

## **Strategic implementation of a downturn plan**

I had the fortune to speak with Jim Bracken of Nielsen Business Media earlier in the year when the economy downturn was starting to bite. For those of you who don't know Jim, he spent 26 years in the US Marine Corps, which has honed his ability to lead and get things done, even in tougher times. These are certainly tougher times, so I was fascinated to spend some time speaking with a gentleman whom I'd heard about and seen at SISO events.

Jim is a master at streamlining expenses while keeping his eye on the bigger prize, long term success with events that make sense and money. In tough times, there are few that REALLY stand up and out from the crowd, and it seems to me that Jim is 'one of the few'.

What does Jim recommend you do to streamline your events?

### **1) Recognize the downturn**

The first obvious thing is to realize that the downturn will impact your business in some way, so make sure you put a focus on what you need to do to protect your assets while still putting up the 'business as usual' sign for your customers and the marketplace.

### **2) Ask an outside person come in and help you make the changes to stay as profitable as you can**

Frequently people inside your company will not be able to see the forest for the trees. Find someone who can help you see ways of adding new revenue streams while eliminating unnecessary expense from the outside.

### **3) Tighten up spending**

Look carefully at your budgets and go line for line to eliminate items which don't directly go towards acquiring customers, improving their experience or giving great customer service. I have found there are three level of cuts:

- A) the cuts that you don't make in the good times for things that are not necessary-because you don't have to;
- B) the cuts that you make that you don't know whether it will impact the customer experience;
- C) the cuts you can't make because they will affect the effective delivery of the event.

The A) cuts you will make, the B) cuts you might make(and you'll need to hope that it doesn't effect the customer experience), the C) cuts you won't make unless you have to.

An example of B) cuts for me was when I was at DCI and I had to make budget cuts after the dotcom bubble had burst. We cut the lunches that we had always served to

exhibit staff during the event, first transitioning to fixed value tickets, then entirely eliminating these, a savings of \$30,000. We worried that the exhibitors would complain, but in surveying them, most of them didn't have time to eat (because the show was so busy), and didn't mind.

#### **4) Do two to three things to keep shows fresh**

If you don't innovate, you fall behind. With events, you should be actively looking at the technology available to optimize the customer experience while also taking advantage of efficiencies that save you money (an example is adding social networking platforms which can help attendees network more effectively). In addition think of new vehicles that add value such as 'Connection Centers' on the show floor where attendees can get help from consultants, and an area to sit down in the middle of a busy day and have a coffee.

#### **5) Market as much as possible but do it as cheaply as possible**

A number of people I have spoken with have also told me that if you have to make cuts make them on the operations side of the budget, and do what you can to increase the marketing spend, as it may be harder to get people to travel. Here is where Jim feels you have a major opportunity to 'spend less and get more' by looking for marketing options which allow you optimize your results while spending less.

#### **6) Educate the people above you in your company**

When you are in a tight economic situation, everyone in the company from top to bottom, needs to understand the reality of the situation and what is and isn't possible. For those at the top to require a certain dollar figure of cuts without discussion may hurt the events you are trying to keep vibrant. As you are going through this process, make sure that there is a possibility for feedback from the bottom up as well as the top down.

#### **7) Prioritize your cuts**

In the spirit of the last point, make sure you rank the cuts in order of priority so that the most important ones are done first, the next ones next and so on. In this way there is a plan on what is to be done by whom and when. Make sure you take action in a timely manner so you can benefit.

Navigating a slow down is tough, and often unpleasant. It is healthy for a company to 'trim the fat' on its events occasionally and many careers were made in success on negotiating the tougher times, as Jim himself could tell you in his own career. Make sure everyone in your company is on board, set up the plan and get going! Good luck and let's toast to better days!

*Warwick Davies is the Principal of The Event Mechanic! a consulting company which helps event organizers realize greater revenues and profits by fixing 'broken' events and launch new ones both in United States and internationally . His clients include event organizers in the information technology, healthcare, biotechnology, construction and design engineering and executive event markets. Previously, Warwick was responsible for internationally recognizable event brands such as Macworld Conference and Expo, LinuxWorld Conference and Expo, and the Customer Relationship Management Conference and Exposition worldwide. For more information on The Event Mechanic! and past SISO The Event Doctor! columns please visit <http://www.theeventmechanic.com/resources.html> He can be reached at Warwick@theeventmechanic.com or at 781 354 0119.*