

GRASSROOTS ROI TABULATOR

TOPLINE ROI MECHANISMS SERVE UP JUST THAT—A TOPLINE RETURN-ON-INVESTMENT NUMBER. SMART MARKETERS, HOWEVER, CAN'T ALWAYS WAIT FOR A CAMPAIGN'S TOTAL RESULTS TO FIND OUT IF THEY HIT OR MISSED. SMARTER MARKETERS BUILD MULTI-FACETED MEASUREMENT EFFORTS THAT SEGMENT EACH TACTIC OF A PROGRAM AND MESH THEM AS ROI FIGURES COME IN. USE THIS WORKSHEET, COMPILED FOR EM BY THE EVENT ROI STUD PUPPIES AT HOUSTON, TX-BASED REAL FEEDBACK (REAL-FEEDBACK.COM), TO SPECIFICALLY MEASURE THE ROI OF STAND-ALONE GRASSROOTS EVENTS. EDITOR'S NOTE: USE THIS TO GAUGE AND COMPARE RETURN VERSUS EXPENSES FROM GRASSROOTS EVENTS (STATIONARY OR MOBILE) ONLY. RUN THE NUMBERS AFTER EACH SINGLE- OR MULTI-DAY EVENT EFFORT TO FIND OUT WHERE YOU STAND.



THE PIECES

There are 17 slices to this pie, pookie. Take a look and learn the lingo, then move over to the formula in Part Two.

1. **Attendance:** You won't get anywhere without it. Get the total number of attendees via your own field force's estimate or the venue's box office and clicker reports.
2. **Marketshare:** Depends on the event. If it's a national effort, enter the brand's national marketshare. If it's a local event, enter the average share in the geo. And if it's a targeted event (say, a Hispanic festival), enter share within specific target demographic.
3. **Current Customers at Event:** Attendance multiplied by Marketshare will reveal the number of current customers.
4. **Expected Growth (%):** Based on either attendee research or research insights, enter a percentage by which your brand's involvement in the event is projected to grow that Current Customers number.
5. **New Customers:** The Expected Growth figure minus the above Current Customers figure equals how many new customers you converted (nice job) at the event.
6. **Purchase Frequency:** Ask attendees how often they buy in your product category. Ask them either by week or month, but then compute the answer into an annual average.
7. **Annual Purchases:** The total number of new customers multiplied by how often they'll buy yields how often your new customers will purchase annually.
8. **Purchase Life:** The age at which a person will no longer purchase your product or service. (Examples: Consumers have been shown to stop buying cars in their seventies; Moms aren't buying diapers when the kids are in high school, etc.).
9. **Average Age:** Enter the average age of the attendees.
10. **Purchase Years:** Average Age subtracted from Purchase Life will reveal how many years of purchases are left in the customer's lifetime. Once you know the age by which the target will stop buying your product, you can overlay it with the average age of the attendee to find out how many more years they'll be your customers (or for prospects, how many more years they'll buy your product if you can turn them into customers).
11. **Units:** Annual Purchase data times Purchase Life produces an estimated number of units the group will buy.
12. **Margin \$/Unit:** Enter a dollar margin figure for sales of your product. Use national average if, for example, slotting fees impact price dramatically in different areas.
13. **Income:** Projected unit sales multiplied by the profit margin equals the amount of bottom-line income the future purchases will generate for the brand.
14. **Sponsorship Costs:** Rights fees or permit fees—only as they relate to on-site event activation. Do not include media, etc. Remember, we're talking about ROI from the actual event only.
15. **Activation Costs:** How much did it cost you to activate on-site? Again, the cost to execute at that specific event, not to activate your total sponsorship or event portfolio.
16. **Investment:** Sponsorship Costs added to Activation Costs uncorks your total on-site grassroots investment.
17. **ROI:** Income divided by investment equals why you've been reading this worksheet.



PUTTING THEM TOGETHER

Take what you've just compiled and place into the Grassroots Calculator below.

