.9 billion	\$73.9 billion	\$23.0 billion
MARKET COMPARISON				
	International	Domestic	Local*	FMF**
Average Age	44.9	40.6	36.7	30.6
Adults Traveling Alone	72%	70%	71.50%	94%
Average Household Income	\$83,999	\$91,800	\$42,147	\$46,015
Average Party Size	2.3	3%		
Average Stay	9 nights	4.6 nights		
Average Spending	\$1,115	\$459		
Business	16%	19%		
Leisure	84%	81%		
TOP TOURIST ATTRACTIONS				
	International	Domestic	Groups	
Business	15%	19%	Not Available	
Beach/Waterfront	18%	7%	3%	
Boat/Sailing	2%	4%	Not Available	
Casinos/Gambling	6%	3%	3%	
Concert, Play, Dance	12%	12%	7%	
Cruises	31%	18%	8%	
Dining	84%	33%	44%	
Entertainment	Not Available	30%	25%	
Museum, Art Exhibit	35%	12%	9%	
Nightlife	13%	11%	12%	
Play Golf/Tennis	30%	4%	Not Available	
Shopping	93%	32%	23%	
Sporting Events	14%	3%	Not Available	
Theme/Amusement Parks	86%	50%	23%	

Source: Compiled from CBRE (2012), Florida Music Festival (2014), Governor’s Press Office (2014), IAPPA (2015), Statista (2014), United States Census Bureau (2015)

and new streams of income aimed at increasing the multiplier effect. This case study uses the strategic event planning process (Figure 1) to outline ways of solving these problems and to help establish the FMF as a large-scale tourist event and attraction.

1. Where are we now?

1.1 Contextual and Situational Analysis

When outlining methods that aim to help a destination to become a sustainable, tourist driven event, it is important to understand the current visitors to the festival and to include the local population in the investigation (Getz, 2008). By allowing them to give input and to take partial ownership, demand is met quicker, motivation to attend and support grows, and ultimately, the longevity of the event is established. Local Orlando demographics can be found in Table 1. The main focal points of this table are the "average age," "adults traveling alone," and the "average household income" columns. These are important factors to note because the Orlando residents who typically attend FMF are in the same generation as the median age range for Orlando (Florida Music Festival, 2014). The average annual household income of \$42,147 is also mirrored with the FMF (CBRE, 2012). This shows that FMF has captured the average Orlando population and has been able to sustain this market over 15 years. Table 1 also shows the similarities between the established market segment and the desired domestic and international tourist market.

The age range for actual and potential attendees is within the Generation X age group; they therefore share similar marketing characteristics and channels of distributions (CBRE, 2012). Having marketing strategies that are pre-determined and solidified is an asset that can be used to increase the tourist market in Orlando. To further position the FMF in the interest of the majority of tourists, the music festival adds an attraction to the city; one that is primarily held for and attended by adults without children (Florida Music Festival, 2014). Although, the average local household income is almost doubled than those of the domestic and international tourists, it allows for an opportunity to expand retail opportunities during the festival, if this market is captured (CBRE, 2012). Although the possible market has been identified, it is important that the FMF should determine the current visitor profile of the festival.

1.2 Destination and SWOT Analysis

FMF is held annually between the end of March and mid-April. During this time, Orlando also sees an influx of travelers for the Spring Break vacation. The highest peak in tourism is between June and July with around 6.1 million visitors. However, the second highest number of tourists arrives between March and April with about 5.6 million travelers (CBRE, 2012). If FMF were able to capture the 70% of travelers without children and their arrivals were evenly spread throughout these two months, there would be approximately 64,262 potential tourist attendees. These potential festivalgoers would be automatically unobtainable

if the city could not offer sufficient accommodation and transportation systems. But, Metro Orlando has over 113,000 hotel rooms and is close to major highways like Interstate 4 which sees over 165,000 vehicles per day (Visit Orlando, 2015). Other methods of transportation include the traditional methods like taxis and car rental facilities. There are also governmental initiatives like the Sunrail, Amtrak, and the Lynx bus system (Visit Orlando, 2015). While the external environment surrounding the FMF illustrates potential for success, the problem that FMF faces is the stagnant return on stakeholder' investment in terms of marketing, new sources of capital in circulation, and creating a profit. These problems become apparent in the organizational and external analysis, which can be examined through a SWOT analysis.

2. Where do we want to go?

2.1 Vision

The vision of an event is the driving force behind the organization's motivating factors, goals, and ultimately, progress (Gets, 2013). For FMF, the vision is to become one of the most recognizable and visited music festivals and conferences in the United States (Florida Music Festival, 2015). This vision not only sets the broad outline for the overarching strategic aims and necessary elements for the desired future, but also reflects the mission of each FMF stakeholder.

2.2 Goals and Objectives

Goals are general statements of what an event wants to achieve, whereas objectives entail a more specific breakdown of methods that can be utilized in order to reach the vision and goals. Objectives should be "Specific," "Measurable," "Attainable," "Realistic," and "Time Bound" (Doran (1981) & Robins (2014)). The main goal for FMF is to capture Orlando's domestic and international tourist market by 2020 (Florida Music Festival, 2015). Gaining this market will provide the festival with tourists who have shown a prior interest in visiting Florida and also provides an increased opportunity for festival attendance and, therefore, higher probability for word-of-mouth marketing (CBRE, 2012). This factor is particularly important because marketing studies have shown that word-of-mouth produces stronger customer loyalty as well as increased probability for repeat business (Barreto, 2014). The Orlando tourist market can be captured through understanding travel motivations, associating FMF with the city, offering a unique alternative to typical Orlando attractions, and establishing quality control standards through satisfactions surveys (Florida Music Festival, 2015).

While the festival has a range of goals and objectives, this case study focuses on the top two objectives. The first of these is to expand the regional marketing and media impact into a national campaign through a 50% increase in visitor numbers to be achieved by 2020. This objective is specific, measurable, and time-bound through the denotation of a desired percentage and a projected deadline. The objective is also attainable and realistic based on the abilities of FMF's

most important competitor, South by Southwest (SXSW), and in terms of the similarities in market segments, festival components, and length of longevity in the industry that both festivals share. South by Southwest is looking to obtain an increase in market reach by 3.86 million per year on average, adding 19.3 million people each five-year period, while FMF is aiming at an increase of 12.5 million in a five-year period (SXSW, 2015). The next objective of FMF is to increase the combined attendance of domestic and international travelers by 15% each year (Florida Music Festival, 2015). If FMF is able to sustain this growth, this will mean an attendance of 30,170 by 2020. If this effort maintains a parallel progression with that of the first goal, the return on marketing reach would be .08% with FMF, which would correlate with the average ratio of .11% for South by Southwest (SWSX, 2015).

3. How do we get there?

3.1 Strategies & Projects, Action Planning, & Implementation

When looking at ways in which FMF can increase its return on investment on marketing toward tourism and, as a corollary, increase festival attendance, a number of strategies can be considered. The first strategy begins before the guests arrive in Orlando with JetBlue Airlines. This airline is one of the official sponsors for the event and can request to broadcast FMF advertisements on their in-flight television. In 2014, there were 2,159,000 domestic and 244,815 international arrivals at Orlando International Airport through JetBlue (Orlando International Airport, 2015). While JetBlue is ranked third in domestic arrival figures and second in international arrival figures, this airline only reaches about 4.4% of the entire tourist market. In addition, JetBlue only reaches two of the top four states of origin and only two of the top eight visitor countries of origin (Orlando International Airport, 2015). Spending on marketing in this context entails an inefficient use of time and money on visitors that have a lower probability of returning to Orlando. Another possible reason for not using this strategy is that 69% of domestic visitors drive to Orlando and this market could be missed if one were to market on the airline (CBRE, 2012). This is an important market to capture because they are close enough to Orlando to drive back to the festival annually, while tourists who fly may not have the disposable income to fly back year after year.

Another possible strategy to attract tourists who are already in Orlando is by putting together ticket package deals with major theme parks and hotels in the area. The top leisure activity for tourists to Orlando is amusement parks (CBRE, 2012). The amusement park industry in Orlando reaches 50% of domestic tourists and 86% of international tourists. Therefore, FMF could create a ticket package that allows discounted entry to the festival with the presentation of an amusement park ticket. This strategy will also help to facilitate partnerships with the amusement parks where in-kind promotions can be offered. FMF provides the added benefit of purchasing a ticket for the specific park and in return, the park may allow FMF to advertise in the parks. How-

ever, one disadvantage to this strategy is that 64% of domestic tourist visiting amusement parks do not stay overnight and therefore may not be able attend the festival as well (IAAPA, 2015).

In order to combat this situation, ticket packages can also include discounts for attendees who stay overnight with local hotel partners or the targeted amusement park's hotels. In the month of April, Orlando sold 2.8 million hotel rooms. If this was spread evenly over the 497 hotels in Orlando the number of stays would amount to 5,633 rooms per hotel (Visit Orlando, 2015). The downtown area alone has 34 hotels, allowing a reach of around 192,000 overnight guests in the local area to the festival. While it would not be possible to cover all the hotels in the downtown area, targeting specific hotels would help increase visibility of the festival to tourists who have demographics that match that of FMF attendees. However, although visibility would be more widespread and the guests may be staying longer than one day, this does not guarantee that they have unplanned time to spend at the event.

Another potential problem with this strategy is when to implement the marketing campaign. Preferably, this would take place during the visitor's planning process before they arrive. However, there is no way of contacting future tourists and park attendees if they have not willingly given their information, consented for it to be distributed, or if the festival partner does not reach out to the guest with the advertisement. Therefore, if most of the implementation process has to be completed closer to the beginning of FMF, there would have to be a dedicated festival manager tasked with organizing arrangements with the partners, governing a consistent marketing campaign, and coordinating a team to distribute advertising materials.

While visiting amusement parks is the primary tourist activity in Orlando, the top two secondary tourist attractions are shopping and dining (CBRE, 2012). The FMF has recognized the need for restaurants and, therefore, has venues that serve food in addition to alcoholic beverages. However, the festival does not incorporate any shopping components. In 2013, tourists to Florida spent about \$11,000,000 in shopping alone (Baker, 2014). Orlando captures 63% of tourists to Florida; this means that about \$7,000,000 was spent by tourists on shopping in Orlando last year. FMF could attract visitors who look for this experience by offering a shopping element, such as purchasing festival merchandise, arts, crafts and souvenirs. Like other music festivals, vendors from the area could pay to set up a booth and they would be responsible for further marketing toward buyers outside of the list of vendors provided on the FMF website. While this approach is likely to save the festival money and resources, it does not guarantee that the vendor will target the correct market or that tourists will be made aware of the shopping component. The initiative also requires extensive managerial oversight from festival management, creating the dilemma of whether or not to hire someone or to divide an existing manager's attention towards multiple roles.

Overall, there are many possibilities when deciding on strategies to capture the Orlando tourist segment. However, when evaluating each strategy, it is important to consider the positive and negative effects each may have on the goals and objectives, current stakeholders, profitability, and organizational structure (Randazzo, 2014). The strategy that should be implemented would be the one that has the most significant impact on achieving the goal, has the largest number of overall beneficial outcomes for stakeholders, and utilizes resources most efficiently.

4. Have we arrived?

4.1 Modification

Once the strategies have all been studied in terms of FMF feedback and evaluation, adjustments need to be made to those that do not effectively and efficiently support the goals (Getz, 2013). It is important that these variants be analyzed and addressed because event tourism is a multi-faceted industry with many stakeholders, thus making it difficult for management to fully come to grips with all possible outcomes of a particular strategy (Miller, 2007).

4.2 Monitor & Evaluation

When trying to determine whether the desired outcome of the event has been attained, the goals of the festival need to be measured against the actual outcomes (Getz, 2013). This not only entails numerical comparisons, but also stakeholder attributes, expectations, and satisfaction, which can be established by means of surveys. Such surveys should be administered at random to various guests throughout different days, times, and locations during the event (Miller, 2007). There should be questions pertaining demographic, psychographic, and geographic characteristics as well as motivational factors that have a bearing on event attendance. These aspects of the survey outline the mindset and the current market for the festival allowing a more segmented and targeted view for further marketing and new initiatives (Getz, 2013). There should also be questions pertaining to attendees' spending patterns and the event's impact on tourists extending their stay or increasing expenditure (Davies, Coleman, & Ramchandani, 2013). These reflections will help to determine the festival's impact on the local economy on direct, indirect, and induced spending.

The survey portion is the starting point of the festival evaluation process. However, the overall impact cannot be measured without numerical data and comparisons to previous years in order to measure improvements (Davies, Coleman, & Ramchandani, 2013). The first figure to start with is the visitor profile, which entails: total attendance, ratio of tourists to locals, number of repeat visits, and peak attendance days (Miller, 2007). The next step in the process is to determine the market area and trip type analysis (Getz, 2013). This step charts the origin of attendees, travel methods, types of accommodation utilized, and the number of nights spent in Orlando. Both the attendance and the market area and trip type analyses establish the framework for

measuring the economic impact of the event, which encompasses the average spending per visitor, total spending, and the overall direct, indirect, and induced tourist expenditures (Miller, 2007). These economic calculations only set out the external environment and in order to evaluate the effect on the internal organization, while return on investment (ROI) must be determined (Davies, Coleman, & Ramchandani, 2013). The ROI encompasses the comparison between assets gained to the resources used, as well as an outline of profitability and visibility for the festival and sponsors. Another important aspect of event evaluation is the overall marketing scope, domestically and internationally (Miller, 2007). This can be determined by measuring the over media reach in the national and overseas market, tourists' motivation for attending the festival, intent to return, and willingness to recommend the event. All of these outcomes combined form a data spread that allows for a detailed overview of the positive and negative effects based on the implemented strategies. It is also important to measure the return for all stakeholders involved based on their individual needs and desired impact: government, local community, sponsors, venues, vendors, and staff members.

Concluding Thoughts and Discussion Questions

This case study explored the strategic event planning process and how it can effectively establish events as tourist attractions. In order to exemplify the strategic event planning process, the Florida Music Festival has been analyzed. It is a music festival in downtown Orlando, Florida, that has existed for 15 years, yet has not grown beyond a local event. This problem stems from the event's inability to effectively market itself beyond a regional audience and, therefore, hinders attendance numbers. Several questions can help us to analyze the case study and generate discussions.

- Why are domestic and international tourists a viable market for events in Orlando?
- How can the strategic event planning process be used effectively to capture the local community and the tourist market for the Florida Music Festival?
- Based on the current visitor profile and external and internal environment and mission of the event, what new tourist market segments and initiatives should be targeted?
- What are the perceived and actual effects of implementing strategies compared to the desired outcomes?
- How do the implemented strategies affect the return on investment for stakeholders?