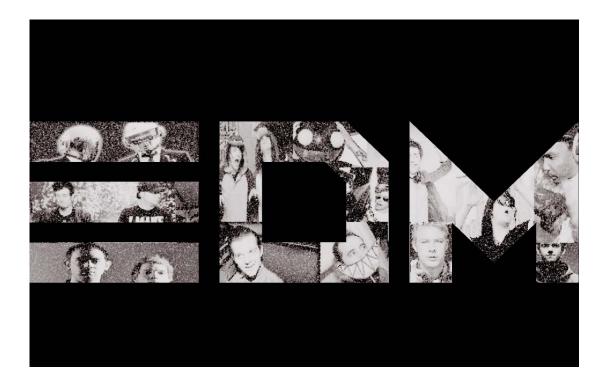
What are the specific conditions for success in organising an electronic dance music event?



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## **Executive summary**

In this report the specific conditions for success in organising electronic dance music events were conducted and analysed. The Dutch event industry is currently being overextended with events, such as musical festivals. Many organisations are having problems with the high level of competition and the demand for new and unique events to take the stage. This has resulted in the current research to explain some key conditions that have to be taken into consideration when organising an event. The research question that was constructed is "What are the specific conditions for success when organising an electronic music event?"

This research report has been structured in the following order. Firstly, an explanation of the industry has been constructed, based on desk research and participating observation. Secondly, the characteristics of three successful organisations have been described, and how these successful organisations have positioned themselves in the Dutch event industry. In this chapter, some opportunities and threats for organisations have been researched and discussed. The information collected for answering this second chapter has been retrieved via desk research, interviews, and participation by observation. The third chapter explains the conditions of the target group, what the needs of the target group are. For this chapter a survey was constructed, which was answered by two different groups. In the final chapter, the results of chapter two and three have been respectively combined. The importance of comparing and combining these results was to conclude if the conditions of the organisers and target group matched.

The research shows the significant role of electronic dance music for the Netherlands and how this has developed throughout the years. Many organisations indeed struggle for survival, however, smart positioning and knowledge of the target group, can lead an organisation to success. Attaining knowledge of the needs of the target group is essential. The three successful organisations used for this research were well aware of this and resulted in a match between the positioning of these organisations and the needs of the target group. Using Social media as a marketing tool and striving for uniqueness led these events to become a success. Target group segmentation and specialisation are useful strategies to implement when organising an event, especially because of the high level of competition and the fact that larger events are having more trouble to survive than smaller events. When organising an event, extensive research is essential, as well as having a passion for the industry.

There are many conditions for success when organising an event, because organising an event deals with many fields of expertise, which led to the results of this research reaching certain limitations. Fields of expertise such as knowledge of music, marketing or knowing people that have expertise. Since the target group analysis only has a limited amount of participants, this research provides more of an example and a basis for more extensive research. Due to the lack of interview respondents from the organisations, the research is not able to give a more specified insight on the successful conditions that are required for organising an event.

# **Table of contents**

| Introduction   | 4  |
|--|----|
| Methodology  | 6  |
| Chapter 1. Industry Analysis   | 9  |
| 1.1 What is Electronic Dance Music?                                    | 9  |
| 1.2 Different styles of music within EDM                               | 10 |
| 1.3 Development of the EDM industry throughout the years               | 12 |
| Chapter 2. Characteristics of successful organisations                 | 14 |
| 2.1 Defining success   | 14 |
| 2.2 The positioning of successful organisations                        | 16 |
| 2.2.1The positioning of Kraft  | 16 |
| 2.2.2 Positioning Into the Woods                                       | 17 |
| 2.2.3 Positioning Loveland festival                                    | 19 |
| 2.3 Internal elements of the organisations                             | 21 |
| 2.3.1 Kraft Festival   | 21 |
| 2.3.2 Into the Woods festival  | 22 |
| 2.3.3 Loveland Festival  | 22 |
| 2.4 External elements  | 23 |
| 2.4.1 Opportunities  | 23 |
| 2.4.2 Threats  | 26 |
| 2.5 Successful strategies  | 27 |
| Chapter 3. Understanding the target group                              | 29 |
| 3.1 Clarification of qualitative research                              | 29 |
| 3.1.1 Results section of group one                                     | 30 |
| 3.1.2 Results section of group two                                     | 31 |
| Chapter 4. Combining the results of the organisations and target group | 33 |
| Conclusion   | 34 |
| Recommendations  | 36 |
| Appendix 1   | 38 |
| APA Reference list   | 38 |
| Appendix 2.  | 41 |
| Interview Tim Hogenboom Into the Woods & Kraft                         | 41 |
| Appendix 3.  | 43 |
| Questionnaire Target group   | 43 |

## Introduction

The electronic dance industry is nowadays one of the most popular industries within the music scene. "Electronic dance music was once an underground genre, but its highenergy rhythms and thundering bass lines have now exploded into the mainstream." (Antonia Mortensen, 2012)

Many organisations have risen in the past several years regarding this subject matter, others have already been present. The current problem the industry faces is being over whelmed with a multitude of organisations. (Arne van Terphoven, 2012,) Many organisations, some with little knowledge of the industry and others with plenty of experience, start organising festivals or indoor events. Many of these organisations struggle for survival, which in turn, can lead to the problem of serious debt. For example Rock Ternat festival, a Belgium music festival suffered "a disappointing edition in 2013, the festival can't pro-exist any longer. The festival has debts up to 69000 euros." (Tom Vierendeels, 2014)

According to an article posted on NOS.nl, organisations that host larger events are having a difficult time sustaining the livelihood of their participation in the music industry. The reason for this is that smaller events are being hosted and organised. In the past several years, the competition has grown quite significantly, every week dance fans can find several events to go to, varying from small to large. Some of the reasonably smaller events even have free entrance on occasion.

(NOS.nl, 2011)

The excess amounts of events have caused many problems for certain organisations; a prime example of this is the Dance Valley festival. In 2011 the festival only attracted 30000 visitors, when there was room for 60000 visitors. In order to combat this inequality, the organisation went to the lengths of offering two festival tickets for the price of one. UDC, the organiser of Dance Valley sees two problems: there are too many festivals that are flooding the already overextended music scene, and festivals are becoming much more expensive. The broader the program of the festival is, the more expensive it will be. (NOS.nl, 2011)

According to Jeroen Jansen from ID&T, "it is important to stay innovative; or else you will not make it." ID&T also has decided to cancel future events, stating that innovation and new ideas are the most important. (NOS.nl, 2011)

Not only is the competition increasing, but the cost of organizing such events is also on the rise. In the past, organising a festival was meant to support the artist and the genre of

Pieter van der Oest

music he/she produced. Presently, the advance of online technology, as well as the possibility to illegally download music has changed the festival scene drastically. In order to claim profit, artists now have to make their money during their act on stage, which makes it more expensive for the event organisers. Adding to this unfortunate aspect, taxes have also seen an increase, which results in more expensive entry fees. (Hans Ligtermoet, 2011)

Fortunately, some organisations do turn out to be successful in difficult times; therefore the purpose of my research is to find out which organisations are successful and what differentiates them from the organisations that fail to succeed in the music industry. The research that is being conducted is to advise and inform future organisations about the music industry and the conditions that lead to success, as well as advising organisations on certain events that could possibly lead them into a substantial amount of debt.

What are the specific conditions for success in organising an electronic music event?

The research question will be answered by the following sub questions.

- SQ1. What is Electronic Dance Music (EDM)?
- SQ2. How did EDM develop throughout the years?
- SQ3. What are the reasons for their success?
- SQ4. Which characteristics of the organisations are successful?
- SQ5. What external elements are of great influence on their success?
- SQ6. What are successful strategies?
- SQ7. What elements at an event are of importance for the crowd attending?

## Methodology

## Explanation of research methods

It is commonly understood that the nature of the research defines the quality of the results. Therefore, each research question needs a defined methodology to make sure that the research remains focused on investigating the topics presented in the paper. It is also equally important that this does not cause the research to lack originality and creativity. Answering the following questions has provided the necessary platform to make sure that the sub questions were researched and answered in a structured and creative manner.

- How to find the answer to the question
- How is the information gathered
- Which theory is used (type analysis)
- How is the data retrieved being processed

## SQ1: What is Electronic Dance Music (EDM)?

This sub question was answered by doing extensive desk research throughout the music scene. Multiple online sources have been researched and transferred into answering the sub question. Not only have online sources been researched, but also field research and personal experiences have defined the answer to the sub question. The personal experience is of main importance, due to the fact that I have been working in the dance scene for the past several years, therefore gaining extensive knowledge about EDM. The type analysis used to answer this research question is a descriptive analysis, because it offers a detailed description of what the definition of Electronic Dance Music is. The data retrieved by extensively exploring these sources was converted into an understandable explanation of the Electronic Dance Music Industry.

## SQ2: How did EDM developed throughout the years? (Desk research)

The following sub question was answered by using the data retrieved when conducting the desk research for the previous question; the results were analyzed further and formed into a structured perspective, which helped mitigate the importance within the development of the industry throughout the years.

## SQ3. What are the reasons for their success? (Interviews/Participating observation)

The reason for the success of these certain organisations has been formed by the interviews held with the several successful event organisers, which in turn, outline the concept of semi-structured interviews. For the purpose of this research, semi structured

interviews were conducted. Compared to formal interviews, such as interviews with limited questions, semi structured interviews are flexible and allow researchers to add and alternate questions within a pre-prepared framework. Lindlof & Taylor (2002) advise the "grouping of topics and questions that the interviewer can ask in different ways for different participants" (p. 195). This framework has been employed for the interviews by this research, as well as the data that has been retrieved by observation through participation. Due to the lack of respondents to the interviews, the research was limited in discovering the reasons for success according to the organisations, the reason for this lack of respondents was the confidentiality agreement these organisations signed. This agreement has been created to disable the ability to discuss valuable information.

## SQ4. Which characteristics of the organisations are successful? (Internal analysis)

To devise an answer to this sub question, it was absolutely necessary that these three organisations and their internal structures had been researched and examined. This was of extreme importance, because it assisted in concluding what made these certain organisations successful in the aspects that defined their success, their strengths and weaknesses. The information regarding these organisations was gathered by doing quantitative desk research combined with intensive field research, as well as based on the experience I gathered by participating and working at multiple events (Participating Observation). This sub question constructed the first part of the SWOT- analysis.

#### SQ5. What external elements are of great influence on their success? (External analysis)

The answer to the following sub question was devised by doing desk and field research. The desk research that was conducted reviewed multiple cases that experienced external elements as an influence on whether the event was successful or a failure, monetary wise. Field research, based on the experience I gained during my work in the music industry the past several years has also attributed to the formation of the answer to this sub question. This external analysis constructed the second part of the SWOT-analysis, the so called "opportunities" and "threats".

## SQ6. What are successful strategies?

The importance of this research question lies with analysing which strategies are prone to result in success for organisations. The information that concluded this research question was deducted through a combination of extensive desk and field research, such as interviews.

# <u>SQ7. What elements at an event are of importance for the attending crowd ?</u> (Questionnaire)

Determining what makes an organisation successful is evaluating the customers that attend these events, and assess what they feel are the pros and cons of the organisation. The information for this sub question is gathered by doing qualitative research; as a result, a questionnaire has been constructed. The date retrieved has been processed in Excel and transformed into finalising the answer to the sub question.

## Chapter 1. Industry Analysis

#### **1.1 What is Electronic Dance Music?**

Electronic dance music industry, EDM has started to become one of the most popular industries within the music field. The most popular style within the music industry is Hip-Hop, but the past several years have shown that mainstream pop and hip-hop artists have begun to approach EDM producers for creating and mixing tracks. "International stars, such as Will.I.Am, Lady Gaga, and Britney Spears recently dropped tracks produced by EDM personalities, establishing the fact of what was once thought of as mere computer noises, is now the future of the overall music business." (Mr,Rager, 2014)

In regards to EDM, this genre has only recently stepped into the spotlight of the music industry. EDM began as an underground movement in Chicago during the 1980's. Presently, it is much more challenging to find a rock or a hip-hop festival than to find a festival whose theme is strictly electronic dance music. EDM went from an underground scene to the spotlight of mainstream success. Each weekend, one can find multiple EDM festivals and indoor events. "Gone are the days of subjecting dance music fans to warehouse raves and underground subway parties. DJs are the new rock stars. US electronic dance music festivals like Ultra in Miami and Electric Zoo in New York bring hundreds of thousands of fans together from all over the world for enormous multi-day parties." (Mr. Rager, 2014)

The EDM industry is a 15 billion to 20 billion multi-national industry. (The Frontliner, 2013) In the past 10 years, the dance scene in the Netherlands has had a profound impact on this development concerning the rise of EDM, according to a report that was posted by Amsterdam Dance Event (ADE). The dance scene has also produced the term "danceonomics", the term, coined by the economic significance that EDM has achieved for the Netherlands.

According to the previously mentioned report by ADE, in 2002, when the first research was being conducted to estimate the value of the Dutch EDM industry, it was projected to be worth 488 million Euros. In 2011 the number rose dramatically to an astounding 587 million Euros. This exhibit shows a significant difference and growth between the years of the EDM industry in the Netherlands. The growth in the industry, where it has become quite significant, resides in the large scale festivals and events. During 2012, they generated 137,4 Million Euros, a growth of approximately 68% in comparison to 2002. Internationally, the Netherland's dance industry has also achieved monetary success.

Dutch artists and producers, who performed and participated in foreign countries during 2012, easily generated 53 Million Euros. (Evar Advisory Service, 2012)

## Direct financial profit 2002-2012

| C millions  |       |       |          |
|---|-------|-------|----------|
| Activity  | 2002  | 2012  | % change |
| EDM festivals & events in the Netherlands (>3.000 visitors)           | 81,9  | 137,4 | 67,8%    |
| EDM festivals & events in foreign markets (>3.000 visitors)           | -     | 35,0  | -        |
| Tourism related to EDM festivals & events (inbound/outbound)          | -     | 9,6   | -        |
| Clubs/music venues/auditoria/EDM festivals & events (<3.000 visitors) | 220,5 | 147,6 | -33,1%   |
| DJs/VJs/producers/agencies in the Netherlands                         | 146,9 | 191,8 | 30,6%    |
| Dutch DJs/producers in foreign markets                                | -     | 53,3  | -        |
| Recorded music sales  | 38,9  | 12,2  | -68,6%   |
|   |       |       |          |
| Total   | 488,2 | 586,9 | 20,2%    |

Sources: KPMG (2002) and EVAR accounting model (2012).

Chart 1

## **1.2 Different styles of music within EDM**

Electronic dance music consists of many different genres, which in fact, have sub-genres of their own. Since there are many genres and sub-genres of EDM, the research that is being conducted will only focus on a few of the popular genres of EDM in the Netherlands. In the figure below, the amount of genre's and sub-genres has been visualised.

**House** is a popular genre, arguably one of the most popular in the EDM industry that, together with Techno, became the most dominant genre in electronic dance music at the end of the 80's. The sound was born in Chicago during the early 1980's, and is a direct descendant of disco and is characterized by repetitive 4/4 beats and uplifting baselines. The genre has many known influences, from disco, soul, hip-hop, jazz, latin, and freestyle. House music also has many subgenres and sub scenes, resulting in a constant flow of support since the 1980s. House from Chicago, techno from Detroit, and garage from New York are the predecessors of the many genres of electronic dance music that have been produced so far over the span of 30 years. Notable pioneers, regarded as the two men that paved the way for the EDM scene are Todd Terry and the late Frankie Knuckels. (Dimple Negi, 2014)

**Hardstyle** originates from the Netherlands and is a very popular genre in the Netherlands. Hardstyle is an electronic dance music genre with a tempo of 140-150 BPM. It has influences of both hardcore and hard trance music. Following the mainstream hardstyle sound, several subgenres have developed over the years, including rawstyle and dubstyle. The aggressive sound of the first years are now often referred to as early

#### hardstyle.(Q-dance, 2014)

There are many hardstyle events in the Netherlands, such as Defgon, Dominator, and Qdance, which is respectively hosting a stage at Tomorrowland. Tomorrowland is regarded as one of the biggest and most successful EDM festival in the world.

**Deephouse** is a very popular genre in the present EDM industry. Deephouse originates from the genre House. Deephouse is a subgenre of house music that originated in the 1980s, initially fusing elements of Chicago house with 1980's jazz-funk and light touches of soul blues. The length of deephouse tracks are usually around 7 to 10 minutes. The tempo is usually around 126 BPM. Deephouse is known for its acoustic touch and relaxed feeling in the EDM scene. The creation of deephouse was largely pioneered by Chicago producers, such as Marshall Jefferson (On The House) and Larry Heard (Mr. Fingers). (Wikipedia, 2014)

Techno, an extremely popular genre in the Netherlands, has gained a multitude of followers and is played at almost every EDM festival in the Netherlands, events such as Into the Woods, Welcome to the Future, Loveland, Awakenings, etc. The Awakenings festival focuses on the programming and mixing of widely acclaimed techno artists such as Adam Beyer, Marco Corola, Dave Clarke, Marcel Dettman, Loco Dice, Joris Voorn, etc. The Awakenings' website proudly states "The Techno organisation of Holland." (Awakenings.nl, 2014) Techno is an electronic music style that was created in the 1970's. Although it had an early start in the EDM scene, the genre didn't really develop until the 1980's in Detroit and Frankfurt. "Techno music relies on an active audience and a highly energetic style of dancing, and has gotten a reputation, whether unfairly or not, for being a harbinger of ecstasy and amphetamines, and encouraging raves and all-night parties."(Wisegeek.com, 2014)

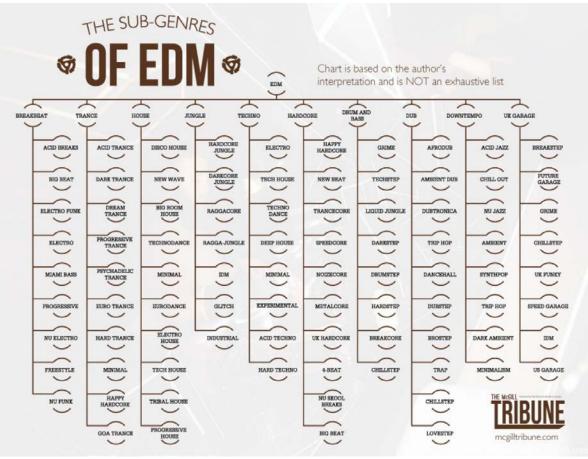


Figure 1 (The sub-genres of EDM, 2013)

## 1.3 Development of the EDM industry throughout the years

During the time period from 2002 until 2012, the EDM industry was heavily influenced by international culture and social change, as a result from the musical innovation. (EVAR Advisory Services, 2012, p.6)

The rise and growth of technological advances has made downloading and the communication concerning EDM and events much more accessible. The EDM industry has started to become dominated by small corporations of varying degrees and one-man businesses. A perfect example of this would be the rise of prominent DJ's, producers, and event organisations all gaining notoriety and producing a rising amount of profit. The number of EDM events also continues to substantially grow, (Mysteryland, Dance Valley) the Amsterdam club scene has been completely revamped and is a magnet for dance fans. (EVAR Advisory Services, 2012, p.9) The report on the economic significance of EDM for the Netherlands gives an outline on the direct financial gains of the dance industry in the Netherlands. In this case, the direct financial expenses are made by the customers, which help maintain the cost of organising the events.

According to the report by EVAR Advisory Services, the number of EDM events has grown in a substantial number; resulting in a significant financial change. In 2011, EDM

generated 137,4 million Euros; this is a 67.8 % increase in comparison to 2002. The number of CD's and records sold in stores has also significantly decreased since the rise of pirating music online, nevertheless, the number of tracks sold online is still rising and progressively shows that 12,2 million Euros is still made by selling music. (68,6% less than 2002) (EVAR Advisory Services, 2012, p.14)

The role of the disc jockey, or DJ for short, has also changed quite a bit. Presently, the DJ not only plays the music during a set or a show, but also produces his/her music individually, which in turn, resulted in DJ's making a substaintial amount of profit before the rise and popularity of pirating music via the internet. This resulted in DJ's asking in a higher pay for their preformences, since it is their main source of income. The total amount of money spent on DJ's, VJ's, management, and producers is rougly 245,1

million Euros in the Netherlands, which is 30,6% more than 2002. (EVAR Advisory Services, 2012, p.14) Figure 2 shows just how prominent Dutch DJ's are in the DJ's Mag's Top 100.

| Dutch DJs on DJ Mag's | Top 100 DJ list, 2011 |
|-----------------------|-----------------------|
| 2 - Armin van Buuren  | 20 - Laidback Luke    |
| 3 - Tiësto            | 24 - Hardwell         |
| 7 - Afrojack          | 32 - Chuckie          |
| 14 - Fedde Le Grand   | 59 - Richard Durand   |
| 16 - Sander van Doorn | 92 - Sidney Samson    |
| 17 - Headhunterz      | 95 - Marcel Woods     |
| 18 - Ferry Corsten    | 99 - Leon Bolier      |

Figure 2.

The successful exploitation of clubs and disco's has decreased the past several years, clubs have less visitors and the visitors also spend less. In total this business was generating 147,6 million euro in 2011, which is 33,1% less than 2002.

Not only does the dance industry have direct effects, but also the so called "Spin off"effects. Television and radiostations that put their interest in EDM are really attractive for advertisement, well organised transport for visitors and resources are a very important condition for a succesfull event, EDM events have a great influence on the usage of the newest telecommunication, during the events smartphones are used a lot to communicate with eachother and to share experiences on social media, another spin off effect is that the EDM scene is a important trend setter in fashion and it is easily adapting to new fashion developments. Events with dresscodes often cause this, since the visitors of these events often buy outfits or accessories for these events. Finally, the dance scene provides a lot of jobs. In total in 2011 the dance scene provides the Netherlands with 7000 fulltime jobs. ((EVAR Advisory Services, 2012, p.16)

## Chapter 2. Characteristics of successful organisations

## 2.1 Defining success

The first step of finding the answer to this sub question is evaluating the definition of success. Success is being able to reach your target group and gain a notable base of customers that will generate a profit for you. Without a loyal base of customers, the event will not sell and in turn, will not generate enough profit. This is achieved by the notion of positioning, but first, what is positioning?

"Positioning is the strategy of determining, through intuition, research, and evaluation, those areas of consumer that your event can fulfil. What types of events is the competition offering? Who is attending, and who is not? In other words: What niche are we trying to fill? What makes us different and how can we seize upon our unique qualities to market our events? And what markets will be receptive to our event concept? The event marketing executive who can answer these questions has the greatest opportunity of fulfilling expectations". (Leonard H. Hoyle, 2002, p.19)

Positioning is one of the five elements of event marketing; the other four elements are products, price, place and public relation. When organising an event, these certain marketing elements are of high importance to successfully reach your target group.

In pertaining to the research, three organisations have been analyzed and discussed, in order to find out which characteristics of these organisations make them successful. An internal analysis has been constructed and the result will conclude on how these certain organisations position themselves respectively for success.

There are some key considerations when positioning an organisation/event.

## Location

Issues of location always need to be constantly revaluated, due to the fact that the market can change quite rapidly. Selecting a certain location might result in attracting a certain crowd. For example, organising an event in a ballroom or expensive venue could possibly result in attracting a wealthier crowd, in contrast to organising an event in an underground basement, which would most likely attract a crowd of substantial less wealth. (Leonard H. Hoyle, 2002, p.19)

## Attention Span

When organising an event, it is important to keep in mind that with the current technology and social media, people are receiving numerous amounts of information every day. Too much information can produce the result of people forgetting most of the information they received. "People forget quickly. Studies have shown that people are bombarded with some 2700 messages daily. In the midst of all that information, establishing the position of an event is a daunting task. Marketing material must constantly emphasize the needs the event will satisfy and the benefits it will provide, because potential attendees will likely be thinking about a thousand other things." (Leonard H. Hoyle, 2002, p.19)

### **Competitive costs**

"When positioning an event, a prime consideration is the cost of admission. What level of registration fee is the competition charging? What level of success are they experiencing? Positioning strategies must consider the economic level and flexibility of the audience being sought, and meet that expectation. Some organisations hold events where admission is free (because of limited resources of the attendees) and the costs are covered by exhibitors, sponsors and supporters. Others may set the cost of participating exceedingly high in order to attract only the market niche represented by big spenders and industry leaders. There is not one definitive answer, other than that registration/participation fee issues are a significant part of correctly positioning the event and an important part in the marketing plan." (Leonard H. Hoyle, 2002, p.19) Setting the competitive costs determines which individuals you want to attract to your event, as stated above by Leonard H. Hoyle, therefore it is important to keep in mind which target group you want your event to be associated with, before determining your entry fee and pricing for other services, such as food and beverages.

## Program

According to Leonard H. Hoyle, how to successfully promote events, festival, conventions and expositions, would be to offer an event program that no one else has offered and market the uniqueness of the program which could result in the opportunity to honour an industry or community leader. "Uniqueness in programming is essential to marketing success; "sameness" is lethal in the long run". Sameness in the long run is lethal, because when you have attracted your target group, it is important to maintain them, which can be achieved by offering the same kind of event. To explore the future of the target group or industry an "Open forum" discussion can be opened, to find out what the target group finds an interesting programming. (Leonard H. Hoyle, 2002, p.19)

### 2.2 The positioning of successful organisations

The organisations selected are chosen by size, ranking from small, medium, and large. I can personally attest to this due to the fact that I worked with and for these organisations. This is of utmost importance for the research that is being conducted because it created observation through participation.

| Small sized (1000-2000 visitors)  | Kraft Festival (het Klassiek) |
|-----------------------------------|-------------------------------|
| Medium sized (5000-6000 visitors) | Into the Woods festival       |
| Large sized (20.000 visitors)     | Loveland festival             |

## 2.2.1The positioning of Kraft

#### Location

The location of Kraft suits its current positioning. Kraft is a relatively young event, which will launch its second festival edition on the 2nd of August, 2014. It is located in Amersfoort, with close proximity to the central station. Amersfoort is where the organisers of the event were born and raised, which is a positive aspect and a key to the success of their organization. They can create a loyal fan base through the individuals they know, which in turn will spread to a larger proportion. In this case, the positioning for the first edition was mainly to attract locals, people who are familiar with the organisers and who live in Amersfoort. Regarding the second year, they have shifted away from the original concept, but the location has not changed. The organisation has now positioned itself in the market of music industry with hopes of gaining a fan base and attracting individuals from other areas.

#### **Attention Span**

Since Kraft is a relatively new organisation it is very important to keep their visitors and potential visitors interested and up to date on current affairs. Like many other organisations, Facebook and other forms of social media have become their main source for online marketing. They have created an event page on Facebook where multiple messages are posted concerning future events, the weather forecast, and ticket sale. Het Klassiek, the organisation behind Kraft, organised a New Years Eve edition festival. After the event, they held a "like and share" auction where a certain price could be won. This is

a creative and intellectual marketing tool used in order to keep the fan base loyal and attract future potential customers.

### **Competitive costs**

The first edition of Kraft Festival was 17,50 euros. For the second year's edition, the early birds are 19,50 euros and normal tickets are 24,50 euros. The price has recently been raised in order to maintain event and production costs, as well as investing in better programming and decoration for the festival. The goal of the current entry fee is to maintain a fan base, while prospecting for new customers. Kraft Festival is being held on the 2nd of August, which is at the same date as Dekmantel Festival. Dekmantel Festival is managed by a well known organisation in Amsterdam. The festival is held on the weekend, from Friday until Sunday. The ticket for the pass to the entire weekend is 105 euros, and for a single day 42 euros. The difference between the entry fee of Kraft and Dekmantel is quite substantial and will proceed to attract different types of individuals. Kraft is using the competitive costs as a marketing tool by attracting potential visitors who are not willing to spend over 40 euros on a ticket. Kraft is also maintaining their group of fans and followers by keeping the entry fee relatively low with a slight price increase, in comparison to last year.

## Program

This year's programming for Kraft Festival consists of a few acclaimed headliners supported by local Dutch talent.

The programming of Kraft Festival has been formed with selected care and knowledge. The headliners such as Oliver Huntemann (DE), VAAL (UK), and Makam and Cinnaman will attract many lovers of EDM. Kraft Festival focuses on the uniqueness of the event, such as having many different DJ's from different areas but will also encourage the more well known DJ's with a higher set of skills to come back each year. The idea behind this is that since the last Kraft Festival was quite a success, bringing back the more famous DJ's will produce that success again and possibly more. Acquiring DJ's like Oliver Huntemann and VAAL, two artists that are quite unique in the way that they perform, will attract a larger and more diverse group of individuals.

## 2.2.2 Positioning Into the Woods

#### Location

As the name "Into the Woods" implies, the festival is organised and takes place in a forested area in Amersfoort. The location is part of the uniqueness of the festival;

therefore, the location is one of their major marketing and positioning tools. Due to the location and the name. Into the Woods has positioned itself as a very unique and intimate festival known for the distinctive crowd it draws. The combination of being in the woods and the EDM vibrating all around you produces an intimate and bonding experience that is shared by every individual at the festival. The uniqueness of Into the Woods has created a reputation that holds a very strong position in the market concerning the festivals in the Netherlands.(Mariska Gunsing, 2012)

### Attention Span

Although Into the Woods has already strongly positioned itself in the festival market, it is still of high importance to keep their visitors interested and up to date concerning the organisation and the festival.

This is of extreme importance because presently there are many festivals that are being organised for the summer, which gives certain target group's many choices to choose from. This creates a competitive following.

The organisers of Into the Woods use several different tactics to keep the attention focused on their events. On social media sites such as Facebook and intothewoodsfestival.nl they keep their target group interested concerning the organisation and its developments by posting the "after movie" of last year's festival on their website and social media, this also encourages prospective new customers.

#### **Competitive costs**

Into the Woods has changed the price of the event in accordance with the popularity and continued growth of the festival. During the first edition of Into the Woods, the tickets for pre-sale were 15 euros and at the entrance, 20 euros. This year, the festival has expanded its dates to Friday and Saturday, with a ticket price for the whole weekend for 62 euros. For a Friday ticket the entry fee is 29,50 euros, and on Saturday 34,50 euros, a considerable difference from the first year of the festival. Presently, with the current popularity of the festival, it is not well advised that one wait for tickets at the door. Last year the festival was sold out within a mere 2 hours of tickets being posted. With the current ticket price, Into the woods can now invest a lot more in their program and other future activities. Due to the success of Into the woods, the organisers have created a market niche and are currently contending with other organisations by setting a competitive price for the public.

## Program

The programming of Into the Woods has always been focussed on being innovative and creative. "Into the woods always tries to be innovative in the booking of artists, not only do we strive for originality and innovation but also diversity. At Into the Woods you can find multiple stages, with different styles." (Retrieved from interview with Tim Hogenboom, Into the Woods)

After researching the line-up from Into the Woods 2010, one can conclude that the multiple artists they invited to the festival are now very popular and widely respected, such as Max Cooper, Secret Cinema and Oliver Weiter.

## 2.2.3 Positioning Loveland festival

## Location

Loveland festival is about to launch its 9<sup>th</sup> festival edition in Amsterdam Sloterpark, a beautiful location in Amsterdam. Loveland festival attracts people from not only all over the Netherlands but from respective countries in the international community. The location of Loveland suits its current positioning, Loveland has been coined as a luxurious festival. "Loveland is meant as a intimate, luxurious and qualitative, festival" (Marianne Bal, 2014) When Loveland was created, the festival mainly attracted people who lived in Amsterdam, therefore suiting the location of its positioning. The location is quite important regarding geography; it is able to allow 20.000 visitors into the festival.

## Attention Span

Loveland was created more than 16 years ago and has positioned itself strongly in the event industry. Nevertheless, the organisation finds it of utmost importance to keep their visitors up to date about any developments regarding the event. For example, they recently revealed the entire line up for the festival, as well as announcing Adam Beyer as the headliner for the event

## Competitive costs

Loveland Festival, by using the market as a tool, attracts various individuals willing to spend large amounts of money during the event. This is one of Loveland's innovative positioning strategies. The entry fee for this year's festival for a regular ticket is 49 euros. Not only is the entry fee used to attract the people who are willing to spend large amounts of cash during the event, but at Loveland festival you can buy oysters and champagne, which is strangely unique for an EDM festival. Selling such unique, luxurious items

creates a certain high-class image, which functions exactly how it is suppose to; attracting "big spenders" in the market.

## Program

Music has always been the centred point of Loveland. "Loveland festival was created because of the love for music" (DJMag, 2013) Marnix Bal, organiser and founder of Loveland festival, who is also in charge of artists bookings, has added multiple new faces to the line up of the festival. Normally, Loveland Festival always keeps an original feel to the program, in order to maintain the loyal customers who come to Loveland to see certain DJ's that play at the event every year. Surprisingly, this year's program is more focused on the innovation to create a new, but widely loved line-up. The main headliners of the festival this year are Adam Beyer, Maceo Plex, Solomun, Dubfire, Sasha, Guy Gerber, and Extrawelt. The Netherlands is also well represented with popular artists such as Joris Voorn, Secret Cinema, and Egbert. (Guestzone, 2014)

#### 2.3 Internal elements of the organisations

The strengths and weaknesses of the three organisations pertain to the data collected during this part of the research, which is focused on desk research and experience gained by working with/for these organisations. After attempting to do multiple interviews with the event organisers, it became clear that the organisations did not want to discuss the tools and valuable information they used in regards to their EDM festivals. This has resulted in the main source of information being acquired by participating observation.

<u>Strengths:</u> The factors or characteristics of the organisation that can serve as the basis for achieving one's goal.

Weaknesses: Factors that realistically limit the extent or speed of accomplishing one's goal.

#### 2.3.1 Kraft Festival

Strengths of Kraft:

Small organisation, Kraft is organised by "het Klassiek", which is an event organisation that currently has two owners. This is strength of the organisation, because there is a low level of bureaucracy, which means the owners can make quick and cooperative decisions. The organisation works with two owners and multiple interns, het Klassiek has a dynamic and well functioning structure.

Volunteer participation, The first edition of Kraft Festival was mainly advertised by a group of volunteers. These volunteers were friends from the organisers, which contributed to the "community like" atmosphere at the festival.

Expertise, Kraft, as stated before, is owned by two men, Nik Schneijderberg and Tim Hogenboom. They both have years of experience regarding organising and working at an event.

Program, The program of Kraft festival is focussed on being innovative. Booking a few headliners supported by upcoming talent is what the organisation aims to do. The program is a strength because of the location of Kraft Festival, the artists that were previously displayed, and the ones that will be displayed in the future Kraft Festivals are rarely seen in Amersfoort.

#### Weaknesses of Kraft:

Financial resources, Since this is a relatively young organisation, their financial resources are limited. This is a weakness for the event staff because it threatens the existence of

the organisation, due to external elements such as the weather and ticket sales. The ticket sales and number of visitors determines whether or not the festival will be profitable adventure, or otherwise a failure that can mount into unexpected debt. Financial resourcing also play a part in the weaknesses of Kraft

#### 2.3.2 Into the Woods festival

Strengths of Into the Woods:

Concept, Into the Woods has a very unique, relaxed, and original concept which coincides perfectly with the location of the festival.

Creativity, Into the Woods festival is a very creative organisation aiming at all individuals from all walks of life. During the festival, people are blown away by the decorations and the music. Many creative artists come together at the festival to build amazing structures and turn the forest into a fairytale for all visitors. (Mariska Gunsing, 2012)

Volunteer participation, The organisation uses many volunteers to help create the atmosphere and decorations of the festival. Afterword, they are called on again to help disassemble the event. This results in a very fluid and relaxed atmosphere during the festival, due to the fact that many people attending the festivals are the ones that helped organise and create it.

Expertise, The organisation consists of five owners who are all qualified in experience to organise an event such as Into the Woods.

Weaknesses of Into the Woods:

Organisational structure, Since the organisation consists of five owners, it requires plenty of time and brainstorming to make a decision. Having five people in charge can lead to confusion for the people working for the organisation, whether these are paid employees or volunteers. Based on personal experience in cases of confusion and ineptness, it is more plausible to have one leader to address matters to.

## Financial resources,

## 2.3.3 Loveland Festival

Strengths of Loveland:

Clear organisational structure, Loveland has one defined leader, "Marnix Bal" who also is the founder of the organisation.

Experienced organisation, The organisation has been in existence for more than 16 years and is widely regarded as one of the leading pioneers for the dance scene in the Netherlands. This is also profitable for the organisation because if used correctly, a famed background can lead to an advantage in the market of EDM

<u>Financial resources</u>, Throughout the years the organisation has created a strong financial capital. Their target group, the market niche, or the "big spenders" have resulted in a very profitable event over the past few years.

<u>Good facilities</u>, Loveland is known as a luxurious festival with exceptionally good facilities, such as an oyster bar and the possibility of buying champagne at the bar, something quite unusual for an EDM festival.

Weaknesses of Loveland:

<u>Size</u>, According to Marnix Bal, in his interview with NOS, he stated "About 20.000 people visit our festival, however in the last few years the number of visitors is decreasing."This means that with rise and growth of small festivals, the size of Loveland could become its downfall. (NOS.nl, 2011)

#### 2.4 External elements

The opportunities and threats for organisations

#### 2.4.1 Opportunities

Since EDM festivals and events are so popular many individuals are willing to work voluntarily for the organisations, especially at smaller and less notable events. According to Vreeke & van Dalen in 2007, the ratio between paid employees and volunteers was 36% paid and 64% voluntary. At larger events, the ratio is 75% paid and 25% voluntarily and at small sized events, the ratio is 15% paid and 85% voluntarily. Of all the organisations that work with volunteers, almost 75% use volunteer contracts. Even though being a volunteer means not getting paid, almost 50% of the organisations pay their volunteers a small amount of cash an exchange for the work that they did for the organisation. There are also other forms of payment that the individual can receive. (Vreeke & van Dalen, 2008, p. 34)

|                      | Percentage |  |
|----------------------|------------|--|
| Consumpties          | 85%        |  |
| Vrijkaartjes         | 85%        |  |
| Personeelsuitjes     | 81%        |  |
| Vergoeding           | 46%        |  |
| Bieden van cursussen | 63%        |  |
| Geen                 | 5%         |  |

Figure 3 (Vreeke & van Dalen, 2008, p. 34)

This is an advantage due to multiple reasons. For instance, take Into the Woods festival, this festival uses quite a lot of volunteers to assemble and disassemble the festival after the event has finished. In exchange for their work, the volunteers get a ticket to the festival and some consumption coins for food and beverages. Not only is this cheaper than hiring a professional team to work for the organisation, but it also results in contributing to the festival ambiance, or the "festival experience". Understanding the importance of the festival experience for their customers is a great opportunity and way for an organisation to separate itself from other competing organisations.

Another opportunity is understanding the target group and why these individuals attend these events. According to the study of Rippen & Bos (2008) individuals that attend such events seek to achieve four pre conceived values. (Harry van Vliet, 2008, p.60)

- Connecting with others, living and working together, networking, creating relationships, social connections, reunions, company events, are all social events that strive to strengthen social connections and/or create new social connections among the individuals that attend these events. Rippen & Bos terms this as the social-relational experience value.
- 2. Realizing interpretation, such as cultural travels, music festivals and cultural events. An event always has some form of interpretation, whether spiritually or physically. The event itself can be meaningful, such as an excursion, or it can be meaningful because it creates a certain realization for oneself as well as others. This is the experience of understanding individual values
- 3. Using, developing, and maintaining abilities. For example, gaining knowledge on new bands or DJ's at a music festival. This is the value of competency.
- 4. To relax, enjoy, and create a lucid atmosphere at the event, like one would do at parties, family dinners, and holidays. Every event should have an aspect of enjoyment, in the sense of ambiance, excitement, humour and adventure. This

is the true experience valuing enjoyment. (Harry van Vliet, 2012, p.60)

Understanding these four values and living up to them will strengthen your organisation and will contribute to a positive festival experience.

Marketing in a city or a town is an opportunity for the organisers of a festival to get a preconceived notion of where the festival/event will be held and if it will be profitable or not. According to an interview with Karoline Wiegerink, done by Harry van Vliet, found on p.82 of his research, discusses the reasons and aspects that make a festival interesting. "It is interesting to look at the relation between the experience of a festival and the experience of the city. A festival is often determining, or is in connection with, the image of a city. There are successful festivals as well as city marketing, but how far does the connection go between the two?

Understanding this connection is an important opportunity for event organisations to show the benefits of hosting a festival in a city and how it will contribute to the atmosphere and financial gains for both the city and the event. The reason for this is that city's will benefit from cultural events, such as festivals, that aim at creating (inter)national exposure, providing jobs, and presenting the city with nation-wide recognition for its role in the festival. Organising a festival in a city contributes to the carrying capacity and nature of the event. "Each couple made of a city and a festival has found a way to benefit from the large interest for festivals" (European Commission, 2011, p.44)

When discussing the financial gains of reaching out to a target group, one has to remember the growth of technological advances and the effect that it has made on the music industry concerning the internet and social media. Users of Facebook and other social media sites share songs, artist pages', and event notifications among one another. "The prevalence of social media and technology facilitates the popular growth of dance music. It's easy for fans and artists to interact, share files and use different audiovisual platforms; plus, the fear of missing out also makes the masses agreeable to whatever may be trending." (DJ City Blog, 2014) This provides the organisers of the events with an outstanding advantage in regards to social media. They are able to view who is attending their event as well as informing their potential visitors about developments concerning the festival. Social media is a very strong marketing tool for organisers. "Social media often plays a marketing role in organisations, but it can do more than that. Social media can bring in new customers or clients and help you better serve your current customer base." (Melinda Hill Mendoza, 2014)

The role of the internet and social media does not only make it easier to reach out to your target group, but it also gives organisers a better understanding of the behaviour of a certain target audience. "Research organisations publish valuable studies that can help one reach out to their audience and followers. A late 2012 survey by the Pew Research Center, titled The Demographics of Social Media Users – 2012, states that 67% of internet users have a Facebook account and that it is especially appealing to young adults aged 18 to 29." (Jean Folger, 2014)

Implementing a social media strategy is a formidable gain for an event organisation, such as Kraft Festival, Into the Woods, and Loveland Festival who all in fact use Facebook to communicate with their visitors concerning the festival.

#### 2.4.2 Threats

Over-extension of the industry

Presently, there is not an exact calculation on how many events are being organised in the Netherlands; however, festival attendees of the Netherlands have the opportunity to attend five events each week. (NOS.nl, 2011)

The amount of festivals offered is starting to exceed the demand for the events, especially for the larger organisations such as Loveland which can perceive the notion as a threat to their business. (NOS.nl, 2011)

Loveland Festival normally sells 20.000 tickets for their festival each year. In the past, this was not a problem, but presently, and according to Marnix Bal, in his interview with NOS.nl, states that the past years have shown that the amount of tickets being sold is decreasing. (NOS.nl, 2011)

Competition is another threat to the industry, which is a result from the over-extension of the industry. When there are too many events, many of these organisations will focus on competing with one another. This means that these organisations will focus on the price of the festival, instead of the quality. This is called the Red Ocean Strategy. According to Marnix Bal "the booking of artist means war, many organisations reserve artists, so they can't play at any other events, at least not one month before the event and one month after." (Eelco Couvreur, 2008)

The reservations of artists is a result of competition, which is a result of the overextension of the industry

#### 2.5 Successful strategies

### Creating the uniqueness

Purpose of a festival: creating a unique experience for visitors. The concentration of a festival in a specific place during an exact moment is different at every festival and one really has to be there to "really" experience it. "The (festivals) create the sense of unique, one-off experiences, for which it is important to say 'I was there', and which therefore bear their own authenticity." (Giorgi, Sassatelli & Delanty, 2011, p.18) "Much of the appeal of events is that they are never the same, and you have to 'be there' to enjoy the unique experience fully; if you miss it, it's a lost opportunity." (Getz, 2008, p.404)

According to Tim Hogenboom, regarding the Into the Woods festival: "The visitor of Into the Woods really has to experience something they won't experience somewhere else" (P.R. van der Oest, personal interview, 2014)

The festival experience is the "thing" people look for at these events, something unique, something that gives them the feeling that they have escaped reality, to not think of the day to day problems and obligations that plague them. Being able to host such a feeling, such an experience, is a great opportunity for events to position themselves and create uniqueness in society.

## Target group segmentation

"Customer Segmentation is the subdivision of a market into discrete customer groups that share similar characteristics. Customer Segmentation can be a powerful means to identify unmet customer needs." (Bain & Company, 2013)

The importance of customer segmentation for event managers of an organisation lies with discovering the core of the target group. According to an interview with Karoline Wiegerink, who is a part-time lector at the Hague Hotelschool in The Hague, for City hospitality and City marketing states "a festival always deals with a core group, this core has to understand the event, without these so called core ambassadors, people who understand the feeling of such an event, other individuals will not follow."



According to Karoline Wiegerink there are three layers:

- 1. The core group
- 2. Selective visitors (people who look at the line up or location every time before they select an event)
- 3. Impulsive visitors (visitors who impulsively decided to do something that day and decide to go a festival) (Harry van Vliet, 2012, p.82)

Understanding these three layers is beneficial for the event because it determines how and who to attract. To attract the core group you have to create a unique, authentic value that interests them.

## Specialisation

In a market that is being over consumed by the amount of events, it can be very difficult for the target group, or the "partying crowd" to choose an event. Therefore it is very important as an organisation to differentiate from other organisations. This became clear when reading the article about the over consumption of the Dutch market concerning festivals. It is slowly becoming more difficult for the much larger events to sell out. "Organisers of bigger events are having a hard time" (NOS.nl, 2011) Specialisation leads to smaller sized events, with a less broad and complex program, which results in lower cost for programming the event.

## **Blue Ocean Strategy**

The opportunity of the Blue Ocean Strategy lies in shifting the focus points of the organisation. Instead of focusing on competition, the intent should shift to worth-innovation. (Rustenberg, 2008)

Blue ocean strategy is focused on four preparing principles:

- 1. Redefine the markets boundaries, analyse current needs vs. desired needs.
- 2. Don't focus on numbers, focus on the complete picture and the (not) possibilities in the industry.
- 3. Focus on and analyse new potential customers.
- 4. What attracts customers? What are their needs and wants? Which price needs to be set to attract as many possible customers? (Rustenberg, 2008)

As an organisation this could be a very useful strategy to re-evaluate your focus points.

## Chapter 3. Understanding the target group

To find out what the target group wants, qualitative research was conducted, which gave a clear view on what the target group prefers, how they select the events, and how they become familiar with the events in question.

The importance of this research lies in understanding the behaviour of the customers and finding the difference regarding their behaviour. Understanding this differentiation leads to customer segmentation, which can be used as a powerful element to identify unmet customer needs. Organisations that identify unmet segments can then outperform competition by developing unique products and services.

"Customer Segmentation is most effective when a company tailors offerings to segments that are the most profitable and serves them with distinct competitive advantages. This prioritization can help companies develop marketing campaigns and pricing strategies to extract maximum value from both high- and low profit customers. A company can use Customer Segmentation as the principal basis for allocating resources to product development, marketing, service and delivery programs." (Darell K. Rigby, 2013, p.28, Management tools)

## 3.1 Clarification of qualitative research

A survey was constructed and was sent to two groups. The first group consisted mainly of students. The second group consists of friends that I have had since childhood, in which we all share the same passion for the love of music. Some of them are DJ's, others organise events, but in the end, all of them attend festivals for the music and the atmosphere.

The importance of this pre-research segmentation lies with understanding the difference between these two groups and their respective results.

| Group 1 | Q1                         | Q2                       | Q3                                       | Q4                               | Q5                           |
|---------|----------------------------|--------------------------|--|----------------------------------|------------------------------|
|         | Reason for event?          | What kind of event?      | Why this kind of event?                  | How do you choose?               | Favourite event?             |
| 1       | L Whole experience         | Different types of event | s Brings music to its full potential     | Program or friends               | DGTL                         |
| 1       | 2 Being with friends       | Festivals                | Enjoy music with friends                 | Friends, number of visitors      | No idea                      |
|         | Being with friends         | Festivals                | Enjoy music with friends                 | Price, artists, uniqueness       | Awakenings, Time Warp        |
| L       | Escape from reality        | Live bands               | More real then computer controlled music | Program, price and location      | Lowlands                     |
|         | 5 Music                    | Weekend festivals        | Feels like a short holiday               | Program                          | Pinkpop                      |
|         | 5 Escape from reality      | Techno/Disco events      | The music and the location               | Social media or friends          | Buitenwesten, Into the Woods |
|         | 7 Being with friends       | Festivals                | Meeting a lot of people                  | Friends, Facebook, price and pro | ograi Tomorrow Land          |
| 8       | B Happines, music, friends | Deephouse events         | Having a good time with friends          | Friends                          | Fusion                       |
| 9       | Being with friends         | Techno/Disco events      | My friends go there                      | Music                            | Graefenthall                 |
| 10      | ) Being with friends       | Music events             | Fun, meeting people and great party's    | Artists and friends              | No idea                      |

#### 3.1.1 Results section of group one

### **Clarification results; Group one**

To find out what motivates the "partying crowd" to go to a festival, 10 participants answered five questions.

The first question states "what motivates the individuals to go to a festival/event?" For the first group, which consisted of students, stated that the reasons for going to an event are, being with friends, music, and an escape from reality. (Listed in order of importance)

The second question was "what kind of event do they like to visit". The importance of this question lies with discovering which types of events are trending, according to the target group in question. Visible in the chart that is presented, the most popular events for this group are festivals.

The third question was constructed to find out why people go to these events, for group one the most important reason is to enjoy music with friends.

Question four states "How do you choose?" the participants' then select an event which is usually where their friends are attending

The answer to question five shows that the participants don't really share one favoured event, the explanation for this simple; there are just to many festivals to pick from.

## Conclusion

The participants of group one are mostly called the "followers", individuals that go to events where their friends attend. The reason for this group to go to events is essentially having a good time with friends and enjoying the music together. According to the three layers of Karoline Wiegerink, this group is mostly part of layer three, which means this group is called the "Impulsive buyers". (Harry van Vliet, 2012, p.82)

### 3.1.2 Results section of group two

|            |         | Q1                           | Q2                         | Q3                            | Q4                                  | Q5                     |
|------------|---------|------------------------------|----------------------------|-------------------------------|-------------------------------------|------------------------|
|            | Group 2 | Reason for event?            | What kind of event?        | Why this kind of event?       | How do you choose?                  | Favourite event?       |
| Respondent |         | l Friends, music, experience | Festivals                  | Music, good time with friends | Costs, distance and friends         | No favourite           |
|            | 1       | 2 Specific artist, location  | Intimate festivals         | Ambiance, music               | Price, program, promoter, location  | No favourite           |
|            |         | Specific artist, experience  | Club events, festivals     | Big techno fan                | Location, program, artists, friends | Trouw Amsterdam        |
|            | 4       | 4 Have fun                   | Electronic music events    | Music, friends, experience    | Program (Music and Creative)        | Into the Woods & Kraft |
|            | 2       | Relaxation , escape reality  | Festivals, cultural events | Relaxation                    | Price, program, promoter, location  | Into the woods         |
|            | 1       | 5 Music                      | Festivals                  | Music                         | Friends                             | Into the woods         |
|            | 1       | Experience, Music            | Festivals                  | Experience and sun            | Program                             | Lowlands               |
|            | 1       | <sup>8</sup> Music           | Electronic music events    | Music and friends             | Program                             | Into the woods         |
|            |         | Music, friends               | Electronic music events    | Experience                    | Program                             | Into the woods         |
|            | 10      | ) Music                      | Festivals                  | Music and friends             | Program                             | Welcome to the Future  |

## **Clarification results; Group two**

The participants of this group have been selected due to their interest in music and events. This segmentation from the other group is of high importance for the research that is being analyzed because as a marketer you have to use segmentation to determine which group is the market niche. The market niche is defined as the core group that other individuals will follow.

The majority of the participants answered question one with the reason for going to an event is for the music or the artist. It is also important to mention in the results that the group prefers going to EDM festivals. The answer to question three shows why they prefer these events, mostly due to the fact of the music or the festival experience. The participants of this group select an event by mostly looking at the program, but also by price, location, and promotion.

These participants have been selected in this survey because the majority of them live in Amersfoort, where Kraft and Into the Woods are organised. The results show that most of the participants prefer Into the Woods as an event, which clearly represent the impact of the festival on the region/city.

## Conclusion

The participants of group two essentially are part of the first and second layer of Karoline Wiegerink's layer system. They are part of the first layer because they are participating in the core group that attends into the Woods. They are also part of layer two due to the fact that they are also selective on the programming, location and price of events. (Harry van Vliet, 2012, p.82)

## General conclusion of the results

The conditions of the target groups are programs, festival experiences, locations and prices. The participants want an innovative program, since enjoyable music is one of their conditions; they feel they are entitled to be entertained. The festival experience, defined as an escape from reality, occurs when people visit an event with the thought process of wanting to forget about their day to day life and just have an enjoyable and relaxing time with their friends. The location is of importance to the target group because it contributes to the festival experience. Therefore, as an organisation, it is important that your location suits your positioning. The price of the event is also of importance, because the price set, determines which group of people is attracted.

## Chapter 4. Combining the results of the organisations and target group

In this section the results of the organisational analysis is combined with the target group analysis. The importance of this research is evaluating the elements the organisations consider valuable in combination with the conditions at events the target group values. All three organisations focus on their positioning, and are well aware of their position in the festival/event industry.

Kraft, Into the Woods, and Loveland all have selected a location that suits the target group they want to attract, which result in the organisations responding to the needs and desires of their target group.

The three organisations understand the importance of social media. Multiple messages are being posted on Facebook containing the developments of the event. The organisations realize that many visitors attend these events because their friends are going. (Attending the event on Facebook) This role of social media became clear while researching the target group, as many of the participants in the questionnaire go to events where their friends are attending

In the results of the target group analysis, the price of the event also determines whether individuals go to an event. The organisations are well aware of this and attract the target group that they want to attend by setting a certain ticket price. The organisations also determine the price of entry in accordance with the costs and competition.

The three organisations also focus on the their musical program. The musical program is very essential according to the target group. The quality and uniqueness of the music determines for many people whether they buy a ticket for the event.

The festival experience attracts individuals to an event that are looking for a certain type of experience; such as the feeling of escaping reality. All three organisations are well aware of this and host a program that suits the needs and wants of their target group.

### Conclusion

In the conclusion the answers to the research question: "What are the specific conditions for success when organising an electronic music event?" have been listed. When organising an event, certain criteria determine the level of success. There are several reasons for this, but one of the most important reasons, which also caused some problems during this research, is the transparency of the event industry and the organisations located within this industry. Multiple organisations have been approached, regarding the matter, but none of these organisations in question were able to discuss important information. However, this can also be very valuable information regarding the research that is being discussed. The over-extension of the market, as described in the introduction, has caused problems for organisations such as Loveland, ID&T and Dance Valley. This results in organisations having to strive for a certain degree of uniqueness, something that separates their events from others. It is therefore reasonable and logical that successful organisations will not discuss their success factors. What the reader can conclude from this is that to be successful, organisations have to be careful when giving away information that correlates to their business. Since many organisations are copying each other, this could be a serious threat to the uniqueness of your event.

Presently, in the over-extended market, organisations have to strive for uniqueness. To do this, organisations have to focus on their positioning in the social and cultural aspects of EDM. For example, as according to the research in Chapter 2.2, Into the woods has positioned itself by finding a unique location and Loveland focuses on positioning as a more luxurious festival, by selling luxurious items such as oysters. Both these positioning tools attract a certain crowd. How an organisation should position itself is best determined by evaluating the needs of their target group. Determining your location, competitive cost and program are essential for successful positioning, as well as attention span, which is of high importance to become successful, keeping your visitors updated about developments of the event is also key.

Another condition for success is highlighting the value of the event for the city where it will be located. An event causes regional income and also contributes to the cultural development of that area. This became apparent when working at Kraft Festival and Into the Woods Festival. Regional carrying capacity contributes to the atmosphere of the festival as well. Every festival being organised works with volunteers, the organisations research in chapter two Kraft and Into the Woods also work with volunteers that come from the region where the festival is being held. Working with volunteers as a young

organisation can contribute to the level of success in the future, as these volunteers have a direct connection with the event.

According to the results of the target group analysis in chapter three, being innovative is also a key condition for success. Innovation can be achieved by using the four P's, product, price, place and promotion, for example programming artists that are rarely seen at festivals, setting a lower price than the competition and finding a unique location. When organising an event there are so many aspects to keep in mind, therefore it is most valuable to have people in this organisation, with knowledge of different disciplines, such as music, promotion, regulations and audio engineering. **Recommendations** 

Recommendations on how to successfully organise an electronic music event

When organising an electronic music event, there are several aspects to keep in mind. Firstly, know how to position your organisation. Positioning is essential for attracting your target group. This can be achieved by searching for unique, differentiating locations or programming innovative artists. A key element in achieving this is finding the right people, somebody with knowledge of musical trends or someone with knowledge of juridical regulations, which in turn could lead to finding a unique artist or unique location. Another aspect is striving for uniqueness, uniqueness will attract visitors quickly and in large numbers. If they can experience something they have not experienced before, this will be an absolute factor of success. Staying innovative is also part of this uniqueness, when an event always has the same program; there can be no element of surprise. The visitors of the event will more than likely become bored and will leave to attend another festival. Innovation will prevent this from happing. Innovation is achieved by constantly testing your organisation on how to remain innovative.

The use of online and offline promotion, as an example of online promotion, social media such as Facebook can be used. Staying in touch with (potential) visitors, sharing music, posting updates regarding the event, etc. An example of offline promotion is Soenda Festival, the organisation uses recognisable stickers as a guerrilla marketing tool. Be careful with valuable information about your event, otherwise the competition might exploit it for their personal gain. Organisations such as Into the Woods, Kraft and Loveland sign confidentiality agreements, this prevents the disclosure of valuable information.

Work with volunteers, especially as a young organisation. It is strongly encouraged to work with volunteers to gain notoriety as well as a following. Employing volunteers is cheaper and it contributes to the factor of a festival atmosphere. Volunteers contribute to the festival atmosphere since they are directly connected to the event, they contributed to the existence of the event. To give volunteers this feeling of contribution, it is important to value them. For example Into the Woods festival organised a gathering for all the people who have contributed to the festival, employees and volunteers were all invited. This creates a positive group feeling, which will positively influence this year's event. Not only is this smart because it influences the festival's atmosphere, it also results in that the volunteers feel valued and are willing to help the next edition of the event.

When organising an event in a city or region, explain why, in detail, it is beneficial for the city to host such an event. Be sure to mention economical gains. This for example can be done by stating the regional carrying capacity of an event, an event provides people with jobs, attracts tourists and also contributes to the cultural development of the city/region. Showing examples of cities that have benefited from festivals and that events will contribute to the credibility. Not only regions or cities benefit from events, the entire Netherlands profits from it. During 2012 the Dutch Electronic Dance Music industry generated 137.4 million Euros.

# **Appendix 1**

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## Appendix 2.

Interview Tim Hogenboom Into the Woods & Kraft

Into the woods is al maanden van te voren uitverkocht. Heel bijzonder in een markt waar menig festival het zwaar heeft. Wat is het geheim?

Wat maakt een organisatie succesvol? Als je bijvoorbeeld kijkt naar Into the woods, dan kun je spreken van een succesvolle organisatie. Waar komt dit succes vandaan?

Into the Woods staat bekend om het creatieve, de prachtige locatie en een intieme beleving. Wat heeft hiervoor gezorgd en wat zou je hier aan toe willen voegen?

Bij Into the woods werken jullie met veel vrijwilligers, is dit de kracht achter jullie organisatie?

Werken met vrijwilligers is niet de kracht achter onze organisatie. Het is wel een middel om ons merk sterker te maken. Van de bezoekers van Into the Woods bestaat 10% uit vrijwillligers die hebben bijgedragen aan het concept, die mensen dragen allemaal het gedachtengoed van Into the Woods en zijn stuk voor stuk ambassadeurs.

Wat verwacht de doelgroep? Waar spelen jullie op in bij deze doelgroep? Hoe houden jullie de bezoekers tevreden?

De doelgroep verwacht: innovatie.

Hoe onderscheiden jullie je van andere organisaties op een markt die over geconsumeerd is?

De locatie waar Into the Woods plaats vind is vernieuwend. Verder kan ik hier niet over uitweiden.

Hoe positioneren jullie jezelf?

Welke externe elementen zijn van invloed op jullie succes? ( Denk aan locatie, weer, regelgeving etc)

Locatie, relatie met de gemeente, gouden kabouter.

Wat is het belang van media aandacht en hoe maken jullie hier gebruik van?

Voor een startend evenement is dit belangrijk. Echter media kan je lastig sturen, ze moeten je vinden. Bij Into the Woods doen we hier bar weinig aan. De media zoekt ons op en wij faciliteren ze met alle liefde op ons terrein.

Hoe belangrijk is goede marketing?

Zonder goede marketing, geen plekje in een verzadigde markt. In het geval van ITW hebben we maar weinig marketing communicatie nodig. De communicatie die we voeren is echter uniek.

#### Hoe is de Nederlandse Dance scene door de jaren heen verandert?

Dit vind ik een lastige vraag... de afgelopen 3 jaar? Afgelopen 30 jaar?

#### Wat voor tips kan je meegeven aan startende organisaties?

Zorg dat je alleen begint met de organisatie van eigen evenementen als je daar volledig mee verbonden bent, het in hart en nieren wilt uitdragen en absoluut niet geeft om geld.

#### Wat zijn grote valkuilen voor organisaties?

Exclusiviteit contracten van de grote evenementen. Slechte financiële backbone. Een te grote organisatie (max 3 personen). Onkunde van het vak eventmanagement (studie is verreist).

# Appendix 3.

## **Questionnaire Target group**

| Q1                          | Q2                         | Q3                                       | Q4                                  | Q5                           |
|-----------------------------|----------------------------|--|-------------------------------------|------------------------------|
| Reason for event?           | What kind of event?        | Why this kind of event?                  | How do you choose?                  | Favourite event?             |
| Whole experience            | Different types of events  | Brings music to its full potential       | Program or friends                  | DGTL                         |
| Being with friends          | Festivals                  | Enjoy music with friends                 | Friends, number of visitors         | No idea                      |
| Being with friends          | Festivals                  | Enjoy music with friends                 | Price, artists, uniqueness          | Awakenings, Time Warp        |
| Escape from reality         | Live bands                 | More real then computer controlled music | Program, price and location         | Lowlands                     |
| Music                       | Weekend festivals          | Feels like a short holiday               | Program                             | Pinkpop                      |
| Escape from reality         | Techno/Disco events        | The music and the location               | Social media or friends             | Buitenwesten, Into the Woods |
| Being with friends          | Festivals                  | Meeting a lot of people                  | Friends, Facebook, price and progra | r Tomorrow Land              |
| Happines, music, friends    | Deephouse events           | Having a good time with friends          | Friends                             | Fusion                       |
| Being with friends          | Techno/Disco events        | My friends go there                      | Music                               | Graefenthall                 |
| Being with friends          | Music events               | Fun, meeting people and great party's    | Artists and friends                 | No idea                      |
| Q1                          | Q2                         | Q3                                       | Q4                                  | Q5                           |
| Reason for event?           | What kind of event?        | Why this kind of event?                  | How do you choose?                  | Favourite event?             |
| Friends, music, experience  | Festivals                  | Music, good time with friends            | Costs, distance, program and friend | s No favourite               |
| Specific artist, location   | Intimate festivals         | Ambiance, music                          | Price, program, promoter, location  | No favourite                 |
| Specific artist, experience | Club events, festivals     | Big techno fan                           | Location, program, artists, friends | Trouw Amsterdam              |
| Have fun                    | Electronic music events    | Music, friends, experience               | Program (Music and Creative)        | Into the Woods & Kraft       |
| Relaxation , escape reality | Festivals, cultural events | Relaxation                               | Price, program, promoter, location  | Into the woods               |
| Music                       | Festivals                  | Music                                    | Friends                             | Into the woods               |
| Experience, Music           | Festivals                  | Experience and sun                       | Program                             | Lowlands                     |
| Music                       | Electronic music events    | Music and friends                        | Program                             | Into the woods               |
| Music, friends              | Electronic music events    | Experience                               | Program                             | Into the woods               |
| Music                       | Festivals                  | Music and friends                        | Program                             | Welcome to the Future        |