

OPINION “If a sponsor shall be able to reach through to the audience it’s crucial that they share the audience’s passion and help out in boosting the experiences”, communication firm Momentum writes.



[Visitor to the Hultsfred rock festival, Emil Didrikson and Therése Elofson]

Summer is here with that a lot of interesting music festivals all around Sweden. The music styles differ from festival to festival, but most of them have a common denominator – the difficulty to tie commercial partners to their festival.

With a financial crisis deeper than anything since the Great Depression in the 30's, there is cautiousness at many companies to invest in new marketing projects. Communication budgets generally, and sponsorship budgets especially, are downsized faster than the losers in American Idol fade out into anonymity. This leads to problems for the music festivals to attract new commercial partners. And without the partners, the content and the entertainment at the festivals loose in quality as the possibilities to attract the top bands diminish with the scarce budgets. Add to that the fact that prices on the real hot musical acts have risen during the last years, and think about the Swedish krona's position as an insignificant currency and you can really understand the problematic situation for festival owners.

Many festivals have already raised their ticket prices this year. But to do that in an effort to compensate for missing sponsorship money is not a good alternative in the long run as the visitors' price sensitivity is fairly high – even when you look at the fact that the music audience seems to prioritize festivals even in the credit crunch. If prices are too high, and the audience bail out, that will eventually lead to a diminishing interest from potential sponsors. Contact costs per visitor is sadly enough still a reigning comparative value for far too many companies. Still we do think that there is a way out of this dilemma, but that will demand bigger efforts from both festivals as well as sponsors to succeed.

Festivals: The festivals have to improve a couple of things. An absolute must is that they get better hold on their audience, that is who are actually the visitors and how do they act in their daily life? What are they passionate about besides the festivals? What do they dream of and what do they want to do when they grow up? In other words, what is the psychographic profile of the audience? This is the information that a potential sponsor would get the most value out of and that they are willing to pay for – not demographical statistics. Demographics are simply dead when it comes to what more and more marketers are referring to as “passion branding”.

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They also have to find a way to stretch their festival in time so that a sponsor can use the communicational theme better during the year. It is no longer enough running commercial activities only the month before the festival and maybe a week after. These two musts go hand in hand – if you know what your audience is passionate about (besides the festival) you most certainly will find ways to prolong the festival theme over the year connecting with these passions.

Sponsors: The festivals’ sponsors also have to improve. The most important thing – that we and many others in the sponsorship business have emphasized before – is the leverage of the projects. A sponsorship is nothing without a good leverage. But this is common knowledge these days, or...? More interesting is therefore to look upon how sponsors do activate their investments in sponsorships.

Most companies still choose to leverage their sponsorships simply by showing, demonstrate and at site sell their products and/or services. This is one type of leveraging. But it’s not the way that we would recommend to reach successful results if you want something more than just flogging stuff. If a sponsor really shall be able to reach through to the audience, and start a relationship with them, it’s crucial that they show that they share the audience’s passion and help out in boosting the target groups’ experiences. And that has to be done in a relevant and authentic way. Can you on site deliver an enhanced experience by solving a relevant problem for the target group, they will automatically engage in the sponsor – instead of feeling disturbed – when consuming their experience. If the companies want to have the target groups’ full attention, they really have to give them the same attention.

But how do you succeed?

Let us first give you some classical examples from Hultsfred (one of Sweden’s biggest rock festivals with 25 years of history):

A couple of years ago **Unilever** identified the problem of keeping yourself clean during the days at the festival. They then put up showers and washing machines to use for the visitors – everything supported with suitable Unilever products of course. This was a simple activity that started a relation with young target groups and learned them to use the brands in a natural way.

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Red Bull built a floating scene in the lake close to the main stage where they gave their own branded performances with professional DJ’s and dancers all through the nights. They enhanced the experience and really engaged the audience and we are truly convinced that this gave more both to the audience and the brand than if Red Bull simply had been selling or

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sampling out the cans from a “cool” tent.

Another good example is telecom operator **Telia's** leveraging of the festival Way out West (2-day city festival in Gothenburg). They put up stands for parts of the audience to use and thereby consume their experience in a better and more comfortable way. A simple but really brilliant solution. Telia has been very successful with their festival and musical sponsorships and the reason why is that they truly have understood their target groups deep passions around music. They have found ways to support and make possible for the target groups to consume their passion in the best possible way. This also has been done over time and not only on site of the festivals.

At the **Vans Warped Tour** in the U.S. (traveling festival with some 50 stops) you have been able to find a Reversed Day-care Center. This meaning that the youngsters have been able to drop their parents – that have been driving them to the festival – off at a “grown-up kindergarten”. There they have had access to a lounge area where they have had the opportunity to enjoy the day with different entertainment and services before taking the kids back home again.

Telecom company **AT&T** were a pioneer when hosting a “live video games” on site at the same festival, where actors were used to act out the plot and the audience were asked and directed to perform different tasks through instructions on giant TV-screens and text messages on their phones.

A future picture would be that **Kabe, Polar, Solifer, Adria** or any other company selling caravans or campers would enter as a sponsor to some of the festivals. This would make it possible for those fans that have left the “camping life” to visit a weekend festival. Older fans most often have a larger disposable income than the 17-year-olds, and that would mean that their increasing attendance could attract even more sponsors with a target group of 30-40-year-olds. So a far-sighted festival owner could not only create a totally new sponsor category, they could also create massive PR and attract totally different kinds of sponsors. For the caravan-companies the position really is “an empty net”.

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