MAKING & BREAKING B2B EVENTS

SOME THOUGHTS ON THE POST-PANDEMIC EVOLUTION OF BUSINESS EVENTS BETWEEN PHYSICAL, DIGITAL AND HYBRID NETWORKING

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Due to the COVID 19 crisis, the B2B event industry faces a double challenge: On the one hand, it needs to deal with the negative impacts of the pandemic and deliver or compensate the services related to all postponed or cancelled events in this period; on the other hand, it needs to reinvent itself, effectively using digital tools and concepts to provide virtual events, which will be more than just a short-term 'replacement' for live events. Thus, while struggling with financial losses, the industry needs to massively increase its investments not only in the respective event technology, but also into the development of concepts and approaches to delivering virtual events as genuine digital products. The article focuses on the main challenges of digitizing business events and by summarizing the most relevant respective experiences of the previous one and a half years, provides a detailed analysis of this process as well as valuable practical advice how to successfully develop virtual events as a next step of an overarching evolution of the B2B event industry.

The article helps you to

FIND OUT MORE ABOUT THE ORIGINS OF THE B2B EVENT INDUSTRY AND THE CONCEPTUAL SHIFTS OF THE LAST YEARS TO UNDERSTAND THE CURRENT NEEDS OF B2B EVENT BUSINESS.

LEARN ABOUT THE MAJOR CHALLENGES OF PRE- & POST-PANDEMIC CLIENTS' BEHAVIOR AND THEIR NEEDS FOR BOTH VIRTUAL AND PHYSICAL NETWORKING EVENTS.

IDENTIFY THE KEY CHALLENGES FOR THE EVENT BUSINESS DUE TO THE PANDEMIC AND COMPARE THE LATEST TRENDS TO YOUR CURRENT SITUATION.

REFLECT UPON THE BEST POST-PANDEMIC STRATEGIES FOR THE B2B EVENT DEVELOPMENT.

UNDERSTAND THE NATURE OF VIRTUAL EVENTS AS GENUINE DIGITAL PRODUCTS.

ASSESS YOUR MOST URGENT INVESTMENTS IN THE NECESSARY EVENT TECHNOLOGY AND/OR DIGITAL MANAGED EVENTS.

PROFIT FROM THE PRACTICAL EXPERIENCES OF LEADING B2B EVENT COMPANIES AND CHOOSE YOUR OWN WAY TO DRIVE SUCCESSFUL DIGITAL FORMATS.

WAKING UP OR STILL DREAMING?

"We are really looking forward to meeting everyone in person…", "It was about time to finally get out and meet some real people…" – in the last weeks, large parts of the B2B event industry gets to hear these or similar quotes by many clients. After more than a year of most events being cancelled, postponed or 'digitized' all over the world, the current development of the COVID 19 pandemic brings the events back on stage. Following the strict rules regarding hygiene, distance, etc., business events start to take place again in Europe, but also in the United States. While this is certainly a good sign for the event industry, the future of business events – live, digital or hybrid – is still uncertain. Not because of the global spreading of the virus and the subsequent political decisions and regulations, but because of the still uncertain development of post-pandemic business events as a genuine hybrid, i.e. live and digital product.

In fact, most of what was called 'digital' or 'virtual' events during the pandemic, were more or less successfully staged attempts to replace the old-fashioned business events. In sharp contrast to this web-based escape or emergency plan, designed primarily to ensure the survival of the event organizers, to maintain the impression that there is something going on in this field and somehow save business communities that were built for many years, the new post-pandemic B2B events will need to take into account a variety of changes with regard to (1) business environment (marketing and other budgets for virtual and live events), (2) communication behavior and travel needs of large parts of the industry, and (3) nature of events due to technological means. The practical experiences and the clients' feedback from the last one and a half years all underline the fact that the future of B2B events will increasingly entangle event technology, event content, networking, and client data analytics. Before we present some thoughts on these aspects, let us try to briefly evaluate the latest developments, moving away from the pure (mostly negative) financial impacts of the crisis. [2] (See e.g. Baum & Hai 2020; Seraphin 2021) So, what did really happen to the B2B event industry?

… THE FUTURE OF B2B EVENTS WILL INCREASINGLY ENTANGLE EVENT TECHNOLOGY, EVENT CONTENT, NETWORKING, AND CLIENT DATA ANALYTICS.

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[2] *Looking only at Germany, with a revenue of 129,1 billion euros in 2019, the event industry was the sixth largest industry in this market. With 114,3 billion euros, the B2B events had the largest share (88,5%) of the overall revenue. (Feuerbach et al. 2020)*

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MAKING B2B EVENTS

While presenting products at conventions and exhibits became part of what we may consider B2B marketing already in the 1920s, the pioneers of B2B event management, some of which are still some of the largest companies in this field, started their business in the early 1970s. (Sabel 2018) For decades, the business model was simple: finding most interesting topics for specific segments of the industry, identifying the needs of the respective decision makers and bringing them together with companies which provide specific solutions for their challenges; acquiring enough solution providers to sponsor the event, booking a venue, and putting together an agenda that includes both a few inspiring keynotes as well as interesting presentations of new products and solutions by the sponsors; finally, launching a strong marketing and direct sales campaign to reach enough interested end-user companies who will attend the event – and the event could be a great success.

As years passed, the industry evolved, as did business events as products: from trade shows to conferences, from fairs and exhibitions to exclusive summits, and last, but not least, a whole variety of seminars – the quaantity, but also the quality of business events grew constantly. The industry also changed. While some companies decided to act as agencies providing organizational resources and logistical services, others additionally progressed their market research and based their business model on developing own event topics and introducing a clear division of tasks and responsibilities (event production, sponsorship management, marketing, direct sales, and event operations), thus driving highly professional event campaigns with interdisciplinary project teams. Additionally, many companies, mostly consulting or market research providers, started spending their marketing budgets for organizing own events for their clients. Finally, various industry associations joined the B2B event market with their own conferences. However, regardless of the professional level, until very recently, this variety was rather superficial. For most of the 20th century, business events were primarily sales events, driven either by solution providers or experts. The only major shift in the industry occurred regarding the nature of the events.

A decade ago, newly emerged companies literally changed the rules of the game by introducing the concept of a networking event. Bringing together experienced professionals from the event industry, companies such as the Berlin-based we.CONECT Global Leaders, started looking more closely to the needs of the customers and, based upon their feedback, rethinking the way how events can and should work both for solution providers as well as for practitioners attending these events. Instead of staging classical sales events, featuring dozens of 'pitch sessions', the exchange of practical experiences among practitioners from the industry, combined with newly designed networking formats made networking events become more than just an additional B2B marketing channel. Focusing on industry speakers and moderators, including small round table discussions instead of long talks and self-referential panel discussions, these new events finally generated additional value for the clients attending business events in general and radically changed their expectations and communication behavior. Years later, one of the founders of we.CONECT recalled this period of transition as a situation with pretty obvious signals that just needed to be read in the proper way: "At the time when we started, the industry was driven by the belief that the key to successful events was providing 'exclusive content', although we already had YouTube & Google – together with LinkedIn, it was clear that the industry needed to move away from pure selling towards better event experience and networking." (Fuchs 2021)

Within just a few years, this new form of business networking forced the old established event companies to change and include more networking opportunities into their event concepts, which proved to be harder than the event organizers thought. After decades of events, both sponsors as well as delegates developed certain habits and expectations. While in some cases this led to a constant pool of potential (loyal) clients, in other cases, the newly established networking events represented the long needed fresh approach to business conferences and made many solution providers rethink their investments. (On loyalty, see: Jung & Tanford 2017) Subsequently, the still ongoing competition had only positive consequences for the clients, both regarding the quantity of events as well as, and most importantly, to their quality.

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BREAKING BUSINESS EVENTS

WThen, basically within days, COVID 19 started to spread throughout the planet faster than the news about it. Respectively, most states made the same political decisions to temporarily shut down entire societies and businesses. (O'Reilly 2020) Staying at home became the main claim in early 2020. Events of all sorts and thus B2B as well were forbidden, strongly depending on (1) the current infection rates, incidence of cases etc. and (2) the political and public health measures such as lockdowns and other restrictions. After one and a half years of pandemic, there are at least two additional factors strongly impacting the event industry: (3) internal restrictions such as travel bans and budget cuts by attending companies, and (4) the much more affected and slowly vanishing event infrastructure – after more than a year, many hotels and other venues closed for good or lack qualified staff to flexibly react to short-term openings; many event technicians, stage builders and other staff involved in technical preparation of large scale events changed not only their current jobs, but left the industry for good.

The main strategy to deal with the crisis, in most event companies was to (1) postpone the events already planned and (2) cancel some of the events. In many cases, as the pandemic lasted longer than one year, postponing basically meant cancelling.

Initially, only a few companies, such as we.CONECT from Berlin, immediately decided to deliver the events digitally. The step was obvious: just as it was possible to work from home – sure, many companies practiced 'home office' long before the pandemic – it should be possible to recreate an event in a digital format, right?

For all we know, this wasn't as easy as it sounds. In the case of we.CONECT, one of the first event companies to fully go online without major postponing or cancelling, the decision to deliver events as virtual products was based on the fact that the company already provided virtual events for more than one and a half years before the crisis, launching its own purely virtual event series called ScaleUp 360° already in 2018. Additionally, as one of the very few event companies, we.CONECT develops and provides its own event software – the virtual event platform called hubs101, launched as a pioneering event app project years ago, as the discussion on digital enrichment of event experiences was already going on for quite some time. (See e.g. Dams & Luppold 2016; Coppeneur-Gülz & Rehm 2018; Dams 2021)

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Thus, the COVID 19 situation just boosted the previous developments, leading to a massive increase in virtual events – 50 products were launched in the first three weeks of the pandemic – as well as to the much faster development and increased maturity of the virtual event platform. The strategy to invest in virtual events proved successful for several reasons: in contrast to many other companies, we.CONECT delivered more than 90% of all the events as planned, thus proving to be a stable and credible partner for all its clients; additionally, the company doubled the number of annual events; and finally, with its virtual event platform hubs101, it achieved a prime position on the market for event software, successfully providing the platform as a stand-alone product. More than this, we.CONECT overcame the initial pitfalls of 'digitizing' physical events, progressing the concept of digital products in the industry.

... MOST EVENT COMPANIES STARTED STRUGGLING WITH ORGANIZING 'WEBINARS', 'DIGITAL' OR 'VIRTUAL' EVENTS. REGARDLESS OF HOW THEY CALLED THIS KIND OF EVENTS, INITIALLY, THE CONCEPT WAS THE SAME: FIND AN EASY-TO-USE CONFERENCING TOOL AND INVITE THE CLIENTS TO WATCH THE PRESENTATIONS – MOSTLY SOLUTION PITCHES, ALL DAY LONG, BUT FREE OF CHARGE.

For many other companies, the circumstances were not as positive. While some companies who organize events additionally to their core business decided to completely give up their physical event business and instead provide virtual events only, most event companies started struggling with organizing 'webinars', 'digital' or 'virtual' events. Regardless of how they called this kind of events, initially, the concept was the same: find an easy-to-use conferencing tool – GoToWebinar, Zoom, WebEx etc. – and invite the clients to watch the presentations – mostly solution pitches, all day long, but free of charge.

What seamed to be long gone, now became the standard again: solution providers dominating the (virtual) stage presenting their product and services around the clock to a virtual audience of potential buyers without or with just a limited chance to interact, provide feedback or network among themselves. The main benefit for the practitioners proved to be the fact that they could learn about new solutions free of charge – although the number of virtual events with paid tickets for end-users is currently growing. The only 'networking' in most cases was and still is limited to the chat of the platform used.

For most participants, at least in the first months of the pandemic, the increasing number of webinars flooding the market, had a certain value: it was and still is highly efficient, there is no need to leave the office for several days, there are no travel costs, and the prices for tickets and sponsoring packages are generally much lower. Similar to online shopping, event experience was hardly relevant anymore: "Nobody buys stuff on Amazon just to claim: 'oh, what a great shopping experience'. It is all about efficiency." (Fuchs 2021)

However, after more than one year, there are some obvious reasons for the clients to turn their backs on this. The need to discuss industry challenges with peers from other companies – the key need and reason for the massive success of physical networking events – remains strong and grows stronger every day. After attending several virtual events and realizing that the product presentations they currently watch were pre-recorded and shown several times on different occasions, most clients decide that they don't need to book yet another 'virtual' event to get this kind of information in an old-fashioned one-way content consumption.

The sponsors also increasingly discover the limits of this kind of 'virtual events': Initially interested only in the attendee lists, which were supposed to show high numbers of 'leads', more and more, the respective sales managers discover that pitching them after the 'event' doesn't have the same impact as the special kind of 'social selling' during a networking event. Quantity over quality doesn't always work. Especially not in those cases when attendee lists reflect the registrations instead of potential clients who actually attended a specific presentation.

In a nutshell: regardless of the format – virtual or physical or hybrid – networking represents the core for a successful B2B event experience. Resetting the event concepts to the pitching aesthetics of the 20th century, certainly holds no value for anyone. Additionally, event technology, e.g. an event app, isn't just a nice feature that demonstrates the 'maturity' of the event organizer – an interpretation that we would read in some of the smart industry reports just a few years ago. Instead, a functional and user-friendly virtual event platform becomes a necessary basic tool for delivering high-quality virtual events – just as necessary as a proper venue for a physical event.

... JUST A FEW COMPANIES UNDERSTOOD THAT THE NUMBER OF TOOLS USED IN VIRTUAL EVENTS CANNOT REPLACE THE RETHINKING OF VIRTUAL EVENTS AS GENUINE DIGITAL PRODUCTS.

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THE EVOLUTION IN THE POST-PANDEMIC WORLD

For the sake of completeness, we should also mention those few companies who wouldn't give up their fancy networking concepts just because they were forced to go online. Many realized fast that they needed to create networking opportunities despite the virtual environment. Part of the solution was to invest into more or less complex, expensive and user-friendly virtual event platforms and, in some cases, in a variety of different tools. However, just a few companies understood that the number of tools used in virtual events cannot replace the rethinking of virtual events as genuine digital products. Just recreating a standard agenda of a physical event in a digital environment doesn't solve the problem. In fact, the use of a plethora of tools or features, generally doesn't lead to 'engaging the audience' or simply networking. Providing a full-day program will hardly make any user spend the day in front of their computer watching all the sessions. Comparing virtual events as digital products to other digital products – a lot has been discussed about audio and video streaming platforms – doesn't really help either: While watching movies or listening to music was always a one-way, a pure content-consuming issue, regardless of the media or business model, events were always based on personal relations and interaction-driven. Thus, the question how to think events as digital products represents an even greater challenge.

What is then the key to a successful virtual event? While this is still hard to predict, providing the optimal balance of highly relevant and high-quality content, easy-to-use networking features in a user-friendly digital environment, an individual agenda-planner, a software that easily interacts and is well compatible with major operating systems and business applications, as well as features such as AI-based matchmaking and individual session and attendee activity analytics combined with effective data models (Fuchs 2021) – these are just some of the steps on the way to a future digital networking experience.

As usual, virtual events as products need to match the needs and behavior of the clients: This should be clear both when planning, i.e. producing, as well as when marketing the event. However, besides the general understanding of each target group, we must ask some additional questions related to the virtual format: Instead of asking who is attending the event, we should also know when do the clients attend the event. Instead of only asking how much money they are willing to invest, we should also know how much time they intend to spend at the event, i.e. in front of their computers. What kind of formats do our clients prefer – presentations, virtual panel discussions, online workshops, one2one video calls or something else? What potential obstacles do our clients face when joining an online networking event from their 'home office'? Is our software compatible with our clients' company security standard – just think of the security issues Zoom faced in 2020? How stable is the internet connection of those clients joining from their summer house in the countryside? Will everyone be able to join via webcam or will the browser settings block the video? Do all our clients really want to show their living rooms to their peers? What can we do to enable and improve their networking despite all these technical or individual challenges? What are the ultimate needs of the event sponsors and how do they evaluate the ROI of virtual events in the end? And respectively, should we invest in our own event technology or go for some of the high-end digital managed event solutions such as DME by we.CONECT?

Certainly, there is no simple or single answer to any of these questions. However, it is crucial to deal with them and further reflect upon the challenges and opportunities of virtual events. After more than three years of constantly developing both the concepts as well as the virtual event platform at we.CONECT, what we can definitely say is that, regardless of the pandemic, virtual events came to stay and they are part of the still open future of the B2B event industry. (see e.g. Jespersen 2020) It remains open because (1) the ways of communication and the need for highly interactive formats may change over time, and (2) the event industry faces the constant challenge of finding the right balance between technology and the clients' willingness and ability to use it.

Finding answers to some of these questions also means finding the best approach to successful hybrid events – a topic, which deserves special attention, and which remains to be separately discussed. Finally, if you want to know how this practically works, just join one of we.CONECT's more than 150 annual events and experience the future of B2B networking events – both virtual and hybrid.

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HUBS101 – VIRTUAL EVENT PLATFORM **www.hubs101.com**
DME – DIGITAL MANAGED EVENTS **www.digital-managed-events.com**

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