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Part 2 of Event Insurance Services' white paper on corporate social responsibility at events

A STUDY by a A Greener Festival in 2006 indicated that 74% of festival goers agree or strongly agree that festivals should implement environmentally friendly practices, and 91% agreed that festival organisers should be responsible for minimising their event's effect on the environment. With such an environmentally conscious audience, it is wise for leading festivals to participate in corporate social responsibility (CSR) activities - strategies adopted to assess and positively impact on the environment and social well being of the wider community.

CSR AND YOUR BOTTOM LINE

The purpose of implementing CSR within your outdoor event's activities is not specifically for increasing profit, however the results of your activities can lead to improved efficiency and an increased audience, therefore improving your revenue

stream. Here are just a few advantages CSR offers which can have positive results on your bottom line:

> Enhanced reputation: One of the main benefits to any festival or show participating in socially responsible activities is that it enhances its reputation. This is especially true when the event makes a contribution to the local community, which leaves local people singing its praises.

For example, Bestival has an on site shop which sources all of its produce from local traders, essentially acting as a wholesaler for them. This keeps local people happy as the festival is contributing to the local economy. This also increases the festival's bottom line as socially conscious attendees are happier to purchase products from the shop knowing that it results in a positive contribution to the local community.

Each type of activity, from the

environmentally friendly to the socially responsible, enhances the festival's reputation in the eyes of potential attendees and may be the tipping point to convince people to buy a ticket. These actions can also result in specific awards, such as the internationally renowned 'A Greener Festival Award', which Shambala Festival has won four times, successfully cementing its reputation as a 'green' festival.

> Differentiating from competitors:

Each festival attracts a certain audience demographic, from lovers of folk music or cheese and wine enthusiasts. There are still many options for festival go-ers to choose from and any factor which differentiates your festival from the competition is going to put you at an advantage.

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If your audience is environmentally conscious and wants to attend the most environmentally friendly festival, they may be more willing to attend Wood Festival over the competitors, as Wood Festival is 100% powered by renewable energy and has been described as "a beacon of environmental sustainability" by Julie's Bicycle, a leading global charity bridging the gap between environmental sustainability and the creative industry.

It's important for each festival to promote its socially responsible activities in order to let its audience make a fully informed decision when choosing which festival to

attend. Any awards won for environmentally or socially friendly behaviour might just be the differentiator that encourages your audience to attend your festival over the competitor's.

Attract highly qualified staff and popular acts: Improving your bottom line doesn't just come from the financial contributions of attendees; it also comes from the efficiency of your team and the attractiveness of the acts performing at your festival.

Festivals that treat their staff well, pay a fair wage and offer something extra are more likely to attract experienced, hardworking team members whose efficiency will ensure that tickets sell out, the event runs smoothly and the post-event clean up is performed efficiently. This contributes to the overall bottom line as money is not wasted through unsold tickets, mishaps during the festival and inefficient processes.

It is also key to the success of each festival to attract the right entertainment and a good CSR strategy can make this happen. Glastonbury is a great example of attracting talent with the right CSR strategy, as Paul McCartney reportedly accepted a fee of just £200,000 instead of his usual asking price of £4 million. This is because he knew that Glastonbury wasn't trying to profit from him as all proceeds generated go to charity.

> Charge a premium: Festival go-ers realise that it costs more for a festival to adhere to environmentally friendly practices and for the most part they will be willing to pay a little extra for their ticket in order to support renewable energy, reduced waste and a cleaner festival. A 2015 survey by Nielson revealed that 72% of respondents aged between 15 and 20 are willing to pay more for products and services from companies who are committed to positive social and environmental activities. An increase in awareness and education of these topics has resulted in a generation of people who want to make a conscious effort to preserve the planet.

THE BENEFITS OF CSR

Besides the aforementioned benefits to your bottom line, CSR can have a positive effect on various other aspects of your business. A well thought out CSR strategy can springboard your event into the mainstream and engage your audience in a truly meaningful way.

- > Happier workforce: When you implement CSR strategies that ensure your staff are treated fairly and offered a working environment that suits their personal needs, you end up with a happier workforce which offers a real benefit to your festival. A study by the <u>University of Warwick</u> found that happy employees were 12% more productive, while unhappy workers were 10% less productive. Encouraging positive working relationships, a healthy work-life balance and offering added incentives to your staff will make them advocates of your festival, which will increase your audience and improve your reputation.
- > Building relationships: CSR is a great tool to help your festival build relationships with other organisations and communities. Supporting charities gives you access to their audience and marketing channels while portraying your festival in an empathetic and socially responsible light.

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other businesses in order to implement a joint CSR strategy, and any involvement with the local community builds stronger relationships with local businesses which can result in discounted goods and a more tolerant community.

- > Public relations: CSR activities are something to shout about, therefore they make fantastic PR. Consumers are tired of companies and festivals shoving sales messages under their noses all the time. Taking part in CSR activities gives your festival a positive message to send out to the world that isn't sales-focussed, but simply promotes the good work you have been doing, which people will be much more interested in.
- > Positive impact: Despite all the benefits CSR has in a business sense, it shouldn't be forgotten that the purpose of these activities is to have a positive impact on the environment and the community as a whole. Reducing emissions, increasing recycling efforts and using renewable energy sources all have a positive impact on the health of our planet, which is something all businesses should be working towards in the modern world. Supporting local communities ensures that the social well being of those most impacted by the festival is looked after.

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