

The PyroMarketing Model: What Venue Managers Can Do to Create Customer Evangelists

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Introduction

Effective in-house marketing is no longer an option for sports and entertainment venues (SEVs); it's a necessity. More and more public assembly facilities are taking on the role and associated risks of producing or co-promoting events (Graham and Ward, 2004, p. 64). And, according to a recent Billboard article, the world's largest booking agencies are looking for (and leaning toward) venues with a "more-than-competent marketing staff" to fulfill an integrated marketing strategy that includes the resources of the talent, the promoter, and the venue (Waddell, 2007, p. 46). Add to this the growing pressure of tax payers looking for effective stewardship of a public good, and politicians clamoring to find responses for his/her constituents, and we see the need for SEVs to take seriously their role in marketing their venue, and the events within them.

Besides, effective in-house marketing can result in higher ticket sales, and higher revenue streams from ancillary services like concessions, merchandise, sponsorships, and marketing consultation. These successes result in a venue having a better image and reputation among its multiple stakeholders.

Some venues benefit from the good will -- and good marketing -- provided by professional franchises serving as anchor tenants, and a professional league spending millions of dollars on marketing to bring awareness to the league, team, and venue. However, with only 32 NFL Stadiums, 30 Major League Baseball franchises, and 57 arenas hosting major professional sports teams (NBA, WNBA, NHL, AFL, MISL), there are far more SEVs without this support. Without the benefit of sport franchises, small market venues and performing art centers are well aware of the need for effective in-house marketing as their situation requires them to take on a disproportionate amount of promoting and co-promoting of shows. The International Association of Assembly Managers, the leading trade association for public assembly facilities, has responded with online and onsite educational programs dedicated to effective marketing strategies.

In response to these growing demands and pressures, venue managers may try to resolve their marketing deficiencies by allocating significant resources to traditional mass marketing strategies. The high cost and uncertain returns associated with television advertising, print ads,

and radio spots is not suited for an environment with increased pressures, shrinking marketing budgets, and new customer expectations.

The authors propose a new approach to marketing that is both necessary, and appropriate, for sports and entertainment venues. It's an approach that supports the position found by Waddell (2007, p. 46) that venues are forsaking traditional advertising for new media. It's also an approach that takes full advantage of passionate fan behavior, and what McConnell and Huba (2006) call the "lunatic fringe."

The PyroMarketing Model

PyroMarketing is a 'new' way to think about marketing—an effective method to deliver relevant messages to the right people and to foster their spread throughout society. Rather than trying to breakthrough the cacophony with bolder, louder, and more intrusive tactics associated with mass marketing, PyroMarketing provides a repeatable approach that recognizes and accommodates individual differences, acknowledges the power of experience, and leverages the influence of passionate customers.

As will be explained later, the societal influences that allowed mass marketing to prosper have disappeared, rendering mass marketing largely ineffective. New circumstances have created an opportunity for a different marketing approach co-author Stielstra (2005) has coined PyroMarketing. It involves four steps, and uses the building of a fire as a metaphor to explain the process.

1. Promote to the people most likely to buy (Gather the Driest Tinder)
2. Give them an experience with your product or service (Touch it with the Match)
3. Help them tell others (Fan the Flames)
4. Keep a record of who they are (Save the Coals)

Before explaining each step of the PyroMarketing Model and how it can be applied to venue management, a case is made for why mass marketing is an inadequate strategy to reach customers in today's business environment.

The End of Mass Marketing

The era of mass marketing is ending. The promotion of a single product or service to everyone through undifferentiated media reached its heyday in the sixties and its success convinced most marketers it was the only way. But the world has changed and mass tactics that worked so brilliantly thirty-five years before and which still seem perfectly sensible in the safety of the boardroom, or marketing department, increasingly fail in the real, modern world.

Plenty of others are sounding the alarm. Larry Light, McDonald's Corp.'s chief marketing officer recently declared that mass marketing no longer works (Brand Journalism, 2004). The Small Business Association's Marketing in the New Millennium (2007) predicts, "The scattershot advertising approach, which wasn't necessarily all that effective in the past, will be even less so in the 21st century." And, in a special report titled The Vanishing Mass Market, Business Week cautioned that new technology, product proliferation, and fragmented media

were creating a whole new world—a world in which mass marketing could not compete. Smart companies according to Business Week are, “standing mass marketing on its head by shifting emphasis from selling to the vast, anonymous crowd to selling to millions of particular consumers” (Bianco, 2004, 67).

Yet many organizations continue to use mass marketing, hoping it still wields its old influence.

Somewhere toward the middle of the twentieth century the tributaries of mass manufacturing, high demand for consumer products, a predominantly urban population, and a few but pervasive mass media, converged. The formula for mass marketing’s success was this:

Limited Product Choice but Plentiful Supplies
+
High Demand for Goods and Services
+
Clustered Consumers
+
Broad Access to Very Few Media
+
Little or no Consumer Resistance to Advertising
=
Mass Marketing Works Very Well

Cultural shifts and technological innovations as influential as those that created mass marketing have conspired to siphon away its dominance. Consumer demand remains, but we now live in a world of expansive product choice, dispersed populations, myriad media outlets and consumer resistance to advertising so strong it borders on resentment.

Mass Production to Mass Customization

Countless product choices now allow consumers to express their individuality with every purchase. Mass production has given way to mass customization and evidence abounds in both the consumer product category, and in the entertainment industry.

The number of brands on supermarket shelves has tripled since 1993. In 2003 alone some 26,893 new food and household products were introduced, according to Mintel International Group Ltd.’s Global New Products Database (Bianco, 2004). Among them were 115 new deodorants, 187 breakfast cereals, and 303 women’s perfumes.

To see a movie in the early seventies you had to go to the theater; today you can watch it on cable, order pay-per-view via satellite, rent a DVD, or download it through iTunes.

A short five years ago, if a band did not have radio airplay and the resources of a major label, they didn’t have much of a following. Today, independent record labels and independent artists are having great success reaching niche audiences with virtually no airplay or music video coverage (Garrity, 2007, p. 28-29).

Still another example of consumer choices is the growth in the number of sports and entertainment venues dotting the landscape. The day in which only the largest cities could support multiple venues are gone. We now see small to medium size venues being supported by tours and teams at various levels, in cities of all sizes.

Consumers have choices as never before and those choices feature subtle distinctions that improve their appeal to narrowly defined audience niches. Masses of products with individual appeal have replaced products with mass appeal. As a result of these new realities, the following formula seems to best represent the current situation for mass marketing.

$$\begin{array}{c}
 \text{Vast Product Choice and Plentiful Supplies} \\
 + \\
 \text{Dispersed Consumers} \\
 + \\
 \text{High Demand for Goods and Services} \\
 + \\
 \text{Broad Access to Myriad Media} \\
 + \\
 \text{High Consumer Resistance—Even Resentment—Toward Advertising} \\
 = \\
 \text{Mass Marketing No Longer Works}
 \end{array}$$

Mass Marketing versus PyroMarketing

To better understand how a mass marketing approach differs from a PyroMarketing approach, several dichotomies are illustrated.

Mass Marketing	PyroMarketing
Homogeneity (people are the same)	Heterogeneity (people are different)
Focus on the company	Focus on the consumer
Cost per thousand	Cost per customer
Marketing Immerses	Marketing Ignites
Advertising puffery	Advertising honesty

Homogeneity

Mass marketing assumes that people are essentially the same. It's an easy mistake to make and one that follows, quite naturally, from mass manufacturing. Mass manufacturing, after all, was designed to make standardized, homogenous products. Assembly lines optimized their sameness to exacting specifications. (Schultz and others, 1993, p. 5)

Through an error of logic, mass marketers assume consumers are as interchangeable as the products they buy, and attempt to use demographics to define whole populations. If the person who bought a ticket to a touring Broadway show was rich, they conclude that rich people buy tickets to shows and they should target them with their advertising. It may be that the person

who purchased the show ticket was wealthy, but it doesn't follow that wealthy people purchase Broadway show tickets. People are defined by many attributes and they don't all contribute to purchase decisions. If a woman was asked why she bought the ticket to the show she probably would not say, "Because I'm rich!" More likely she would say something like, "I bought a ticket to the show because I enjoy live performances." Or, "A friend told me it was a wonderful production." By focusing on characteristics irrelevant to the actual purchase decision, mass marketers can be duped into thinking people are alike.

Heterogeneity

PyroMarketers recognize each person represents a distinctive blend of characteristics, experiences, interests and passions, only some of which contribute to each purchase decision.

Mass Marketing Focuses on the Company

Traditional mass marketing imagines the universe revolving around the business. It operates from the inside out—beginning with the company's goals and often ignoring the consumer's entirely. It makes telemarketing calls at mealtime, sends SPAM email, or disguises direct mail as urgent correspondence from a bank or the government. Mass marketing installs sidewalks at right angles and tells the consumer to stay off the grass.

PyroMarketing Focuses on the Consumer.

PyroMarketing places the customer's needs first. It allows people to walk where they will and builds the sidewalks on the footpaths they wear. PyroMarketing tries to serve the customer, not just sell to them.

Mass Marketing Cares about Cost per Thousand

Cost Per Thousand or CPM measures the cost of reaching a thousand people with an ad. It is supposed to help businesses weigh the relative value of various advertising options. The vehicle with the lowest CPM is thought to be superior because it reaches the greatest number of people for the money. If mass marketing's other assumptions were true—if everyone is the same, if all people are equally likely to buy, if marketing can, in fact, coerce—then this makes perfect sense. If the essence of great marketing is nothing more than throwing advertising against the wall to see what sticks, then CPM matters a lot. The lower the CPM, the more you can throw.

However, this betrays one of mass marketing's fundamental flaws. Increasingly, it confuses activity with results. It's not enough to place the ads, or to have them seen by lots of people. What happened as a result? Did anyone buy the advertised event ticket?

PyroMarketing Cares About Cost per Customer

Cost Per Customer (CPC) is a better way to evaluate the relative merits of advertising. CPC doesn't measure impressions, it measures response. A focus on the prospects most likely to respond leads one away from mass media and toward tactics not often considered.

Mass Marketing Immerses

Traditional mass marketing believes it can convince the disinterested. It tries to commandeer the attention of indifferent people and, by immersing them in advertising, create a felt need where none had previously existed. But this grossly overestimates advertising's power to persuade and the consumer's willingness to be persuaded

PyroMarketing Ignites

Marketing at its very best is communication, not coercion. When marketers connect people to the products or services that satisfy their needs, nothing more is required. When a product and its marketing are relevant, people ignite and immersing them in advertising isn't necessary. Immersive advertising proves the adage that you can lead a horse to water but you cannot make it drink, but PyroMarketing proves its corollary, that you cannot prevent a thirsty horse from drinking.

Mass Marketing Allows Puffery

Technically, advertisers are not permitted to mislead people. Fraud is illegal. Practically, however, things are not so plain. Courts have established that advertisers can make claims about their products or services that are, "not meant to be taken literally." It's called puffery and it is permitted by the Uniform Commercial Code, a compendium of laws adopted by every state except Louisiana. It allows exaggerations because it assumes that reasonable people are smart enough to see through them. The UCC distinguishes between objective claims and puffery. Objective claims are specific, measurable, or based on fact. Puffery is more apt to include exaggerated claims or hyperbole, and be vague, immeasurable, or opinionated. Advertising puffery does lend itself to building a brand, or recruiting customer evangelists. Instead it can lead to mistrust and convince consumers the company is dishonest.

PyroMarketing Demands Advertising Honesty

PyroMarketers tell the truth. Factual statements are not dry when they honestly describe a benefit to the person who needs it most. Honesty fosters trust, the very opposite of their response to puffery and spin. "Spin sets into motion a never-ending cycle of skepticism," wrote Malcolm Gladwell in an article titled *The Spin Myth* (Gladwell, 1998).

If you want people's attention, be attentive to their needs. If you want them to trust you, then be trustworthy. If you want them to believe you, tell them the truth. The golden rule of PyroMarketing is: Market to the consumer as you would have them market unto you.

Metaphors for Marketing

Stielstra (2005) explains the merits and limitations of several common metaphors used to understand the marketing process. In the water metaphor consumers swam in a sea of advertising, soaking up messages from saturation campaigns. Marketing as warfare was another popular idea. Campaigns targeted consumers with shotgun or rifle approaches. The competition was the enemy. Guerilla marketing was a thrifty variation that "tilted the balance of power" so

smaller companies could battle against rival super powers using unconventional techniques. More recently the idea of marketing as a viral contagion has been going around. In this view the marketing message is a virus spread from person to person like the common cold.

Marketing as Fire

The PyroMarketing Model uses the metaphor of fire to explain a marketing strategy that accounts for individual differences, personal preferences, and current societal influences.

There are four essential ingredients to every fire. They are

1. Fuel
2. Oxygen (O²)
3. Heat
4. The Chemical Reaction

Fire is impossible without all four and a fire, no matter how furious, will sputter and die if deprived of any one.

Consumers are like fuel. There is money stored in their wallets, but there is also a very strong bond between consumers and their money. Marketing is the heat that raises them beyond their ignition temperature and sets them alight. Consumers exchange their money for products or services, the equivalent of oxygen to a fire. The more remarkable consumers find the product, the higher its concentration of Oh!². The more satisfied consumers are with your product or service, the higher their heat release rate and this positive word-of-mouth is the single most important factor to the growth of the marketing fire. Building communities of satisfied customers helps them increase their excitement by sharing their experiences. This radiative feedback contributes to a positive heat balance transforming simple customers into customer evangelists that grow a marketing fire to flashover.

The PyroMarketing Model and Implications for Venue Management

It was established earlier that in-house marketing is becoming not only a value added service provided by venues, but is considered a factor by agencies and promoters when selecting venue for a tour date. What follows is a brief explanation of the four step strategy of PyroMarketing, and how each step may be applied to in-house marketing departments of sports and entertainment venues.

Step 1: Gather the Driest Tinder

The driest tinder are the most valuable prospects for your product or service because they are most likely to buy, benefit from, and then enthusiastically promote it to targeted people in their sphere of influence. The driest tinder are the point of origin for every marketing campaign. Their life experience, passions and interests regulate their perception process which, in turn, determines whether advertising will have any impact. The quickest way to improve advertising is by targeting the most interested consumers. People already inclined toward your product will actually amplify its message, quickly moving past their ignition point to buy and become evangelists for what you are selling. The driest tinder will notice, remember, act upon and repeat

your marketing message. The concept of homophily (Lazarsfeld & Merton, 1954) -- the tendency of two things, when touching, to take on the characteristics of the thing each touches -- causes customers to organize around their common interests making them easy to find and reach with existing budgets.

Venue managers are familiar with the power and influence of customers organizing around their passions and buying tickets. It doesn't take much to find the driest tinder for top selling artists, or popular sports teams. However, there are far more instances in which a lesser known talent, performance, or team is booked in a venue, and filling seats is a greater challenge.

The first place to look for the driest tinder is among the existing customer base. It's commonly known that past behavior is the greatest predictor of future behavior. For SEVs, the ability to tap into this customer base will be somewhat contingent upon who owns the data from the ticket purchase. While ticketing solution agreements vary, it doesn't take PyroMarketers long to see the benefits of owning, or sharing customer data. In fact, there is a move afoot in the industry to integrate marketing efforts between agencies, promoters, and venues. Booking agencies like WMA and CAA have staff dedicated towards integrating the marketing needs of the touring acts with the facilities (Waddell, 2007).

Venues across the country have come to realize the importance of a web presence for making prospective customers aware of upcoming events. A growing number are using websites to interact with, and engage customers and prospects. Web 2.0 innovations are making it affordable and much easier for staff to create and manage like-minded online communities, differentiate customer preferences, and communicate through customized channels. This of course creates a vehicle to capture visitor contact data -- many of whom will become the driest tinder.

Venues should also consider upgrading their ability to collect customer data and interests during events. Free standing kiosks could be used before and after an event to receive customer feedback. Gathering data through customer surveys, door prizes, and drawings can also be effective means for gathering customer data.

Venue managers who embrace PyroMarketing will ensure the customer information gathered is not just traditional demographic data, but includes questions that pertain to passions, interests, and values. These are the qualities that will allow you to reach the most likely prospects to buy a ticket.

Another recommendation is to challenge assumptions about why customers buy tickets to an event. A traditional marketing approach may assume a minor league baseball game should be marketed to a specific demographic made up of age and gender. However, minor league baseball franchises have been finding success challenging assumptions and targeting nontraditional groups as prospects.

Faith Nights in minor league baseball stadiums have been experiencing record attendance. In 2006, the Nashville Sound drew more than 500 church groups and saw attendance for their Faith Night games spike by 93% over their average season draw for non-Faith Night

dates (Cherner, 2005). The majority of ticket holders attending Faith Night were not passionate about baseball, nor did they fit a typical demographic. Instead Faith Nights gave an opportunity for people of faith to organize around their common interests— in this case, their faith.

The PyroMarketing Model emphasizes individuals have unique internal traits that make some more likely to buy than others. SEVs should profile key prospects and identify where the driest tinder gather. Just when you think you've defined your market, drill down a level or two further and find the really dry tinder. Online directories of associations make it easy to find thousands of national organizations devoted to professional interests or personal hobbies. The Gale Group offers an online directory of associations that makes it easy (www.galegroup.com) to find these networks.

However, because event marketing for venues tends to be local, marketing departments will need to be diligent in identifying smaller, but influential groups of dry tinder. It is becoming common to have venue staff dedicated to finding and communicating with groups of like-minded individuals via interactive media, like blogs, chat rooms, new groups, and websites (Waddell, 2007). No matter how seemingly obscure the interest, there are organizations that support it. Learn how many members they have, when they meet, their web address, and the other communication vehicles that support their organization by serving its members. Start a dialogue with the people you find there. If you pledge to serve rather than sell, they will gladly tell you about the ways they gather with their like-minded friends and how you can tap into that network.

Step 2: Touch It with the Match

Touching it with the match involves giving people an experience with your product or service and its benefits. Traditional advertising can ignite the driest tinder, but it lacks the heat to set fire to all but the most interested consumers. Experience, unlike even the most effective advertising, has the unique ability to capture people's attention, to excite their emotions, to enhance their memory, to promote their pleasure, to speak with credibility, to align with their expectations and, in the end, to influence their preferences. An experience with a product's benefit quickly transforms prospects into customers. Experience, not advertising, triggers the human reward circuit. Reinforced by dopamine, it allows people to feel the pleasure of satisfying their need and conditions them to choose it again and again. Experience alone creates the somatic markers that enable consumers to choose one product from myriad options. Experience heats marketing to new levels.

Pine and Gilmore (1998) popularized the term "experience economy" and outlined what traditional organizations do to create experiences for their customers. *Work is theater and every business a stage*, was the subtitle and the theme of the book. The venue management industry has been hosting and producing "experiences" for a long time. In Springfield, Missouri, the Gillioz Theater doesn't just host and produce experiences; this historic and restored theater has at its tag line, "where the theater is part of the show."

Whether hosting or producing an event, venues can be part of the experience, and thus be part of the show. The experiences ticket holders have is not solely the result of what they see

and hear from the stage, or playing area, but all that is experienced from ticket inquiry, to exiting the venue.

Not every event booked is guaranteed to live up to its billing. And once again we see Minor League Baseball stepping up to the plate to create experiences for its fans, despite a changing roster, and development-level performances. Between inning activities and the infamous “kiss-cam” are only two examples of attempts to enhance the ticket holder experience.

Beyond enhancing the event-day experience by engaging the customer, what implications does touching it with a match have for venue managers? The PyroMarketing Model suggests a proactive approach to get the driest tinder and the mildly interested prospects to experience the product or service. When the popular Auntie Anne’s pretzel franchise experiences a slow down of sales, the computer flags employees to deliver samples to pedestrians; the result is increased awareness and sales. If concessions are part of the overall event experience, perhaps venues should consider offering samples of select food or drink.

Another proactive approach is to identify key influencers in the community and invite them to sample an evening performance. Or perhaps venues can arrange for a sampling of the performance, or talent, to be delivered on site to influential groups. While travel and logistics can make this difficult, other alternatives like having a dramatic reading of a related book, or a panel discussion on a related news story may be a way to bring a sample of the performance to prospective customers.

Venue managers also can not underestimate the impact technology can have on bringing a sample of an event to customers. Touching it with a match may mean streaming portions of a show or performance on the venue’s website, or as we have seen in recent years, encouraging consumers to YouTube what they’ve captured at an event. In recent months we’ve seen Boston Market and Chick-fil-a restaurants rewarding customers for uploading creative video clips or photos as part of a promotional campaign. The result is an experience and connection with the brand.

Another implication we draw from the PyroMarketing Model is the need to ensure there is integrity between the advertising that is done, and the experience offered. Does your advertising match the consumer’s actual experience with your product? Or, does your advertising foster disappointment by over promising? What venues don’t want to do is advertise “where the theater is part of the show,” and provide poor customer service, or present a poorly maintained facility. Make sure a consumer’s experience with your venue exceeds the expectations created by its advertising.

Finally, the PyroMarketing Model prompts the venue manager to ask what customers really love about your product or service. Are the real benefits the same as the ones you advertise, or have your customers identified a hidden benefit that would actually help you sell more tickets? Find out what your customers love about your venue, or experience, and feature it in your advertising.

Step 3: Fan the Flames

The PyroMarketing Model advocates people spread messages more effectively than advertising. Fanning the flames involves equipping your customers to spread your message through word-of-mouth. Word-of-mouth isn't what happens in the absence of marketing, it's the natural consequence of marketing done right.

Mass marketers were taught that marketing involves a single step—that it's something businesses do *to* consumers. But this approach values people only for their “purchase potential” and ignores their “promotional potential.”

PyroMarketing takes a different view. Making the initial sale is an important first step to building a marketing fire, but accounts for only half the process. You must also equip those initial buyers to become customer evangelist, and to effectively spread the marketing message to others.

While driest tinder will buy based solely on their personal preferences and knowledge of the options, everyone else turns to decision externalities. Through observational learning (Bandura, 1986) some will decide to buy or avoid your product based on other people's experience. Others will feel the pressure of what psychologists call social proof (Cialdi, 1984), and buy as a growing percentage of their friends do. Still others, based on the theory of emotional contagion (Hatfield, 1994), will get caught up in emotion, and buy on the strength of a friend's recommendation.

Venue managers can enhance the chances of the marketing message catching fire by promoting to the driest tinder and its natural affiliation networks and by enhancing each customer's connectivity just after they buy.

Below are several specific tactics in-house marketing teams should consider when trying to fan the flames.

1. Start with the driest tinder. They are an affiliation network of ideal size and susceptibility. By promoting to people most likely to buy your ticket just as they are gathering with like-minded friends, you make it possible to dominate a group and create the conditions for an information cascade. At the highly successful Women of Faith arena events, tickets for the following year's return visit are promoted and pre-sold during the event, when women are gathering in the concourses. The buzz of excitement follows the women to small groups sharing hotel rooms and driving in car pools.
2. Increase their connectivity—after they buy. Ideas grow and develop in social communities. If your customers or prospects don't gather naturally, look for ways to help them. By building communities where customers and prospects can gather, you create new affiliation networks through which influence can propagate. Fast Company magazine has local chapters of readers called the Fast Company of Friends who gather to celebrate their common love for the popular business magazine. What can your venue do that's similar? Can your venue take a proactive approach and offer small spaces for friends to gather at no charge to discuss books, plays, or other interests?

3. **Extend their Reach.** People influence those they can touch. Left alone they will tell their neighbors and close friends. But, if you give them the tools they will tell distant relatives and long lost high school buddies. Email is great, but there are other ideas too. Perhaps a postage-paid “You Gotta See this Show” postcard would be a cost effective way to fan the flames of a multiple day performance. Sending an increasingly affordable DVD sampler to an affinity group made up of arts patrons may provide more than just a bit of programming for their next gathering.
4. **Divide and Conquer.** Information spreads best through smaller groups. If the driest tinder for your events gathers in large groups, how can you organize them into smaller clusters through which information is more likely to spread? Building on the driest tinder’s passions, can you organize small VIP meet and greets with the talent, or tour management. Behind the scenes tours may be popular to those interested in the business and production side of entertainment.
5. **May I Have Your Attention?** People buy products after watching other people enjoy using them. How can you get people to talk about your event or venue in public? One application may be to post video clips of patrons enjoying an event, or giving testimonials about your venue.
6. **Help them Belong.** Do your customers just buy tickets, or do they feel a part of something bigger. Fans of the Green Bay Packers have had the opportunity to buy stock in the team. Stock holders receive special catalogs with Packers Stock Holder clothing only they can buy. Can a small portion of a season ticket package go to help a charity? Perhaps, venue managers can also do a better job communicating just what the add-on endowment fee goes toward.

Step 4: Save the Coals

In PyroMarketing, saving the coals means keeping a record of the people that respond to your marketing so you can identify, understand, engage and mobilize them for years to come. If you know and understand your customers; who they are, where they live, and what they love, then you can quickly and affordably engage them with relevant messages about new products. Most importantly, a record of your customers allows you to build relationships and begin transforming ticket buyers into loyal customer evangelists who are eager to promote your event to the people along their social network.

While saving the coals is the final step in the PyroMarketing process, in some ways it is also the first. By keeping a record of your customers and prospects, their preferences, behavior, and purchase related data; you enable the other three steps in the process. This is what makes PyroMarketing a repeatable, growth-oriented, marketing strategy. A database helps you quickly identify the driest tinder for a new ticketed event, and contact them to provide a personal experience or to encourage word-of-mouth.

Unlike PyroMarketing, mass marketing often keeps no record of its customers and instead uses large, expensive advertising campaigns to find buyers for each new offering. It lures consumers from the masses with promotions, but lets them slip anonymously back into the crowd after they buy. Without a record of its customers, companies that use mass marketing are forever starting over because they must spend each new advertising budget to find many of the same people who bought the last time. Expensive and inefficient, mass marketing uses new matches (money) to re-build the same fire.

What follows are several questions, along with implications, every venue manager should ask when considering a strategy for saving the coals.

Who is your customer? Just as a manufacturer may have two sets of customers – the retailer who sells their product and the end user of the product – so is the case with SEVs. Venues may rent space to a promoter, but they also serve the ticket holder -- the end user. While it is critical to maintain relationships with renters of the facility, it is exceedingly important to understand the needs, preferences, and behavior of the end user. There might be a tendency among venue managers to assume the promoter, or ticketing partner, “owns” the relationship with the customer. Stielstra (2005) identifies the positive outcomes of building relationships with customers through the use of a database, and further points out that no one “owns” the relationship with the customer, except perhaps the customer. Smart venue managers create a win-win with their promoters and ticketing partners by sharing data when they can. By keeping a record of how this collaboration improves sales each year, venue managers can convince the more reluctant ticketing partners, promoters, and even artist, to share customer data.

Are the current marketing services provided by your venue focused solely on customer acquisition, or are you taking steps to retain those customers? According to Paul Wang, Associate Professor of Marketing at Northwestern University, \$100 spent on acquiring a new customer nets about \$50 in profits. Trading dollars for fifty-cent pieces is not an approach you can sustain for long, nor would you want to. Marketing, like fire, should be about more than acquisition. Acquiring *and* preserving customers makes the most fiscal sense since, according to Wang, \$100 spent on retention nets about \$150 in profits (Hughes, 2000, p. 18). For SEVs this may mean communicating more frequently and making special offers and experiences available to previous customers.

What kind of consumer information should be collected, and how can venue managers build a database?

Building a database enables in-house marketing departments to know, understand, engage and mobilize consumers. The information collected should facilitate those goals. Every new promotion is an opportunity to meet new consumers, learn more about them and store the results.

There are really only two types of information you can know about a consumer: Who they are (demographics) and what they do (behavior) (Hughes, 2000). Basic demographic information can help you better *know* your customer. This can involve recording information you typically associate with consumer databases, things like: Gender, date of birth, education, income financial situation, home ownership, and whether they have children. Collecting contact

information and other data that will improve the service you are able to provide is also appropriate. You must also have permission to contact them and know how they want to be reached. Ask your consumers how they want to hear from you—and how often. It is important to recognize customers will reveal information over time. The amount of information requested and collected should be in line with the level of trust developed between the venue and the patron.

The best predictor of future behavior is past behavior and so *understanding* your consumers requires knowing what they do. What organizations or clubs have they joined? To which organizations do they donate money or time? Think of those activities that betray passions or interests related to your events or service and record them. Third party email solutions like Constant Contact, iContact, and Vertical Response make capturing interests and emailing according to these interests easy for venues like The Morris Performing Arts Center of South Bend, Indiana (www.morriscenter.org).

Some information is especially helpful to the PyroMarketing process and is important to capture and record. Knowing how you acquired a customer, for example, can suggest something about their value. Did they respond to your advertising, to a personal experience, or were they referred by someone? Did they require the influence of all three before deciding to buy? Does it cost more to market to certain people than you earn when they finally buy? Are some customers far more profitable than others? Knowing the answer will help you identify each customer's ignition temperature as it relates to the ticket they bought and understand how to interact with that customer in the future.

It is also useful to learn and record a customer's recommendation behavior. Do they recommend? How actively? What kind of customers do they bring you? By keeping track you can identify customer evangelists and equip them for effectiveness. Remember, a customer's value is not measured by their purchase behavior alone, but also by the new sales and customers they prompt through their recommendations. You may find that some customers personally buy very little, but are indirectly responsible for considerable revenues and profits thanks to their vigorous referrals and recommendations. Think of these people as an extension of your sales department. You measure your sales people according to how many sales they generate, not by how much they personally buy. Measure the value of certain customers the same way.

By knowing which customers buy for themselves and which recommend to others, you can devise appropriate strategies. You may touch one group with the match to encourage additional purchases while fanning the flames with the other group by equipping them with tools that help them recommend.

How can you connect customers to your venue, connect your venue to them, and connect them to each other?

Now that customer data has been collected, look for ways to connect your customers to each other by creating vibrant customer communities. Create affinity groups – like season ticket holder groups - or online customer support centers where your customers can help each other. Allow your customers to post their profile and connect with other customers. Create a special

website for fans. Create an email discussion group. This list is endless, but the point is this: don't let your best customers exist in isolation. It's one of the great benefits of saving the coals.

Conclusion

The goal of this paper was to introduce venue managers to a new way of approaching your marketing efforts. One that is especially suitable for the current business environment of sports and entertainment venues, and in-house marketing teams, specifically. While many of the concepts from the PyroMarketing Model may be familiar, perhaps the "fire" metaphor and the four-step process are helpful as a framework for assessing your current strategies, and identifying ways to reach the people most likely to buy event tickets.

Future research on this topic will survey venue managers to assess the prevalence of in-house marketing services, and to determine actual strategies employed to reach, record, and mobilize the driest tinder.

In the meantime, to make the most of the PyroMarketing approach, venue managers will want to consider the admonishment of Michael Gerber, author of the *E-Myth Revisited* (1995), and spend more time working *on* your business, than you do working *in* your business. Any effective in-house marketing strategy will require an in depth examination of current marketing processes, and an honest assessment of their effectiveness over the long term. The PyroMarketing approach will require venue managers to evaluate seriously who their most likely customers are, and to employ Internet and computer applications to capture and record the most relevant data about customers. The ultimate goal is to create opportunities to cultivate relationships that will eventually turn prospects into loyal customer evangelist, who will then help spread the fire of your marketing efforts.

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