

Event Portfolio Management Instructor's Manual

5: Critical Aspects of Portfolio Design

This is the instructor's manual produced to accompany the book *Event Portfolio Management: Theory and Methods for Events and Tourism*, by Vladimir Antchak, Vassilios, Ziakas and Donald Getz, 2019, published by Goodfellow Publishers Ltd.

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Lecture 10

Thinking about portfolio design primarily involves what kind of events would constitute the portfolio and how they can be synergised. Portfolio managers can select events from the destination's whole population of events, considering the different types, their scale and periodicity as well as the markets they serve. Individual event elements need also to be distinguished so that it becomes apparent the extent to which common or disparate elements exist across the portfolio. Both common or disparate elements are important for portfolio programming as they can help establish a sense of continuity or differentiation respectively. Along these lines, portfolio design can be introduced as a creative and continuous exercise of logical selection, adaptation and synchronisation of the array of events and their elements.

Principles of portfolio design

Figure 11 can be used to illustrate the basic principles of portfolio design. As shown, portfolio design entails strategic decision-making on the events to be included. It 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 are to be employed. The central question concerns the composition of the event portfolio. The interplay of exogenous factors, leveraging objectives and the market, logistical as well as tactical decisions, shapes the composition of an event portfolio manifest in event characteristics and marketing decisions. The general rationale for deciding which events should be included in the portfolio is affected by the host community's exogenous factors and leveraging objectives. The exogenous factors that should be taken into account in event portfolio design are local resources, demand, competition and contingency. Events can be used in cross-leveraging strategies as: *core attractions*, *focal celebrations*, and *complementary features*. The strategic decisions which should be made for events in a portfolio are the following:

- ◆ *Reach*. Which target markets, does the host community wish to reach?
- ◆ *Frequency*. How often should events be organised?
- ◆ *Size*. What is the optimal number of events for the portfolio?
- ◆ *Placement*. When should events be scheduled to take place?
- ◆ *Fit*. How do the different events complement each other and how can they be harmonised?

The composition of an event portfolio is shaped by the cultivation of general event characteristics. These include the following:

- ◆ *Formality*. Refers to the extent to which standardized operating procedures, written rules and policies, and official documentation records of events' activities are put in place. To balance the formality of an event portfolio, the opposing values range from amorphous (non-formalised) to standardised (highly formalised) processes.
- ◆ *Replicability*. Refers to propensity to replicate entire events or certain event elements in a portfolio. To balance the replicability of an event portfolio, the opposing values range from mimetic adoption to innovative creation of events and/or elements.

- ◆ *Intentionality*. Refers to the extent to which all the procedures, activities and communicative scope in the portfolio are strategic and intended to achieve certain objectives. To balance the intentionality of an event portfolio, the opposing values range from unintended (non-strategic) to purposive (strategic) procedures and acts.
- ◆ *Polysemy*. Refers to the variety of symbolic meanings that are extracted from an event portfolio. To balance the polysemy of an event portfolio, the opposing values range from organic to artificial meanings.
- ◆ *Connectedness*. Refers to the ways in which events in the portfolio are connected to one another. To balance the connectedness of an event portfolio, the opposing values range from simple to multiplex means of connection.

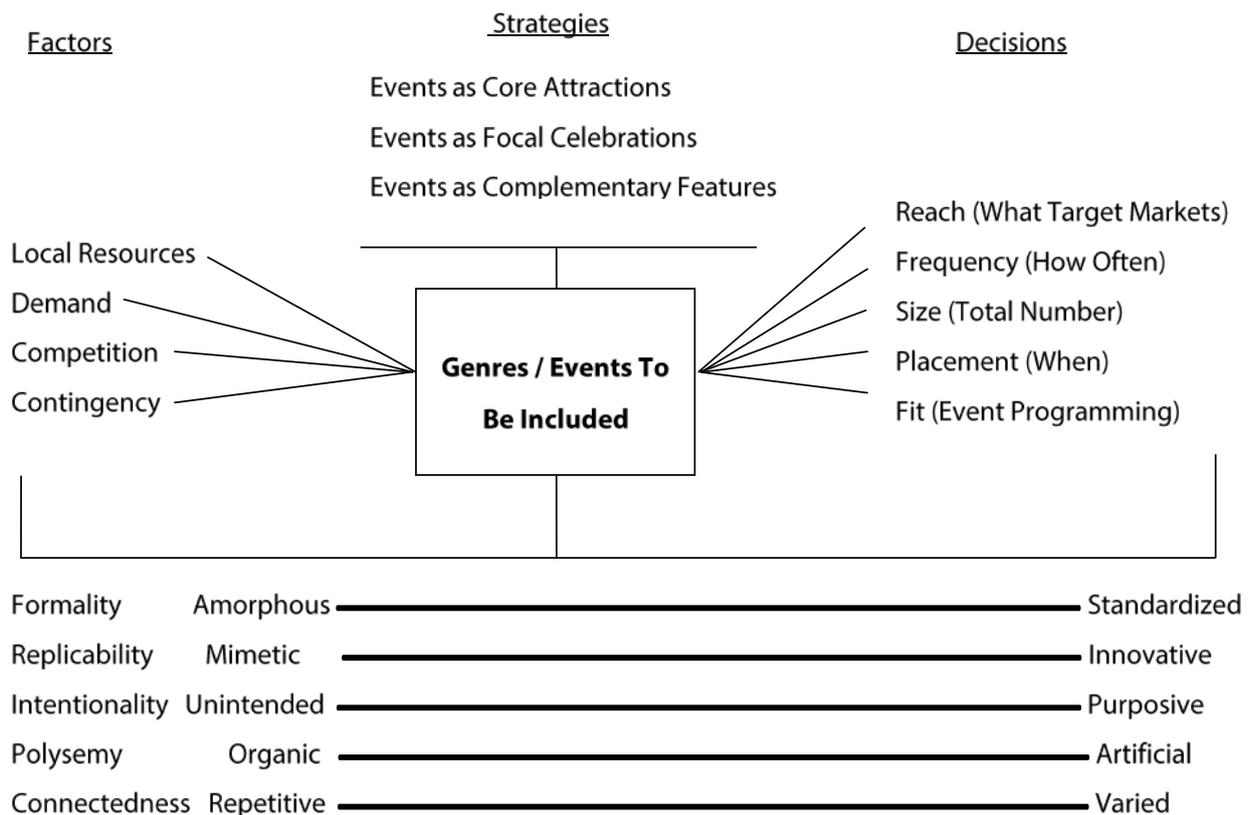


Figure 11: Event portfolio design. Source: Ziakas, V. (2014). *Event Portfolio Planning and Management: A Holistic Approach*. Abingdon: Routledge.

Exercise:

Apply Ziakas' (2014) framework for event portfolio design in a destination of your choice to create a unique portfolio.

Short task:

Select a known event portfolio. Identify the extent to which principles of event portfolio design are applied.

Organic and formalised portfolios

Event portfolios can be deliberately planned, driven by an overarching strategy, or developed organically through coincidental processes. Understanding this distinction is fundamental to appreciating the scale, importance and variety of event portfolios as a phenomenon.

Short task:

Identify three organic and three formalised event portfolios. Compare their composition and major event elements. Which portfolios are more unique and distinctive?

Figure 12 can be used to show the multi-dimensional synergistic dynamics that shape event portfolios, taken from the following article.

Ziakas, V. (2013). A multi-dimensional investigation of a regional event portfolio: Advancing theory and praxis. *Event Management*, 17(1), 27-48.

This model integrates the contextual, operational and socio-cultural grounds of event portfolios. As shown, the core matter in portfolios is to cultivate synergies among otherwise disparate events and create opportunities for cross-leveraging these events for a number of benefits. The potential of a portfolio as a strategic policy tool depends on its capacity to engender and convey multiple meanings and serve multiple purposes. Portfolio managers should select the optimal array of meanings and purposes to address community issues and serve the portfolio's strategic objectives. Also, portfolio managers should find the means to connect events in a portfolio both conceptually and functionally, fostering thus their interrelations, which involves the contextual, operational and socio-cultural grounds (or dimensions) supporting the portfolio.

The conceptual interrelations represent the socio-cultural ground of an event portfolio, encompassing and expressing different local viewpoints through event meanings and symbolisms. Conceptual connectivity of event meanings is enabled by the dialectical expressivity of ontological issues that concern host communities and the symbiotic polymorphism of diverse events that connects different versions of social order, as exemplified by event themes, symbols, narratives and meanings, into an integrative frame. This facilitates the operational ground in terms of assembling and integrating different events.

The functional or instrumental interrelations represent the contextual ground of an event portfolio comprising the policy setting, market/economic conditions, events network, resource capacity and community particularities that affect the development and delivery of the portfolio. Instrumental connectivity of event purposes is enabled by the utilitarian scope of a pressing common sense of purpose that brings together policymakers and event stakeholders and the resource inter-changeability of tapping into an integrated set of resources to use in event portfolio implementations. This facilitates the operational ground in terms of collaboration and resource-sharing among the network of key community actors and event stakeholders.

Within this context, event relatedness is engendered by the multiplicity of event meanings and purposes and the basis of their conceptual as well as instrumental connectivity. Events may complement one another through their thematic focus that reinforces intended meanings, mobilisation of shared volunteer pools that help in the organization

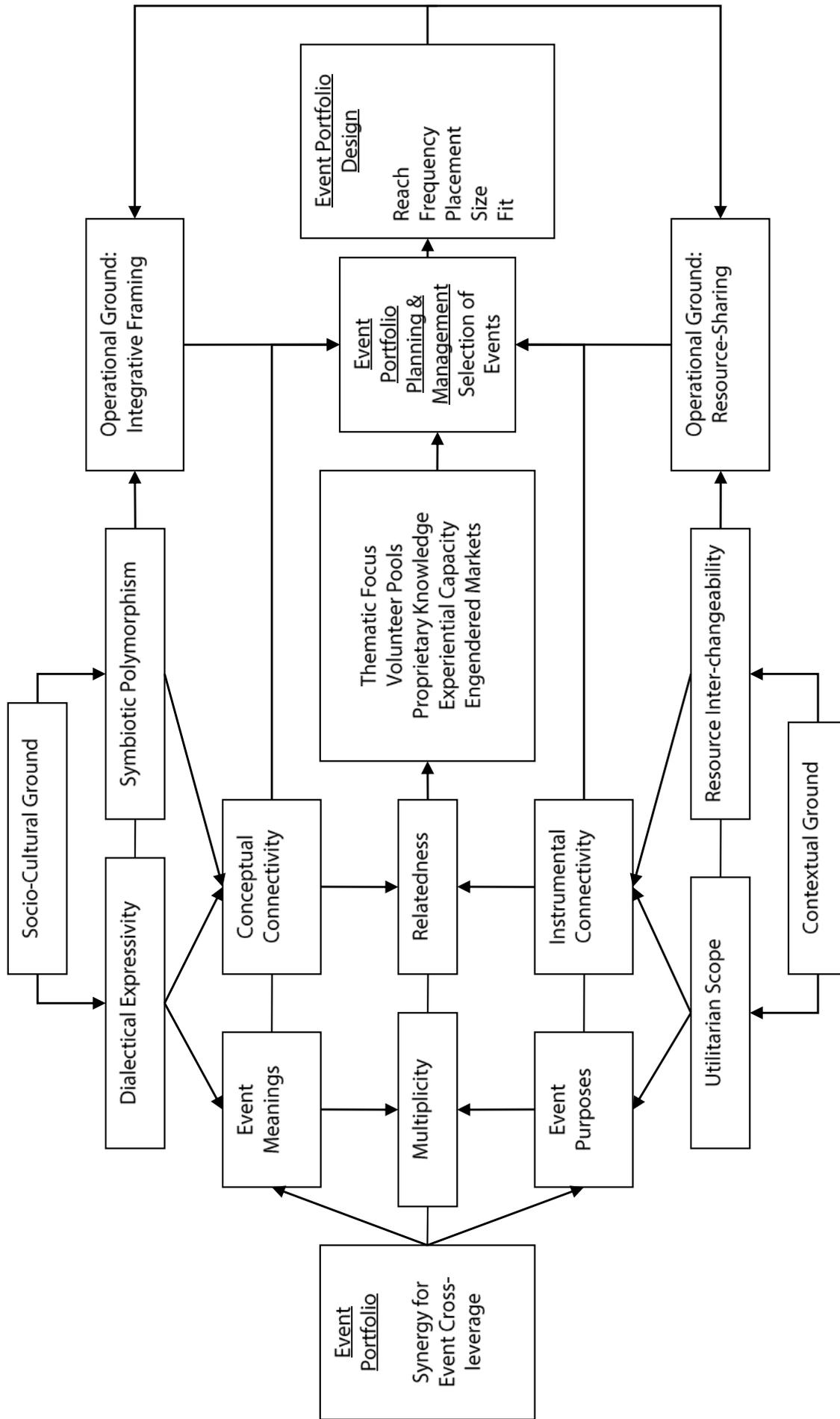


Figure 12: A multi-dimensional model of the synergistic dynamics in an event portfolio. Source: Ziakas, V. (2013).

of events, transfer of tacit/proprietary knowledge and experiential capacity of the host community in event management, and capitalisation on engendering new or accompanying markets. The synergistic mindset in the planning of event portfolios concerns primarily which events should be included in the portfolio and their reach, frequency, timely placement, and fit, as well as the size of the portfolio (number of events).

Exercise:

Select an event portfolio. Explain its synergistic dynamics that enable the development of an overarching portfolio strategy.

Portfolio focus and development approaches

Event portfolios in practice greatly differ across the world and take different forms. Subsequent configurations concern the variety of portfolio design patterns and planning models applied for their development and management. There can be different approaches in the selection of event types, portfolio goals, or planning practices, which result in the development of event portfolios with varied forms, patterns and characteristics. In this context, processes of portfolio design can give different shape, form and character to a given portfolio and make it a versatile policy tool by adapting to local needs and particularities. To this end, the spatiality influencing portfolio development patterns should be considered, such as urban, regional, rural, island or national contexts and assets, as well as host community/destination size. Furthermore, the development of portfolios is substantially influenced by the ownership of events, which may belong to public, private and voluntary organisations or a mix of them.

Figures 13, 14, and 15 can be used to show how a number of binary parameters help us understand portfolio configurations, distinguishing between portfolio structure, programming, and magnitude. The three are from the same source:

Ziakas, V. (2019). Issues, patterns and strategies in the development of event portfolios:

Configuring models, design and policy. *Journal of Policy Research in Tourism, Leisure and Events*, 11(1), 121-158.

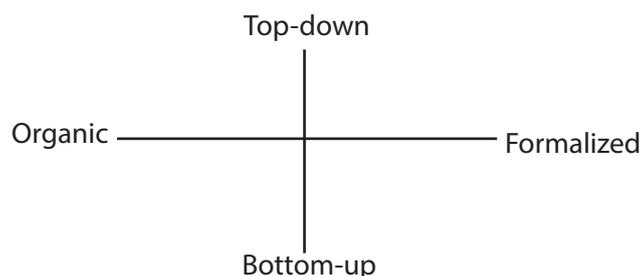


Figure 13: Event portfolio structure.

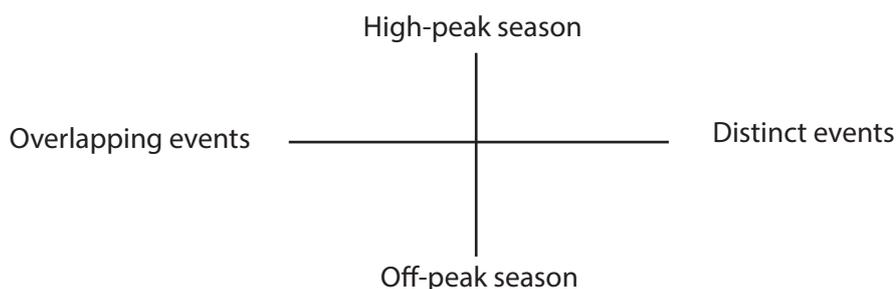


Figure 15: Event portfolio programme.

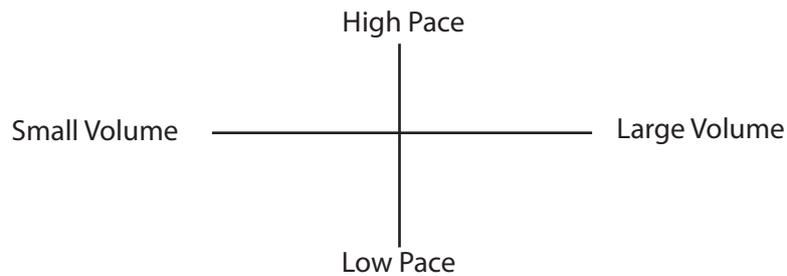


Figure 15: Event portfolio magnitude.

Exercise:

Use the perceptual maps for portfolio structure, programming and magnitude to find the competitive position of event portfolios in Edinburgh, Manchester, Auckland and Gold Coast.

Multiple portfolios

Exercise:

Select a city that you are familiar with and consider what and how many multiple portfolios could be developed. What would be the focus of each portfolio? Is there potential for a meta-event with neighbouring communities?

Event portfolio strategies

Exercise:

Find two examples of event portfolios for each strategy. Identify how they differ in terms of composition, multiplicity, size, reach, and events' scale.

Lecture 11: Event portfolio design frameworks

Exercise:

Compare Getz's pyramid portfolio models for event tourism and community orientation. How do they differ and how are they similar? Find examples of cities or regions whose portfolios resemble one of these models.

Composing

Exercise:

Use the perceptual map for portfolio form to find the competitive position of event portfolios in Edinburgh, Manchester, Auckland and Gold Coast.

Community-oriented strategies: owning, growing and creating

Exercise:

Find examples of community-oriented strategies that assemble portfolios in different destinations (i.e. owning, growing, and creating of events). Outline the advantages and disadvantages of each assembling strategy.

Market-oriented strategies: sponsoring and bidding

Exercise:

Find examples of market-oriented strategies that assemble portfolios in different destinations (i.e. sponsoring and bidding). Outline the advantages and disadvantages of each assembling strategy.

Event roles

The assignment of event roles represents a fundamental matter in the design and development of an event portfolio. It is thus essential to determine the roles and subsequent relations of the events within a portfolio in order to nurture connectivity among them. For example, we need to clarify what role sport events can play relative to one another and relative to cultural events. To decide the event roles in a portfolio requires the strategic delineation of event purposes and meanings that would constitute the character of the portfolio. Most importantly, the composition of an event portfolio should seek to establish the destined roles of diverse events in ways that their connectivity complements and reinforces the individual characteristics of events.

Exercise:

Select an event portfolio. Identify events that are functionally used as *core attractions*, *focal celebrations*, and *complementary features*. Explain how synergy among the strategic roles of events is enabled or constrained.

Considering the qualitative roles of events, iterative and pulsar, it is evident that events may function as social actors that have the potential to both sustain and transform social systems. The mix of iterative and pulsar events within a portfolio can give a change of pace and a diversity of experience bringing together different stakeholders. Portfolio design can dictate the creation of a mix of different types of events, of tempo, of scale, and of intent. This kind of mix should aim at fostering synergies between different event stakeholders to produce wider network effects and create local networks.

Useful reading:

Richards, G. (2015). Events in the network society: The role of pulsar and iterative events. *Event Management*, 19(4), 553-566.

Exercise:

Identify pulsar and iterative events that are part of event portfolios. What kind of social effects do they produce? Is there synergy among event roles in the portfolio?

Composing and design factors

Exercise:

Assess the influence of composing and design factors on a portfolio of your choice. Explain how you would take advantage of opportunities and respond to threats that these factors generate.

Portfolio synergising

Event portfolios are embedded within wider social networks and their on-going implementation can play a role as social agents in shaping their own environment through systemic and structural effects. If the synergy generated from the array of events in a portfolio is optimised through the cross-leverage of their interrelationships and complementarities, then the portfolio can affect positively social change, contribute to sustainable development, and thereby justify its place as a permanent structure in the host community.

Exercise:

Design your own portfolio for a city of your choice. Outline your strategies and tactics across balance, scheduling, and leveraging of the portfolio.

Critical mass in portfolio design

Exercise:

Select a city without an event portfolio. Outline how the city can develop a critical mass for developing a portfolio in the future.

Exercise:

Apply the event portfolio design framework in a destination of your choice to create a competitive and innovative portfolio.

Short answer questions

Q: What are the fundamental principles of event portfolio design?

A: (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. (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. (3) *The triple bottom line* 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. All the above principles demand the embeddedness of event portfolios into the environment and structures of their host community. Portfolio embeddedness is multifaceted, integrating contextual, operational and socio-cultural dimensions. 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 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.

Q: What is the difference between organic and formalised portfolios?

A: An organic portfolio does not have an institutional status or a formal portfolio strategy, but its nature and character still exhibit basic portfolio characteristics. A formalised portfolio constitutes planned structures systematically patterned and regulated by an explicit portfolio strategy.

Q: Why is there a diversity of portfolio development approaches taken by different destinations?

A: Event portfolios are shown to have considerably different composition and policy focus. The heterogeneity of event development methods that are followed by host communities and destinations is a reflection of local needs and characteristics, which influence the ways that strategies are formulated for developing their event calendars in an effort to achieve an array of purposes.

Q: What do the concepts of meta-event and multiple portfolios mean?

A: Multiple event portfolios mean that several portfolios may exist within one city focusing on certain types of events or owed by different agencies. A meta-event is a collection of coordinated, synchronised and intertwined events, occurring in a wide geographic area and encompassing two or more nearby competing destinations, which collaborate to better market themselves and/or to reposition themselves in the marketplace. It is part of the event portfolio of two or more DMOs and allows them to collaborate to conjointly garner the benefits of event tourism.

Q: What are the four event portfolio strategies?

A: Symmetrisation, specialisation, multi-constellation, and macro-expansion.

Q: What are the main components of the holistic model of event portfolio design?

A: According to this holistic model, portfolio design involves the interplay of Composing and Synergising strategies. Composing includes a set of tactics to construct a competitive and diverse portfolio of events. It entails strategic decisions with regard to the selection of events, event roles and factors that influence the process. Synergising focuses on the development of the overall portfolio value – its unity. Portfolio synergy provides event managers with an opportunity to balance events and their outcomes, to manage the portfolio calendar and proactively plan any leveraging strategies. There are five strategies for assembling a portfolio of events in a destination. These strategies are divided into two groups. Community-oriented strategies include owning, growing and creating of events. Market-oriented strategies are represented by sponsoring and bidding for events. A variety of composing strategies guarantees the inclusion of diverse events in a portfolio. Each of the events can play its own strategic role and contribute to the overall portfolio content and depth. There are functional and qualitative roles of events. Functional roles include events as core attractions, focal celebrations, and complementary features. Qualitative roles include pulsar and iterative. As portfolio composing occurs within changing urban environments, there are four critical design factors that influence portfolios: (1) geographical location and seasonality, (2) local resources, (3) market demand, and (4) industry capability and community capacity. The process of Synergising facilitates the contiguity of events and related initiatives. There are three components of event portfolio synergising: balance, scheduling and leveraging.

Essay-style questions

Q: Outline the process of event portfolio design. How can portfolio managers enable their optimal composition to serve leverage objectives?

A: Delineate the rationale for selection of events, event roles and factors that influence the process of portfolio design. Explain the strategies for assembling events in a portfolio. Identify decision-making for portfolio composition, including reach and size, events' frequency, placement, and fit. Consider the use of perceptual maps for drawing a portfolio's form, structure, programming, and magnitude, to determine its competitive position.

Q: Discuss the heterogeneity of portfolio foci and development approaches across different cities. Contrast the tourism-centred and community-oriented approaches for event portfolios. What are the implications for holistic event portfolio design and development?

A: Provide examples of different portfolio foci such as an emphasis on sport, business or cultural events, major or small-scale events, and one-time or periodic events. Compare organic and formalised portfolios. Contrast Getz's pyramid models for event tourism and community development. Draw implications for holistic event portfolio design and development, including the formulation of an overarching portfolio strategy, strategic decision-making regarding the selection of events, event roles and factors that influence the process, balancing events and their outcomes, managing the portfolio calendar, and leveraging strategies, as well as strategies for assembling events in a portfolio.

- Q:** Critique the design of Edinburgh's and Auckland's event portfolios. Assess the extent to which portfolio embeddedness is enabled by the two cities.
- A:** Identify the composition of both portfolios and their foci, form, structure, programming, and magnitude. Distinguish the portfolio strategies that are used. Pinpoint what principles and components from portfolio design theory are present and absent. On this basis, outline the strengths and weaknesses of the portfolios.