

International Festival and Events Association Certified Festival and Events Executive Program

Curriculum Area: Non-Sponsorship Revenue Programs

Area Purpose

While many areas of professional education deal with sponsorship, the major portion of revenue generated by many event organizations comes from more traditional sources – items such as tickets, food and beverage, and merchandise. This area of instruction is designed to look at such items and other components of non-sponsorship revenue sources.

Area Objectives

1. Provide a working knowledge of the most common industry revenue sources.
2. Examine the need for, and the process of creating, professional cash management and inventory control systems.
3. Highlight the importance of the through study of demographics – knowing one’s audience is often the key to uncovering revenue sources.
4. Generate an understanding for the most common general attributes of a strong revenue program, as well as the most common mistakes.
5. Creating the awareness of revenue opportunities both within and outside of an organization’s current programming.

Key Instruction Elements (must be covered)

A. Basic NS Revenue positives and negative features

Learning Outcomes:

- Understand that festivals “live” in a very narrow time window and that speed and simplicity are important in all revenue generating operations.
- Understand that knowing how a specific revenue area works (i.e. what is involved in selling food at a festival) is important in maximizing potential.
- Understand that reliance on attendance estimates is the most common mistake in projecting revenue.
- Understand that the ability to generate revenue is to a large degree measured by the ability to dedicate the necessary time and resources – there are few instant wealth options.

B. Demographics and NS Revenue

Learning Outcomes

- Understand the basis demographic information one should know about their audience.
- Understand how to look beyond the numbers into spending characteristics of various demographic groups.
- Understand how national and local demographic changes and trends affect event attendance.

- Understand how revenue opportunities present themselves through demographic research.

C. New Revenue Ideas

Learning Outcomes

- Understand the concept fund raising events that are unrelated to an organization's core mission – events that exist only to generate revenue.
- Understand the concept of revenue windows within existing schedules (i.e. pre-event hype periods and non-prime time during events themselves).
- Understand the revenue opportunities that exist through creativity and attention paid to trends and fads.

D. Cash and Inventory Controls

Learning Outcomes

- Understand that the control of cash and/or product is essential for maximizing revenue programs.
- Understand the need for establishing systems based upon the capability of available staff and resources.
- Understand basic models of loss (shrinkage) calculation.
- Understand the role credit and debit cards play in commerce.
- Understand basic cash control systems.
- Understand basic inventory control systems.
- Understand how spotters can be used to effectively monitor operations.

E. Merchandise

Learning Outcomes

- Understand the differences between in-house and licensee sales models.
- Understand basic issues related to merchandise sales, including but not limited to:
 1. Title and presenting sponsorships
 2. Affect of sales staff
 3. Sales item design, selection, and presentation
 4. Budget and cash flow
 5. UBIT
- Understand current issues and trends.

F. Food and Beverage

Learning Outcomes

- Understand key fundamentals related to all food and beverage operations, including but not limited to:
 1. Profitability assessments/demand estimation
 2. Product quality issues
 3. Support elements, serving size, product cost
 4. Weather and sales location issues
 5. Pricing
 6. In-house vs. contractor sales programs

- Understand key issues related to alcohol sales, including but not limited to:
 1. Responsible consumption programs
 2. Relationship of sales to event type and operating hours
 3. Product types and purchasing regulations
 4. Special characteristics of beer, wine, and liquor operations
 5. Legal and insurance requirements
- Understand key issues related to food sales, including but not limited to:
 1. Food as a social experience
 2. Menu, menu variety, and changing habits of consumers
 3. Value, sales location appearance, presentation, and staffing
- Understand basic soft drink items and issues related to their sale.

G. Hospitality
Learning Outcomes

- Understanding the possible hospitality revenue opportunities available according to event type and demographics.
- Understand common hospitality driven revenue programs, including but not limited to:
 1. Membership programs
 2. Private parties/skyboxes
 3. VIP areas

H. Admission Tickets
Learning Outcomes

- Understand key issues related to determining if an event can and/or should be gated, including but not limited to:
 1. Relationship of admission charges to organization mission statement
 2. Accurate estimation of income potential
 3. Consideration of public relations and community relations issues
 4. Perimeter integrity and security
 5. Access control
 6. Pricing
- Understand key issues related to improving gate income, including but not limited to:
 1. Price increases
 2. Advanced ticket sales types
 3. Ticket sales promotions
 4. Using research to pinpoint sales related issues

Secondary Instruction Elements (may be covered as time allows)

- I. Specialty Revenue Items
1. Carnivals/amusements
 2. Arts and craft shows
 3. Commercial exhibits
 4. Parades
 5. *Instructor Specialties*

- J. Cost Control as Added Revenue
1. Standardized bids and contracts
 2. Centralized inventory operations
 3. Administrative audits



International Festivals & Events Association

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