

5

Stakeholder Considerations for Different Types of Event

Learning objectives

At the end of the chapter readers should understand how stakeholder theory applies to the management of various types of planned event, namely:

- Sports
- Festivals
- Business events
- Entertainment
- Mega events
- Hallmark events
- Iconic events

5.1 Introduction

Every event manager will face some different stakeholder issues and come up with a wide variety of individualistic strategies, but there are going to be commonalities among the major types of event, and these are considered in this chapter.

Planned events are most frequently classified by reference to their *form*, since it is usually obvious that sport events are visibly different from festivals, and meetings are quite different in structure and program from exhibitions. But an additional consideration, already noted in this book, is the *function* of events. This chapter therefore includes a discussion of mega events (the largest), hallmark events (permanent institutions, co-branded with cities and destinations) and iconic events (holding symbolic importance to special-interest groups).

What are the stakeholder-related variables that are important when looking at forms and functions? These are the main ones:

- ◆ **Mandate or purpose:** Obviously there will be major differences between stakeholders if the event is service- versus profit-oriented, and if the event can determine its own strategies as opposed to being subsumed under another agency or corporation and its strategy.
- ◆ **Who is important?** e.g., for sport events, teams, clubs and athletes are critical stakeholders, as are sport governing bodies; for festivals, the performers or artists are essential, as are volunteers.
- ◆ **Distribution of power:** Major sport events are 'owned' by international bodies, and they have bargaining power; festivals often depend upon local authorities and grants from government agencies; private events have to sell tickets to customers, so power relationships change with the event and its setting.
- ◆ **Scale:** mega events are large, expensive, complex and generate many outcomes – some will be perceived to be good, and others not; the distribution of costs and benefits is a critical issue related to stakeholders. Many events are so small that they are not in themselves of interest to many possible stakeholder groups. Scale also affects media coverage and political oversight.
- ◆ **Location:** Where events are held is an important variable, as those living and doing business nearby are likely to be most affected; indoor venues are generally less likely to annoy neighbors or cause environmental damage than events held in parks (although construction and land-use changes must be evaluated).
- ◆ **Audience:** Does the event generate large demand from participants or spectators, or is it for invited guests only? Do they travel by car or public transit? Is the event dependent upon ticket sales or participant fees? These variables help determine stakeholder salience.
- ◆ **Frequency:** Regularly held sport events and festivals give rise to predictable impacts, while one-time events carry additional risks and deserve greater scrutiny by more stakeholders. Periodic events can sort out stakeholder issues over time, leading to smoother operations.

5.2 Key terms defined

Mega-events

"Mega-events are ambulatory occasions of a fixed duration that attract a large number of visitors, have a large mediated reach, come with large costs and have large impacts on the built environment and the population" Müller (2015:638). Getz (2013) argued that while 'mega' usually applies to the biggest events, such as the Olympics,

World's Fairs or World Cup, it is actually a relative concept, as even small events can stretch the capacity of a venue or place heavy burdens on a community, therefore being 'mega' in particular contexts.

Hallmark events

"Hallmark tourist events are major fairs, expositions, cultural and sporting events of international status which are held on either a regular or a one-off basis. A primary function of the hallmark event is to provide the host community with an opportunity to secure high prominence in the tourism market place. However, international or regional prominence may be gained with significant social and environmental costs" Hall (1989:263). Getz et al. (2012) provided a planning model for hallmark events, and noted (p. 50) *"Almost all examples given of hallmark events are of permanent, periodic events that are sports and cultural celebrations and often combined."* Hallmark events tend to be viewed as institutions meeting multiple goals, co-branded with their host city or destination, and deserving of rescue if they are threatened.

Iconic events

"Hallmark events by their nature are iconic. The core meaning of iconic is that of a symbol, or something possessing symbolic value ... Levy (2007), referring to news rather than planned events, described iconic events as those which gain mythic status within a culture, related to their newsworthiness followed by extensive interpretation and exploitation in political arenas. Applied to hallmark events, the implication is that they have to continuously attract media attention and enter into the realm of popular, if not political discourse. However, a more pertinent concept is that of 'cultural icon'." As quoted by Getz et al. (2012:51).

5.3 Case study: The Volga Boat Show, Russia

Maksim V. Godovykh – Rosen College of Hospitality Management – USA

The Volga Boat Show is one of the major yachting trade fairs in Russia. It takes place in Samara region at the ultramodern yacht port Druzba, and the program includes both in water and land expositions, test-drives, presentations, trainings, regatta and water sport competitions, concerts, art gallery, and even an air show. The show is organized by Premium Event LLC and annually gathers more than 5,000 visitors from different parts of Russia and other countries. Since the Volga Boat Show is a multi-faced event, its organizing process involves various stakeholders from government and municipal authorities, sport federations and professional associations, boat manufacturers and distributors, sponsors and partners, mass media and social network groups. Besides that, attendees also have completely different motives for visiting the event and can be divided into three main categories: potential buyers; knowledge seekers, or people aimed at attending trainings, seminars, and presentations; and family groups mostly interested in having a good time with their children.



Photo 5.1: The Volga Boat Show. Picture credit: Maksim V. Godovykh

The most important external stakeholder for Russian major events is the **Government**. Usually it is difficult to involve it in the organizing process, but it really helps to promote events and to attract other important groups of stakeholders: exponents, partners, visitors. Besides, organizing water events demands a vast number of permits and approvals from transportation police, water safety department, municipal authorities, emergency aid department, rescue services and other institutions. Hence, having officials as part of the organizing team helps to coordinate all the tasks in the fastest and most efficient way. The most effective way to convince the Government to support an event is to present economic benefits for the region, including attracting external and foreign visitors, signing agreements, and attracting investments. It might be also a good idea to include representatives of executive and legislative bodies in the organizing committee. The Volga Boat Show annually conducts three official sessions with authorities, responsible for safety and authorizing documentation. The first meeting usually takes place three months prior to the event, the second session – one month beforehand, and the third one is held during the last week of preparatory phase. The main objectives of these gatherings are to assign areas of responsibility and to control readiness. Organization team also holds press conferences with ministers, deputies, local authorities, and invites them to the formal opening of the Volga Boat Show.

The next important stakeholder category is **exhibitors**. The best way to start working with them is to contact them directly. The Volga Boat Show sales people usually start their activity ten months before the event, by sending emails and phoning international manufacturers of yachts, boats, engines, spare parts, equipment, as well as international federations and associations. After that the Volga Boat Show managers personally meet with potential participants during