

Plan your own festival

Guideline for the creation of the rough concept

Instructions, guide and template



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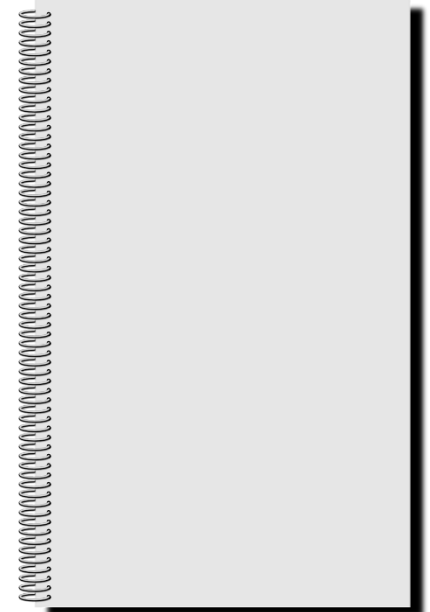
1. Why do I need a concept?

The concept creation has several goals. In a first step, it should help you to set up a coherent strategy for the planning of your festival, or to check your existing strategy for coherence. The rough concept should serve you as a concrete planning and control instrument.

In a second step, it should help you to find partners, to inspire them for your project and to get them to support you.

Specifically, your goals can be summarized as follows:

- Internal:
 - o Strategy development, verification of the coherence of the strategy
 - o Estimation of budget requirements, sales and revenue forecasts
 - o Determination of the optimal event date
 - o Finding a suitable location
 - o Risk analysis, security concept
- External
 - o Basis for finding partners
 - o Basis for the approval of your festival



2. Presentation of your project

It is best to start your concept with a short and snappy overview of your planned festival. This will help you roughly map out your goals. You can also use this list as a factsheet to present your project to potential partners. Make sure you address at least these «mandatory points»:

2.1. Mission / goals



Formulate in a few sentences what the mission of your project is and what your goals are. Here is an example:

«We are planning to implement a rock outdoor festival in the greater Toggenburg area (SG). The event will last 3 days, should be realized family-friendly and attract about 500 to 700 visitors. Planned are 6 acts per day (18 in total), whereby 5 local and max. 1 international act should be booked due to cost reasons. Thanks to the local bands, we expect a solid base of local fans.

The focus will be on regional products, both for food and beverages, as far as possible. For this purpose, we will work closely with regional producers and establish appropriate partnerships. The location should be easily accessible by public transport, offer sufficient parking facilities and space for setting up tents including the necessary infrastructure (...)

2.2. Team / organization

Briefly introduce your team. Above all, explain what enables you and your team members to successfully realize this project. Your resources and skills (personnel, know-how and experience, financial resources, network, access to location, acts, etc.) should be clearly brought to the fore.



3. Target group

Now define your target group more precisely. Because only when you know who you want to address with your event, you can also determine the optimal range of services. This means, among other things, the concrete booking of the acts, the choice of the location and the event date, the composition of the catering stands, the choice of suitable partners and sponsors, etc.

Maybe you have been in the festival business for a while and know exactly what your target audience looks like. If not, just visit a similar event and pay close attention to the visitors.

A target group usually contains the following segmentation variables:

Demographic characteristics (age or gender)

Socioeconomic characteristics (education, occupation, salary)

Psychographic characteristics (motivation, opinion, desires)

Buying behavior (price sensitivity)

In our example, this may look as follows:

The target group we are aiming at has the following characteristics:

- Age: 18 - 40 years
- Sex and gender distribution: women: 60% men: 40%
- Marital status: majority single, but also married
- Education and salary: average education, consumerist upper middle class
- Interests: Rock, Metal, Punk Rock
- Place of residence: Toggenburg + 20km radius

4. Competitor analysis

Close observation and ongoing analysis of your direct competitors is one of the most important tools in your concept development.

Important: If, for example, you want to start a rock festival with 400 visitors in eastern Switzerland, the analysis of an electro event will bring you only limited valuable insights due to a completely different target group. Likewise, a more detailed analysis of the Greenfield Festival with tens of thousands of visitors, international acts and located in the Bernese

Oberland is not really useful. It is better to analyze and compare your planned event with competitors who are holding events on a similar level.

Once you have found suitable competitors, find out and record (at least) the following details:

- Ticket price
- Event date and duration
- Line up (Number of acts per day, cost of acts (estimate if necessary)).
- Location and its characteristics

Then try to identify the unique selling points or success factors of each competitor and where their weaknesses might lie. Think about what you would like to do similarly or completely differently and why.

5. Strengths/weaknesses and opportunities/threats



By now, you probably have a pretty concrete idea and can already see your festival in your mind's eye. Now it is time to find out to what extent a real implementation is realistic and whether you have the necessary skills and resources to carry it out. In practice, this is usually done in three stages.

5.1. External analysis (environmental analysis): Opportunities and threats

Focus here on your environment. What are trends that could have a positive or negative impact on your festival? What is the competitive situation? (Use the data from your competitor analysis here). What is the payment capacity of your clientele? (Use the data of your target group analysis here). What are the basic risks over which you have little or no influence?

5.2. Internal analysis: Strengths and weaknesses

Focus here on yourself and your organization. What skills are available within the team? What resources (financial, infrastructure, etc.) can be accessed internally? To what extent is know-how available? What do you lack for successful implementation?

5.3. Merging the analyses: SWOT

Then merge the two previous analyses. This can be realized clearly with a SWOT analysis:

SWOT analysis		Internal analysis	
		Strengths	Weaknesses
External analysis	Opportunities	<ul style="list-style-type: none"> - Smaller rock festivals are in trend and in Toggenburg there is currently still little competition. With our flexible team we can fill this gap within a year. - (...) 	<ul style="list-style-type: none"> - The catchment area / market potential is very large. Due to a lack of capital resources, this can only be inadequately exploited during initial implementation. - (...)
	Threats	<ul style="list-style-type: none"> - Our target group is not very affluent. However, thanks to an efficient, lean team structure and strong partnerships, we can realize favorable ticket prices. - (...) 	<ul style="list-style-type: none"> - The weather is a big factor of uncertainty. Due to the tight budget, only limited tents can be provided to protect against rain. - (...)

Once you have carried out these three steps, you should be able to assess whether you could manage the organization of your festival (at least theoretically) and where you might need to create the necessary resources, or to what extent you are dependent on investors, sponsors and partners. In the concrete example it became clear that a lack of financial resources is one of the biggest weaknesses. This results in risks, or due to the scarce financial resources, certain dangers cannot be cushioned. It is therefore obvious that we are dependent on investors, sponsors or partners for the organization of the fictitious festival.

6. Actual rough concept

Provided that you have conscientiously worked through the previous points of the guide, you are probably ready to define the most important cornerstones of your festival. At a minimum, you should define the following points:

6.1. Location, technology, and other infrastructure

Now choose your festival location! Based on the expected number of visitors, the defined target group, their interests and needs, you should now have a well-founded idea of what your future location should look like (in terms of size, transport links, camping facilities etc.). Thanks to a comprehensive analysis of the competition, you should also be able to see where you could hold your festival without being booted out by comparable events. When making your choice,

be sure to consider the regulations and requirements of the local authorities and your budget situation. The most beautiful location is of little use to you if you cannot pay for it, it is not accessible, it is located in a nature reserve or you are not allowed to play music due to residents.

Once you have found a location, check what it offers and what additional technical and other infrastructure such as stages, sound systems, power generators, sanitary facilities, barriers, etc. you need to provide. In case you lack experience in this area, it is essential to clarify the requirements with the authorities and obtain guideline offers from local providers.

6.2. Event date

Now set an event date. Again, the previous analyses will help you select a suitable weekend. Also consider the event dates of your direct competitors and choose a time when your target group is most likely to be available and no other dates are scheduled. Do not only consider your competitors, but also put yourself in the position of your potential customers.

So, if you are organizing a small rock event in Eastern Switzerland, a Greenfield Festival can take away a considerable part of your customers. Even if these two festivals are hardly in the same league. Pay attention to the temperature and weather forecasts. Especially at an open air festival, a persistent bad weather front can really throw a spanner in the works!

6.3. Personnel

Do not underestimate how much work is involved in organizing a festival. So, do not start such a big project alone and make sure in advance that you can rely on a powerful team that will support you until the end. Be sure to plan enough budget for the remuneration of your employees, as well as for their meals. To keep the personnel costs within an affordable range, you will hardly be able to do without volunteers. Teenagers and students are good candidates for this and will certainly support you in return for free tickets, free drinks, etc.

6.4. Acts

Thanks to a comprehensive target group analysis, you now know for sure where their interests are located, and which acts you could book. It can also be helpful to take your competitor analysis and study the lineup of your opponents. If you have examined comparable festivals, you can orientate yourself to a certain extent on their bookings. But if possible, stay true to your concept. If, as in the specific example, you have decided in advance to focus on local bands and to benefit from their core audience, do not let yourself be dissuaded just because other organizers do it differently.

6.5. Ticketing

Now check existing ticketing solutions. It is important to note that there are immense differences in pricing and the range of services. Also, not all providers make their fee structure transparent and comprehensible for the customer. Especially if you are new in the festival business and have neither the experience of many years nor a luxurious financial basis, it is recommended to work with a proven, inexpensive partner who works with an [all-inclusive fee](#) and does not charge any fixed costs for event activation, admission equipment, etc. This way you can avoid unpleasant surprises in your final event billing.

6.6. Marketing

As will be shown in the next subchapter, the contribution margin per festival visitor (variable revenues / visitor - variable costs / visitor) is immense, especially in the festival business. This means that each additional visitor means cash money for you, since this does not increase the fixed costs, causes only minimal variable additional costs, but brings you high variable revenues. Your personal calculations will certainly confirm this. With this knowledge in mind, it should be clear to you that you must not save money on event marketing! So be sure to plan enough budget here. If you work with an innovative ticketing provider, they will certainly [support you actively](#).

6.7. Ticket price, budgeting, and revenue forecast

6.7.1. Cost forecast

Now that you have decided on a location, a line up and a ticketing solution etc., it is time to set up a budget. First summarize all fixed costs. This includes the expenses for your location and the infrastructure, the fees of your acts, the personnel costs, marketing expenses or even fees for the permits. Choose your ticketing provider wisely, because here, as well, horrendous fixed costs for event activation, etc. can be incurred! Plan a safety margin of at least 10 percent for unforeseen events.

It is best to keep a tabular record of these costs:

Fixed costs	
Location rent	6'000.-
Stage & technical rental (sound, light)	16'000.-
Fees of the acts (incl. catering, hotel...)	23'000.-
Personnel costs (incl. catering)	10'000.-
Marketing costs	5'000.-
....	
Total fixed costs:	Approx. 70'000.-

In addition to fixed costs, there are of course also variable costs, i.e., costs per visitor. These are caused, among other things, using the infrastructure. Likewise, with additional festival visitors, the need for personnel, the amount of waste, the cost of rebuilding the location, etc.

increases. If you are lacking concrete figures here, it is best to ask other organizers for empirical values or make a plausible estimate:

Variable costs	
Cleaning costs / visitor	5.-
Waste disposal / visitor	2.-
Admittance bracelet / visitor	1.-
Taxes (Suisa, visitor's tax) / visitor	8.-
...	
Total variable costs / visitor	Approx. 20.-

Now calculate the costs for several realistic scenarios. Cover at least the pessimistic, the expected and the optimistic number of visitors.

Pessimistic scenario (400 visitors): (fixed costs: 70'000.- + variable costs (400*20.-) = **78'000.-**

Expected scenario (550 visitors): (fixed costs: 70'000.- + variable costs (550*20.-) = **81'000.-**

Optimistic scenario (700 visitors): (fixed costs: 70'000.- + variable costs (700.*20.-) = **84'000.-**

And now shown graphically:



6.7.2. Revenue forecast

Depending on how successful you were in finding partners, there are also fixed revenues on the income side. Keep a running tabular record of these as well:

Fixed revenues	
Beverage partner	2'000.-
Sponsoring (media partner)	4'000.-
Food partner 1	2'000.-
Food partner 2	2'000
....	
Total fixed revenues:	Approx. 12'000.-

However, the largest share of your revenues is expected to be variable. These are primarily made up of the ticket revenues generated and the consumer revenues (food and beverage). In order to forecast your variable revenues, you first have to decide on a ticket price.

Setting the optimal ticket price is far less trivial than you might think. You need to consider your cost structure, competitor prices, price elasticity of demand, Cross-Selling Potential and many other factors.

Now also tabulate your estimated variable income:

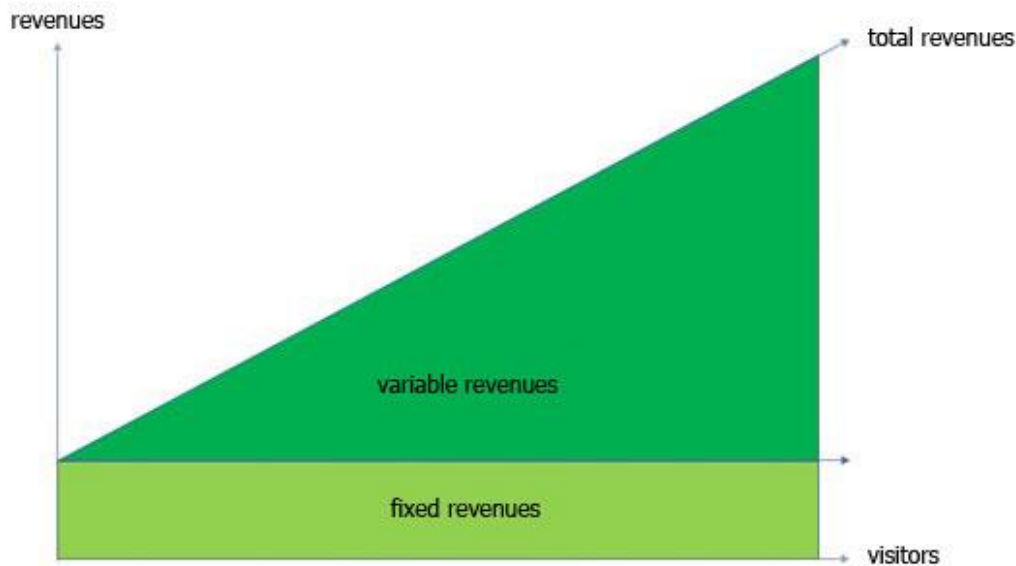
Variable revenues	
Ticket revenue / visitor	95.-
Share of beverage sales / visitor	30.-
Share of food turnover / visitor	15.-
....	
Total variable revenue / visitor	Approx. 150.-

Now calculate the revenues for several realistic scenarios. Cover at least the pessimistic, the expected and the optimistic number of visitors.

Pessimistic scenario (400 visitors): (fixed revenues: 12'000.- + variable revenues (400 *150.-) = **72'000.-**

Expected scenario (550 visitors): (fixed revenues: 12'000.- + variable revenues (550 *150.-) = **94'500.-**

Optimistic scenario (700 visitors): (fixed revenues: 12'000.- + variable revenues (700 *150.-) = **117'000.-**



Now combine the cost and revenue forecasts. Now you can see, from which number of visitors your festival is cost-covering (break-even) and which profits you can expect, respectively which losses you can expect.

Pessimistic scenario (400 visitors): total revenues: 72'000.-
- Total cost 78'000.- = **loss of 6'000.-**

Expected scenario (550 visitors): total revenues: 94'500.-
- Total cost 81'000.- = **profit of 13'500.-**

Optimistic scenario (700 visitors): total revenues: 117'000.-
- Total cost 84'000.- = **profit of 33'000.-**

6.8. Break-Even-Point calculation

The individual scenarios already give you a rough impression of when your festival is likely to start making profits. But now we want to know exactly. That is why we calculate the exact break-even number of visitors, i.e., the number of visitors that have to visit your festival, so that you at least write a black zero (no loss). So, we remember our dusty secondary school math skills and come up with the following formula:

Fixed costs + number of visitors * variable costs = fixed revenues + number of visitors * variable revenues

Or in numbers:

$$70'000.- + X * 20.- = 12'000.- + X*150.-$$

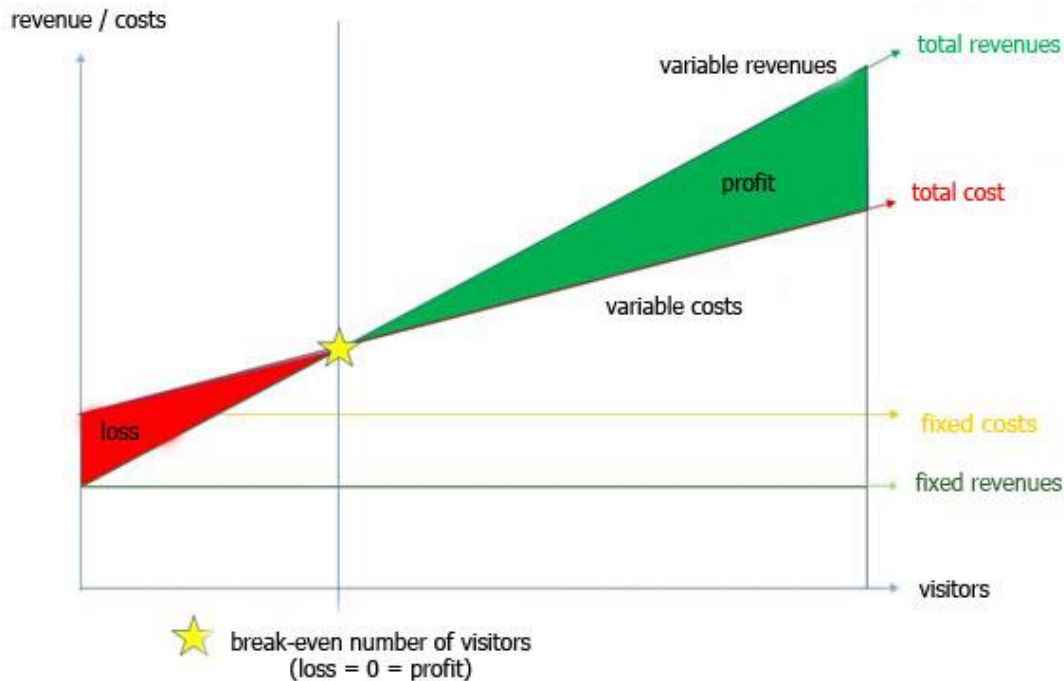
Then dissolve to X:

$$70'000.- = 12'000.- + 130X$$

$$58'000.- = 130X$$

$$X = 446.15$$

For our fictitious festival, this means that we should make a small profit from 447 visitors. Below 447 visitors, however, we will incur losses according to our calculation. Note here that such calculations are never 100% accurate, since they are naturally based on a large number of assumptions!



Especially when it comes to budgeting, you should take your time and do some serious research. This is where it becomes clear whether the realization of your festival is likely to be a good deal for you or rather a cost trap. If the numbers look bad for you, think about whether you can save costs or generate additional revenues. This is where sponsors and partners may come into play.

Not in the mood for complicated budgeting calculations? No problem! Our innovative budgeting table will do the math for you! (in German)

Investors, sponsors, and partners

Thanks to the comprehensive budgeting phase, you are now hopefully aware of the costs that you will incur when holding your festival. You can also roughly estimate your potential income and, what is even more important, prove it in a comprehensible way. Now the time has come to actively hunt for partners and sponsors and if necessary, to bring investors on board.



It is important that you show your potential investors, sponsors, and partners that your event has potential and that an investment in this project will definitely pay off. In addition, show that you understand something about your business. The knowledge gained from this concept creation will certainly serve you well. Of course, you will be aware that sales aspects are in the

foreground when courting investors and partners. Accordingly, this version of your concept should present the planned project in a few pages in a promising way.

6.9. Safety, conditions, and approval procedures

Not exactly the most exciting or creative aspect in the life of an organizer, but the various requirements that a festival must fulfill, or the approval procedures that it has to go through, are still important! So, talk to the responsible authorities as early as possible and clarify what safety regulations you must observe, how many sanitary facilities you have to provide and what other restrictions (noise etc.) you have to respect. Be aware that the implementation of your project may ultimately fail due to a missing signature of an official on a permit form! If necessary, create further detailed concepts (safety concept, waste disposal concept, etc.) for communication with the authorities. When these are ready, do not forget to include the estimated costs for paramedics, security personnel, licenses, permit procedures, etc. in your budget.

TICKETINO team wishes you good luck with your next event. If you have any questions or would like further advice, our event professionals will be happy to help you by e-mail (info@ticketino.com) or by phone on +41 43 500 40 80.