

1 Creating a new event in a time of crisis

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Abstract

In the midst of a global pandemic, with all their events postponed indefinitely, TransRockies Inc. commenced planning on a brand new event. Aaron McConnell, president of the company, faced serious challenges in what can be described as a worst-case scenario. With their entire portfolio of owned and managed events in both Canada and the United States on hold indefinitely, was it really a good time to plan and attempt to deliver a new event? This case describes the planning process, and examines key issues concerning risk taking, financing and decision making within a private, for-profit event production company. The primary objectives for learners are to understand the process, and to be able to critically evaluate the decisions taken in the context of risk management and commercial viability. The case provides an inside look at how a for-profit event producer differs from public-sector and not-for-profit event organisations.

Subjects: Event planning; for-profit events; event portfolios; risk taking

Introduction

Aaron McConnell, President of TransRockies Inc. (<https://www.transrockies.com>) was not willing to close down the business, despite all his scheduled events for 2020, both those owned and managed, having been cancelled due to the Covid pandemic. It was a worst-case scenario, with all revenue streams lost - both participant fees and sponsorships. They were not alone in this disaster, as starting in early 2020 events around the globe were being postponed or cancelled, with no foreseeable relief. Some private event companies would not survive, but Aaron was determined to persevere. With an MBA and many years of successful event production and management experience under his belt, he reasoned there were always options, and that adaptability is the key to survival.

TransRockies Inc. is a private, for-profit event management company that primarily creates and operates its own events, but also manages events for clients.

They are based in Calgary, Alberta, Canada, but operate events in both Canada and the USA. Before the pandemic, TransRockies owned and operated a portfolio of running, mountain-biking and cycling events in western Canada and the USA, under the brand TransRockies Race Series. Pandemic-related regulations imposed at different levels of government by both Canada and the United States resulted in cancelled events, and as participant fees and corporate sponsorship constituted the bulk of income, the very survival of the company and all its owned events was seriously threatened. The overall crisis-management and recovery response of TransRockies has been documented in a published case study (McConnell & Getz, 2021), whereas in this case the focus is on one particular initiative, the creation of a new event during a time of crisis: its planning and design, the decision-making process, funding and marketing.

TransRockies' Event Portfolio

In the words of Aaron McConnell:

“Our portfolio is focussed on mountain biking, trail running and now gravel cycling events. We have seen some success in building similar events in different regions – these new events attract our existing audience to new areas and expand our audience in areas where the new events are operating. The audiences are different between the three disciplines, but the events operate very similarly. There are also demographic and psychographic similarities between the audiences.

As we build our event portfolio we are focussed on multi-day (three- to six-day) events, which have a larger scale than one- or two-day events. Multi-day events are our specialty from an operational perspective, create a more immersive and social experience for participants, and operate at a larger scale, supporting a more extensive infrastructure and staff structure, compared to one- or two-day events. This guides decisions around where to invest and develop events, and where to divest or cease operations.

While we are new to the gravel cycling community, many of our existing customers are moving into gravel cycling. It is also a relatively new and fast-growing segment of cycling so there are many new entrants. That said, we are at a disadvantage compared to some events that have been operating for many years. Operationally, the new event is very similar to events that we have been operating for years, giving us confidence in our ability to deliver an outstanding experience.

Having a portfolio of events that is diversified across a few regions and disciplines gives us some stability as consumer preferences and local/national conditions change. We try to maintain enough operational consistency between our events that we can generate operational efficiencies. One concern that sometimes comes up as we continue to grow is market saturation for a given audience and region – for example having too many trail running events in British Columbia, and whether they would cannibalise each other. Another major concern around growth is the ability to continue to expand our calendar with the existing staff structure, as available dates and the capacity of staff to attend multiple events is limited. Developing events in diverse locations with different seasonality than the Rocky Mountains (such as Moab, Utah) is one way to respond to these challenges.”