

# Marketing for the visitor economy



Creamfields is a major music festival held annually at Darebury Estate in Cheshire, England. It is a very popular event which attracts people not only from the UK but from all over the world every August bank holiday weekend, for a total of 2 days. Major chart topping DJs such as David Guetta and Eric Prydz will perform live on a number of stages throughout the 2 day event. Each year round Creamfields attracts a large number of students and young party goers with its living atmosphere and loud club music. This report will demonstrate an understanding of marketing theory at Creamfields festival.

### Definition of Marketing

Marketing as a concept is the process of matching the desires, needs and wants of the customer to what the organisation is able to offer. Each organisation has a different purpose and needs to identify its target market in order to maximise its success. There have been a number of different authors who have defined marketing in their own words, however all give a similar explanation with the same overall conclusion as to what marketing is.

Soloman and Stuart (2003) quote that marketing is ‘ a management orientation that focuses on identifying and satisfying consumer needs to ensure the organisation’s long term profitability.’ A good organisation should be able to identify their customers changing needs and wants through constant market research, whilst developing a good product and promoting it effectively. This will then mean the organisation will be able to give their customers exactly what they want and more, resulting in customer satisfaction. Kotler (1980) also defines marketing in a similar way, stating that ‘ marketing is the human activity directed at satisfying human needs

and wants through an exchange process', meaning that customers will not be willing to exchange their money for a product or service unless they feel they are getting exactly what they are paying for and their needs are being fully satisfied. However Adcock et al defines marketing as 'The right product, in the right place, at the right time, and at the right price'. The definition differs from others as it concentrates more on what a company is providing rather than the customer. However no definition is right or wrong, just a difference of opinion.

The desires of a customer will regularly change due to themes and trends in different industries, therefore organisations must be aware of this and keep up to date with the requirements of their target market. They should also be able to distinguish the product or service from the competition by building long-term profitable relationships with their customers and suppliers, whilst maintaining customer satisfaction and creating customer value.

There are a number of key activities in the marketing process, which an organisation must undertake in order to market their products and services successfully and therefore satisfy their customers. Marketing involves a lot of research, planning, promotion and campaigning which needs to be conducted by a professional management team or a good manager with good co-ordination ability and the appropriate skills and knowledge needed. Marketers will need to scan the market environment and look closely at specific factors. Segmentation is also a useful way of defining the target market which marketers will regularly use. This entails dividing the market into specific groups to make it easier to tailor marketing strategies to the appropriate customers.

## Marketing Environment

Kotler ( ) explains how a company's marketing environment ' consists of the actors and forces outside marketing that affect marketing management's ability to develop and maintain successful relationships with its target customers'. An organisation should have a clear marketing strategy which is centred on the main aim of satisfying their customers by meeting their needs and desires. However there will always be different factors within the marketing environment, both controllable and uncontrollable which will have an effect on the strategy. As the marketing environment is split into two separate parts, these factors will either come under the macro environment which affects the elements outside of an organisation or the micro environment which affects factors close to the organisation. According to Kotler et al (2009) a company is surrounded by an immediate microenvironment of customers, suppliers, distributors, agencies and competitors, as well as a macroenvironment of major forces impacting on the company such as consumer trends, technological developments, and social, political and legal forces.

## Macro Environment

The macroenvironment consists of uncontrollable forces from outside of an organization that cannot be altered. Organizations must accept this environment and adapt to it. According to Kotler et al (2009) the most successful companies are the ones who recognize and respond profitably to unmet needs and trends.

There are a number of factors within the macroenvironment; these include the four PEST factors:

**Political** – Laws, regulations and interventions can cause pressure on marketing strategies. Organisation must ensure they are being fair to their competitors and customers when promoting their services. Health and safety is a big issue at Creamfields, organisers must ensure they provide a safe environment for their customers whilst adhering strictly to the law. For example when advertising the festival, marketers must highlight the strict regulations regarding alcohol consumption by over 18s only.

**Economical** – Changes in the economy will have an effect on how much an organisation is able to spend when organising an event as well as how much they are likely to make from an event. Economic factors such as the credit crunch will most likely have impacted negatively on an event such as Creamfields as there would have been fewer people willing to spend their money on a luxury such as a festival. The organization itself may not be able to operate to its full potential due to limited funds being available from sponsors and suppliers.

**Socio-Cultural** – Organisations must be able to offer products and services that impact and have a positive effect on people's lifestyle. The general social changes that take place over a number of years will have an effect on all organisations. For example the recent interest in the environment and our impact on it will affect Creamfields as organisers will need to ensure that the event is perceived as being 'green'.

Technological – The advances in technology have had a positive effect on Creamfields as they have made it possible to market the event in a number of different ways reaching out to a wider audience through the internet, television and mobile phones. Technological advances have also enhanced the customers experience with the creation of new products and services such as better sound systems and large television screens showing the event.

### Micro Environment

The microenvironment is made up of controllable factors which are close to the organization. Unlike the macroenvironment the organisation will usually have an influence over forces in the microenvironment. Jim Blythe (2008) supports this explanation by stating that the microenvironment is made up of factors which impact closely on the organisation. Stokes (2002) explains that these factors include suppliers, intermediaries, customers and competitors.

Suppliers – Creamfields relies heavily on its suppliers and without them the event could not take place. Everything from the premises in which the event is held to the suppliers providing the portable toilets has to be taken into consideration. Good relationships with suppliers need to be maintained in order to build better partnerships and therefore provide the best range of products and services.

Intermediaries – These are the organisations that assist in the process of getting the product or service to the customer. The Echo Arena is one example of an intermediary which sells tickets for Creamfields both online

and in their box office. They deal directly with the consumer and according to Stokes (2002) play an important marketing role in penetrating the market for a particular product.

**Customers** – For an organisation to survive they must meet their customers' needs and really know what their target market want. Creamfields have a target market of students and young adolescents which they must specifically focus on. Through market research they can identify what their customer is looking for and therefore communicate with them appropriately.

**Competitors** – Most organisations will have competitors. Organisations need to be one step ahead by providing something different at their event. They need to have something unique which differentiates them from their competitors whether it is a superior standard of service or a gimmick or trademark that is particular to them. By conducting a varied range of research into their competitors Creamfields can offer a different experience and develop a reputation in their field which will spread amongst their target market.

Factors effecting the Event

#### 4. 1 Macro Factor – Technological

With the evolution of technology incorporated within today's society, marketing strategists now have to take into consideration that a high percentage of their target market will use media technology on a daily basis. The whole reason behind marketing and advertising is to ensure that as many people view the desired product as possible. Technology such as the

internet provides an often cheap and effective route to display the event. Creamfields most effective advertising mediums are television and e-commerce and the majority demographic attending Creamfields will either have or know someone that has regular access to the internet. Utilising this means of promotion is therefore essential and cost effective.

The actual event has had years of development and months of preparation to be able to involve technology into the occasion to guarantee that the audiences experience at Creamfields is optimised to its maximum potential. When attending a live festival two of the biggest perceptions are seeing and hearing, as equipment is improved then these factors are also enhanced to provide a better experience for the customer to enjoy.

#### 4. 2 Micro Factor – Suppliers

When organizing such a big event as Creamfields, organizers have no choice but to heavily rely on their suppliers as the event is located in a remote area where there are no facilities or equipment provided, therefore organizers will need to acquire the resources from suppliers. In order to do this they need to have good business relationships and a number of contacts. Managers will need to recognize the importance of building partnerships with their suppliers as this is one way in which they will gain a competitive advantage as well as ensuring they have quality products for their event; without these the customer's needs may not be met. Kotler ( ) describes suppliers as the 'firms and individuals that provide the resources needed by the company and its competitors to produce goods and services'.



There will always be competition between suppliers as every organisation wants the best they can get. Creamfields will be competing against other major events and organisations for the best suppliers of music, in their case, the best DJs at the time of the event. However on the other hand there will also be suppliers competing with one another, to promote their products and services at the festival, all of which will be promising to provide the best customer service. For example catering companies will be in competition with one another to provide their services at Creamfields. The standard will usually be high as it is a popular event which offers a great opportunity for companies to promote and advertise themselves as well as their products and services.

#### 4. 3 Macro Factor – Socio-Cultural

Stokes (2002) explains that ‘ if marketing is to play its full role matching product benefits to customer needs then an understanding of the social and cultural environment is essential.’ The demographic structure of society which focuses on the population size, age, location etc is important in defining the background against which any organisation has to operate. It is vital that they understand through market research, the society and the people in it, to whom they are trying to market their product or service.

The cultural identity of a society is defined by its beliefs, customs and traditions passed down through generations, and also by its current trends. Marketing strategists have to be aware of changes that will determine how they need to promote their product. \*\*\*Over the last 20 to 30 years there has been a massive rise in youth culture and a whole industry has developed

which targets young people and this is obviously a major factor in the growth of events such as Creamfields.