

## **Maximizing Event Sales**

by Understanding Three Core Decision Making Factors

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## Background

#### **HISTORY**

Destinations in the sports events and tourism industry serve a primary business purpose to drive destination visitation for sporting events.

Often, these efforts are aimed at driving economic impact, increasing destination branding and exposure, and achieving socio-cultural initiatives for the locale. With the growth of sport-related activity in the broader tourism landscape, the environment in which destinations operate to achieve those objectives has also changed. Recent history has brought forth a plethora of new destinations vested in sport tourism, an explosion of new state-of-the-art sports facilities, and increasing event rights holder capacity and demand to secure substantial community investments through cash or in-kind services.

A well-known behavior theory developed by Azjen (1985), termed the **Theory of Planned Behavior (TPB)**, can shed considerable light on elements that contribute to the decision-making process.

#### THE CHALLENGE

Ever-changing dynamics often leave destinations searching for ways to improve effectiveness in attracting sporting events to their community.

The remainder of this paper explores the Theory of Planned Behavior – and its three core elements – presenting a solid foundation from which destinations should assess their sales efforts.

#### **FOUNDATION**

In order to gain insight into how rights holders make host destination decisions, sport tourism practitioners representing destinations would be wise to first consider why event decisions makers make the decisions they do.

A well-known behavior theory developed by Azjen (1985), termed the Theory of Planned Behavior (TPB), can shed considerable light on elements that contribute to the decision-making process.



## Understanding TPB

TPB essentially says that three core elements must be present to increase the intention of an individual to make a favorable decision. If intention is present, the individual has a significantly higher likelihood to behave a certain way, or in our case, make the decision for which we are hoping.

The factors that contribute to the increased likelihood of a favorable behavior (in our case, decision to host in XYZ community) can be boiled down to the following:



Decision maker thoughts.
TPB calls this "attitude."



### social norms

Thoughts of decision maker's stakeholders. TPB calls this "social norms."



### behavioral control

Will the decision work for the decision maker? TBP calls this "behavioral control."

While there are likely infinite other factors influencing the decisions of rights holders when selecting a host destination, they all fall somewhere in these three categories. If these three elements can be answered for the rights holder during the selling process, the chances of he or she selecting a specific destination greatly increase.

#### AN EXAMPLE FROM AMAZON

Let's look at ordering a product on Amazon.com. When ordering an item, the purchaser – or buying decision maker – is exposed to a plethora of information satisfying these three elements in order increase the chances of a sale.

- What are the thoughts of the buyer? Amazon is loaded with product recommendations in hopes that its offering will appeal to the senses of the purchaser.
- 2) What do others think? Star rankings and customer reviews validate the choices of prospective purchases.
- 3) Will it work for me? In-depth product specifications, details, photos and videos answer questions a purchaser might have to solidify the right choice. Retailers also allow trial periods and free returns, just to be sure.

Consumers are often bombarded with information to assist in solidifying the behavior Amazon wants – making a sale.



## Application to Sports and Event Tourism Sales

As destination sports sales professionals, we must implement this same thought logic for prospective event rights holders. Here are examples of questions and practices destination sales representatives might implement in each category.

#### 1) Decision maker's thoughts (attitude)

Questions such as: What are you looking for in a host community? What are strengths and areas of improvement for the community? What would set the community apart in your eyes?

These questions dig into understanding the rights holder, what affects his or her decision-making, and why he or she is thinking about your destination. It can identify perceived strengths or issues of which you may not have been aware.

#### 2) Thoughts of decision maker's stakeholders (social norms)

Questions such as: Who is vested in this decision for you? What are the core elements of concern for your stakeholders (e.g. other staff, governing board, athletes/coaches/teams)? How can our destination make the rights holder look like a hero? What would make the event most memorable for your stakeholders?

These questions are aimed at identifying the sphere of influence around the rights holder and what *those* groups and individuals think. Very rarely are hosting decisions made in a silo.

#### 3) Will the decision work for the rights holder? (behavioral control)

The crux of element number three is to ensure the rights holder can clearly envision his or her event being a success in your destination. In other words, do the minute details leave him or her confident in the decision to host in your community?

Best practices include inviting the rights holder on a familiarization tour (FAM tour) or site visit, identifying and describing necessary community assets, and providing references for successful past events.

#### UNDERLYING THEME

All three elements of the TPB share one theme – risk aversion. The goal of the sports salesperson should be to methodically uncover and remove barriers that could prevent the rights holder from making a favorable decision to bring the event to your town. Addressing these elements increases the confidence and comfort level of the rights holder. Research shows that if even one of these three elements is not addressed, odds of a favorable decision decrease. And if more than one is not satisfied, chances decrease even greater. The elements of the decision are not mutually exclusive, but rather significantly intertwined.

The goal of the sports salesperson should be to methodically uncover and remove barriers that could prevent the rights holder from making a favorable decision to bring the event to your town.

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## **Case Study from Discover Puerto Rico**

#### BACKGROUND

In 2019 researchers embarked on a research project for Discover Puerto Rico, which had been ravaged by Hurricane Maria in 2017, and a Zika virus scare the year prior. This one-two punch drastically impacted one of the largest sectors of economy in the US Territory, tourism.

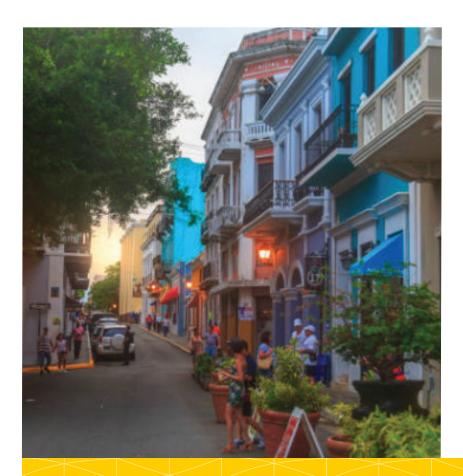
Research efforts sought to answer two primary questions related to the sales effort outlined above:

- 1) What keeps sporting event rights holders from hosting events in Puerto Rico?
- 2) What could change their minds and inspire them to host events in Puerto Rico?

#### **TPB FOUNDATION**

Here is an outline of how the elements of TPB served as the foundation for this research:

- 1) Decision maker thoughts (Attitude) Does hosting an event in Puerto Rico make sense for rights holders?
- 2) Thoughts of rights holder's stakeholders (Social Norms) What are the thoughts of rights holders' spheres of influence regarding a decision to host an event in Puerto Rico?
- 3) Will it work for the rights holder (*Behavioral Control*) Can rights holders see success for their event in Puerto Rico?



They put a process in place to curate events and focus on clearly defining the steps required to host in Puerto Rico. They wisely bid on the Connect Conference, in a strategy that will bring planners and rights holders to the island to see first-hand, how their event can be successful in Puerto Rico.

#### PROCESS AND FINDINGS

Rights holders communicated compassion for Puerto Rico and a strong desire to learn how they could help Discover Puerto Rico's efforts. Through a series of in-depth interviews with rights holders, researchers were able to formulate several common themes related to rights holders' decisions regarding hosting events in Puerto Rico. These themes uncovered potential barriers Discover Puerto Rico officials faced and allowed them to work toward addressing each.

#### Themes included:

- 1) Concern over adequate venues and facilities to host events.
- 2) Lack of understanding among rights holders as to the post-hurricane state of Puerto Rico.
- 3) Trepidation among rights holders concerning negative stakeholder opinions on hosting an event in Puerto Rico.
- 4) Lack of clarity among rights holders on the process of hosting in Puerto Rico.
- 5) Overall fear of the risk of hosting an event in Puerto Rico (rights holders expressed genuine interest in hosting events in Puerto Rico if risks could be avoided).

#### **OUTCOMES**

Following the research study, Discover Puerto Rico officials were armed with a solid understanding of rights holder perceptions, allowing them to put proactive tactics in place to remove barriers and increase results. They crafted and steered the message about Puerto Rico's recovery efforts to assure that power had been restored, and venues/hotels were fully operational. They put a process in place to curate events and focus on clearly defining the steps required to host in Puerto Rico. They wisely bid on the Connect Conference, in a strategy that will bring planners and rights holders to the island to see first-hand, how their event can be successful in Puerto Rico. These strategies have helped re-shape the perception of Puerto Rico in the tourism industry and beyond.

As a testament to the efforts of Discover Puerto Rico, President and CEO Brad Dean, was named Destination International's Executive of the Year at the 2019 DI Convention. The future is bright for Discover Puerto Rico, stemming from their understanding of *why* rights holders make the decisions they do.



# Sport Tourism Industry Summary and Take-Aways

There are several ways the concepts of TPB and the lessons learned from Discover Puerto Rico apply to the sports events and tourism industry:

- 1) It is the sports tourism industry's responsibility to thoughtfully consider why individuals make the decisions they do.
- 2) Analyze the three elements of TPB to gain understanding as to the decision maker's thought process:
  - a. What are the rights holder's thoughts?
  - b. What are the thoughts of the rights holder's stakeholders?
  - c. Will the decision work for the rights holder?
- 3) Equally important, we must understand the risk faced by decision makers, and actively work to remove these barriers.
- 4) Research and gather information to identify themes affecting your destination's productivity and put a strategy in place to counteract them.
- 5) Our job in the sale is not to be the hero, it's to make our client the hero. We need to swallow our pride, see things through a client perspective, and watch good fortune unfold!

These concepts are not only applicable to the destination/rights holder relationship, but rather, they serve useful in any decision-making dynamic, such as event/sponsor, destination/facility operator, destination/meeting or convention, etc.

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