

5 Critical Aspects of Portfolio Design

Chapter outline

- The principles of portfolio design;
- The difference between organic and formalised portfolios;
- The diversity of portfolio development approaches taken by different destinations;
- The concepts of meta-event and multiple portfolios;
- The four event portfolio strategies, including symmetrisation, specialisation, multi-constellation, and macro-expansion;
- A holistic model of event portfolio design.

In this chapter, critical aspects of event portfolio planning and design will be examined. First, the principles of portfolio design will be introduced. The disparity between organic and formalised portfolios will be explained. The chapter then will analyse a diversity of portfolio development approaches with recent examples from different destinations. The concepts of meta-event and multiple portfolios will be introduced. After that the chapter will examine four event portfolio strategies, including symmetrisation, specialisation, multi-constellation, and macro-expansion. Several event portfolio design frameworks will be introduced and discussed. Finally, a holistic model of event portfolio design will be presented and the conditions of critical mass will be explained.

Principles of portfolio design

In line with the current tendency to shift focus from single events to portfolios of events, the aspects of portfolio design become increasingly important from both academic and industry perspectives. Richards, Marques and Mein (2014) point out that at the level of event portfolio:

the need arises to design beyond the confines of the event itself, into infrastructure and orgware (organisational structures and process). Events themselves then become structures, which in turn shape social, economic and cultural practises (pp. 208-209).

The planning and design of a portfolio of events contributes to a city experience-scape (O'Dell, 2005) or even results in the development of distinctive event-scapes (Richards et al., 2014), which are places where the consumption of experiences of pleasure, entertainment and sociability occurs. Ziakas (2014) argues that the design of an event portfolio is a primary task for city event planners. This process entails strategic decision-making, portfolio concept development, packaging of events, scheduling the event-related activities, overall portfolio coordination and development of a synergetic value of the portfolio parts. Prior to decision-making regarding which events to consolidate in an event portfolio, it is crucial to audit the entire population of events in a destination (Getz, 2005; Ziakas, 2014). Local and regional, small and medium events in the course of time have the potential to transform into more substantial tourist and investment attractions (Andersson, Getz, & Mykletun, 2013). Hence, the continuous analysis and evaluation of existing local events is a fundamental requirement for the development of a balanced and successful portfolio of events (Getz, 2012). The design of an event portfolio is a dynamic process that:

entails the strategic decision-making on the events to be included..., involves a meticulous account of the exogenous factors that impact on the event portfolio, which event characteristics should be fostered within the portfolio and which leveraging strategies to be employed (Ziakas, 2014, p. 163).

The fundamental principles for effective event portfolio design are the following:

- 1 A common ground** for building community capacity to capitalise on an event portfolio serves to develop an internal logic that facilitates the assembling of events as well as inter-organisational collaboration among different event stakeholders (Ziakas & Costa, 2011a).
- 2 Strategic planning** is required to prevent the innate risks of events' relatedness such as exhausting local resources, hosting monotonously repetitive event elements or exceeding demand for events (Ziakas & Costa, 2011b).
- 3 The Triple Bottom Line** (Hede, 2008; O'Brien & Chalip, 2008) should be at the core of an event portfolio strategy in order to balance the economic and social outcomes of events and facilitate the fair distribution of benefits and the balanced dissemination of economic, social and environmental impacts (Campbell, 1996).

The above principles demand the embeddedness of event portfolios into the environment and structures of their host community. Besides, the nature and qualities of portfolios are based on the particular needs and characteristics of host communities, which can enable the effective deployment of local resources in portfolio strategies. Portfolio embeddedness is multifaceted, integrating contextual, operational and socio-cultural dimensions (Ziakas, 2013). The contextual dimension comprises the local policy setting, economic and market conditions

as well as stakeholder networks, resource capacity and community characteristics that affect portfolio planning and management. The operational dimension determines and regulates portfolio composing strategies, including the selection of events, their frequency, size, and market orientation. Lastly, the socio-cultural dimension encompasses different local viewpoints on events and their symbolic meanings within the local community (Ziakas, 2013).

Organic and formalised portfolios

It is possible to identify two different types of event portfolios, namely, organic and formalised. An organic portfolio does not have an institutional status or a formal portfolio strategy, but still its nature and character exhibit basic portfolio characteristics. A formalised portfolio constitutes planned structures systematically patterned and regulated by an explicit portfolio strategy (Ziakas, 2019).

While the number of host communities and destinations that develop formalised portfolios continues steadily to grow as a result of their direct investment in events, it is also apparent that cities develop organic portfolios. As such, the organic portfolios are fundamental, since they comprise the base upon which formalised portfolios can be developed or alternative forms (re)arranged.

The planning approach can enable top-down centralisation or conversely bottom-up decentralisation in power and decision-making. It appears that the majority of event portfolios up to now, either organic or formalised, employ top-down planning intended to facilitate coordination, stakeholder management and their institutionalisation.

Portfolio focus and development approaches

Event portfolios are shown to have considerably different composition and policy focus. For example, Gainesville in Florida, being a relatively small university town with a passion for sports, and having an inventory of sports facilities, hotel capacity, and a volunteer pool, developed a small-scale sport event tourism portfolio (Gibson, Kaplanidou, & Kang, 2012). This example shows that the creation of small-scale event portfolios are appropriate policy options when they comply with a community's resources and infrastructure.

Another example is the case of the medium-sized city of London, Ontario in Canada, which by creating an organic grouping of sport events with an emphasis on ice sports, attempted to market itself as a hosting sport event destination brand (Clark & Misener, 2015). Gothenburg in Sweden has developed a diverse portfolio of events that encompasses a mix of local, regional, hallmark and mega-events staged all year round in order to maximise tourism demand for events.

On the other hand, Innsbruck in Austria capitalises on a major sport event portfolio without adopting a clearly defined portfolio approach and focusing