Events marketing model of Dubai Shopping Festival

Prakash Vel
*University of Wollongong, pvel@uow.edu.au*

Laila Suhail
*Dubai Events & Promotions Establishment*

Amal Dokhan
*King Abdullah University of Science and Technology*

Publication Details

EVENTS MARKETING MODEL OF DUBAI SHOPPING FESTIVAL

ABSTRACT

Cities and places have become major destinations through taking the extra mile of creativity and offering a well-researched package of offerings through systematically planned events. One such leading example in the list of successful festivals that have earned a global reputation due to its uniqueness and creative event offerings is the Dubai Shopping Festival (DSF) in the United Arab Emirates. This paper is a case study based description of the internal and external drivers involved in planning and implementing a global event successfully and has captured the various drivers through a structured framework. The analysis serves as a good addition to the existing literature on ‘Events Marketing’.

Keywords: Events Marketing; Internal Drivers; External Drivers.

K. Prakash Vel
Laila Mohamed Suhail
Amal Dokhan

1 Associate Professor in Faculty of Business, University of Wollongong, Dubai. Dubai, UAE. E-mail: prakashvel@uowdubai.ac.ae
2 Chief Executive Officer. Dubai Festivals and retail Establishments (DFRE). Dubai, UAE. E-mail: laиласuhail@gmail.com
3 Chief Executive Officer. King Abdullah University of Science and Technology. Kingdom of Saudi Arabia. E-mail: amal.ad@gmail.com
1 INTRODUCTION

Countries nowadays compete to dazzle the customers with their latest offerings that may include a bundle of delights or focus on a specific offering that may become a cultural print that the country or the city becomes known with. Richards (2001) explained that usage of creativity on different platforms has surfaced and emerged as an additional positioning device in marketing destinations. As a means to display those offerings, Festivals were used as a trend to attract tourists through Events. “City destinations Performing arts and other festivals are now a worldwide tourism phenomenon (Chacko and Schaffer 1993; Getz 1991; Grant and Paliwoda 1998; Rolfe 1992). Festivals are an old practice in many different parts of the world where each have imprinted its events with its special culture and innovation, yet the field of events marketing is still an emerging field that is still young and developing. Cities and places have become major destinations through taking the extra mile of creativity and offering a well-researched package of offerings through systematically planned events. One such leading example in the list of successful festivals that have earned a global appearance due to its uniqueness and creative Event offerings is the Dubai Shopping Festival (DSF) in the United Arab Emirates. This festival has been a major contributor and motivator behind tourism marketing in Dubai in the UAE (Sayed and Sohail 2004).

This paper is about the Dubai Shopping Festival event that is organized in Dubai city every year, by Dubai Festivals and Retail Establishment (DFRE). The paper brings out how the event was targeted towards promoting retail business that started as a city event first and later became an important yearly event attracting visitors from the region and the rest of the world. The Event has registered significant milestones in the global events marketing industry over the last 17 years. DSF has a major influence on the number of visitors coming to Dubai and hence a significant impact on the economy as well. The paper captures the internal and external drivers involved in planning and implementing DSF events successfully. The analysis serves as a good addition to the existing literature on ‘Events Marketing’.

2 EVENTS MARKETING

Customer’s interest and purchase behavior have transformed dramatically in the past few years due to the variety of products and services offered in different parts of the world and the tremendous communication boom that today’s customers are exposed to. Customers became more demanding and more difficult to impress and attract as offerings are considered to be basic and expected from every service or product provider and the experience the customer goes through is the differentiating value received. Pine & Gilmore (1998) proposed the “experiential economy” concept, and that with the experience economy era, people will no longer be satisfied with the lack of variety of provided goods and services. In order to create a memorable and personal experience with unique value and to create a distinguished market, the only way is to let people enjoy the specially designed products, comfortable environment and services. Schmittt (1999) proposed a similar idea as well: people focus more than functions and benefits of a product; instead they are concerned with the experience and environment while spending. Events within the frame of Mega-events or festivals were the solution to such a customer. Countries, cities and major places have used events to market their destinations and create an attraction for visitors to come, explore and enjoy the full package offerings. Events marketing also helps to achieve an organization’s goals and objectives such as image enhancement and brand awareness (Gardner & Shauman, 1987) through different event communication methods and strategies to reach the customer and have the intended personal interaction.

3 RESEARCH METHODOLOGY

The data in this paper have been collected from both Secondary Data obtained from DFRE and Primary data through in-depth interviews conducted with Ms. Laila Mohammad Suhail, CEO of DFRE, Mr. Ibrahim Saleh, Festivals Coordinator General and Deputy CEO of DFRE, and other senior Executives at DFRE including, Mr. Farhad Mohammed Ali, Director of Brand Development and Innovation, Mr. Alexander Blandl, Director of Policy and Sector Development, Mr. Yousef Mubarak Walid, the Executive Director, Operations, Mr. Nasser Mohamed Hakim, Media Center Manager, Ms. Suhaila Gubash, Director – Events and Festivals Marketing. All interviews were conducted through the period between 2011 and 2013.

4 THE CASE OF DUBAI SHOPPING FESTIVAL

4.1 Dubai Festivals and Retail Establishment-DFRE

Dubai is one of the leading cities in the Middle East in innovation, creativity and development. In order for the success story of Dubai to proceed and continue flourishing, His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of UAE and the Ruler of Dubai has created the Dubai Events and Promotion Establishment (DEPE)-the earlier name of DFRE, an
agency of the Department of Economic Development (DED) and the mission of this department is to promote Dubai as a full year destination of events and also to handle all the retail promotions. This department has been assigned with a mandate that allows it to operate closely with all events sectors and retailers, local and international to achieve the targeted vision. One of the most important actions that this department has created is the Dubai Calendar of events as an important tool to support the Dubai promise and mission. DFRE runs festivals and mega events in Dubai city. Dubai Shopping Festival and Dubai summer surprises are two of the major operations that DFRE is in control of, and this importance has been given to such events due to their positive contribution to the economy and the representation of DUBAI’s image worldwide.

4.2 Objectives of DFRE

This agency has been playing a significant role in the developmental efforts of Dubai through systematically planned events, where it focuses on keeping Dubai, a visited destination all year round for shopping and entertainment and to continue supporting the private sector and use its expertise to facilitate the growth. Empowering and strengthening the economy of Dubai, by making it a global destination of choice, in collaboration with all the government and the private sector entities is a major goal of DFRE.

4.3 Dubai Shopping Festival (DSF)

DSF is one of the major and most special events that DFRE saves no effort in making it a successful event in the region and globally too. DSF has accompanied the journey of the growth that the whole Dubai city went through.

In 1995, during the start of the economic boom in Dubai, a team has been leading the economic movement under the direction and patronage of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of UAE and the Ruler of Dubai. The story of this glorious festival started with an idea of utilizing the existing fifteen malls that Dubai had at that time and the other retail stores as well and create a shopping festival. The festival’s emergence had to be different as many parts of the world already performed different types of festivals such as Geneva carnival, Singapore big sale. However, these festivals were unidirectional, as they were either for shopping or other purposes. DSF came with a combination of different values and experiences blended in one festival.

The first DSF was launched in February 1996 and it was launched in a period of just forty-five days, thanks to the massive efforts taken in organizing it. The festival recorded a good number of visitors and was a great success. A supreme committee is in place to manage the event and each department had a representative who got together in regular basis to plan the events and to negotiate the ideas and plan the implementation, the committee included general managers and directors of different corporate houses at Dubai. DSF was positioned with the slogan of ‘One Family, One World, One Festival’.

In 1998, the festival was three years old and has been earning positive feedback and with a leadership that supports continuous improvement and experimentation, another festival was created which was the Dubai Summer Surprises (DSS). The DSF opened the doors for a full year of activities in Dubai where each activity has a different flavor and identity. DSF today is one of the popular worldwide events that has been improving year after year and has been attracting tourists from different parts of the globe, educating and giving a chance to experience the culture of this part of the world.

Today DSF is 20 years old with a new slogan that matches the state that Dubai has reached globally which is ‘Dubai at its Best.’

4.4 Uniqueness of DSF

The organized integration between shopping from retailers in Dubai and rejoicing and rejuvenating experiences through multiple entertainments and events is a key point of differentiation as no other international festival has managed to create a full integration as Dubai shopping festival. The initiative of DSF was differentiated by three major elements: shopping, family entertainment and winning. Dubai would simply transform into a festive city and offer customers a full season. According to executives at DFRE, DSF excels in retail availability in terms of space and they are very close to London as they work with seven thousand retailers. Idea generation was not exclusive for DSF team only, it was open for public as any proposal is welcomed and supported and will be implemented, if proved to have potential. Dubai has a cosmopolitan population of as more than 160 nationalities, necessitating the planning of activities and events that are appealing to different cultures. Variety was a major success factor that distinguished DSF than any other worldwide festival. Some of the actions and fulfillment efforts that made this festival a continuous success are the creation of a dedicated call center and webpages that welcome new ideas and comments from the public on the current activities. The government also facilitated many waivers for event implementers to ease the process which encouraged the private sector to come up with many innovative events and also retailers matched their promotions with the DSF time, as it was found to add value to their sales. Even schools contributed with
some events. Active participation by the private sector in the festival goes a long way towards the efforts of the Government of Dubai in making it an important travel hub.

4.5 Challenges faced in organizing DSF

DSF is a mega-event that acts as a platform for a variety of other smaller events that spreads across the city with huge city decorations around the major streets to reflect the festive feel that will be operating for a month in different parts of the city and that’s what differentiates DSF from any other event internationally. Many of the events are signature events that are repeated or created in the country, others are imported from abroad via strategic alliances with international festivals and tourism authorities worldwide and the platform is open for events and promotion companies to give their ideas too.

In order to organize such an event, the real challenge faced by the DFRE remains to be the integration of all the different stakeholders including the private sector, retailers, hospitality sector and the whole public sector or government entities such as the police department, Road Transport Authority (RTA), Dubai municipality and so on. DSF is a wide city event which makes it a very visible and exposed event by media and other observers and that adds an extra pressure on the organizers to deliver the best.

Another challenge that is faced by DSF is to keep it fresh and new and that is a complex task as the market is very competitive and customers are becoming more demanding and educated about the international offerings due to the revolution in communication. Funding the events is another challenge that the DFRE has to deal with as the department funds the initial marketing campaign of the event and allows the private sector to be part of the process and through strategic partnering both sides achieve more.

One of the innovative events that reflect the collaboration between the private sector and the government under the auspices of DFRE team is the Dubai metro Fashion show. The event was organized by the Dubai Festivals and Retail Establishment (DFRE), in collaboration with the Roads and Transport Authority and Bloomingdales stores, which projects an international and creative image to the city of Dubai. This event and many other cutting edge shows held during the Dubai Shopping Festival covered by local and international media are the result of a very heavy integrated planning (Gulfnews, 2013).

Executives at DFRE noted that they have created a mega festival with a great value offered to the customer as they are engaged in many activities in a short time and the challenge that they face remains to be the one year gap, as the festival comes and disappears and there is no customer engagement during that time, they are working on filling in the gap and engage the customer in the whole process to gain their loyalty.

4.6 Role of the Government and stakeholders entities

The government is a major player in the success of the festival as it acts in many roles including organizing committees, supreme committees, and logistics support. They provide all the safety elements, such as ambulances and temporary health care in the events locations. Some of the government departments are given organizing roles and logistics support such as Dubai municipality, fire department and RTA.

DFRE in preparation of DSF has many partners working with them for more than nineteen years; their collaboration exceeds the financial support to offering their expertise and knowledge in the field such as airlines, malls and retailers in general. Sponsorships sometimes cover about seventy percent of the whole festival funding.

Emirates Airlines is the key supporter of the festival as it is the official transporter. The company provides ticketing, supports the festival’s guests and promotes the festival all around their destinations. The company has displayed the DSF logo on all its planes from 1997 till 2000 as a means of promotion to the festival. Emirates also have a mechanism of distributing the festivals’ brochures to promote the festival’s road shows. The Dubai airport to facilitate also created a DSF visa for the incoming tourists.

4.7 DSF aims to raise the bar in the event industry worldwide

DSF has reached its seventeenth year with a record number of tourists arriving to Dubai, exhibiting an increase year on year. DFRE besides its indigenous expertise in creating this festival also seeks international expertise in the field to offer unique, different and simply the best festival experience. One of the international bodies that DFRE collaborates with is the IFEA International Festival and Events Association. This association assists worldwide events organizers to become successful in the field and guide them to sustain the success they have achieved. With the help of an experienced body of staff in the events industry, DFRE received the required training to equip them to face the momentum in today’s world and serve the continuous needs of the customers.

4.8 DSF success parameters

Measuring the success of a small scale event or a regular festival is completely different from measuring the success of a city wide festival such as DSF. DFRE gives a special attention to two metrics in
measuring the success of DSF every year. The metrics include ‘impact of DSF on the growth of the economy’ and the ‘number of visitors to Dubai during DSF’. These two parameters indicate the level of success of the festival. In a regular event, the criteria will be the number of visitors attending in a specified or constrained area but in a city wide event, it will be totally different. Measuring the impact takes a different dimension here. One of the parameters DFRE uses is the number of participants such as customers participating in a raffle, promotion or a similar activity. The sample size in this case is really huge and they normally look at regional panels, surveys, Data from VISA and other companies, data from hotel bookings and so on. The other important parameter is the Impact rate on the economy, in small events the criteria will be the turnover to the event or how much income was there, but looking at a city wide retail promotion event, they look at how much the participants have spent in the city in terms of transportation, hotel occupancy, accommodation, entertainment, retail, food and beverages and so on. All aspects are researched such as what type of malls visitors like to shop in, which hotels were occupied, what airlines they flew, which restaurants were preferred and what type of food was popular. All the information that are collected are cross-checked with different sources such as credit card companies (attributed Data) to verify the data and check the accuracy with a five percent error acceptance in the data to measure the real participation. A random sample is selected from panels, in collaboration with regional research companies, apart from mall-intercept interviews in waiting areas, Hotel lounges and malls. In-depth interviews with visitors add to the visitors’ insights and observations. Both qualitative (focus groups and in-depth interviews) and quantitative research methods are used in the visitors’ insights gathering process.

One of the major tools in today’s marketing efforts that leads to a sustainable positioning in the market is marketing research, DFRE believes in development and improvement of its events and activities through continuous research implemented before, during and after the festival to test different parameters such as the choice of the appropriate target markets for the festival, usage of right media channels and in the whole marketing mix selection. Another tool that DFRE employs to monitor the change in the market perceptions and expectations is the ‘Tracker’, which follows any type of changes in the customer’s behavior and needs.

DFRE is keen on finding untapped potentials regionally and internationally to strengthen the DSF brand. DSF has become the most popular brand in the area, yet it constantly strives to search globally on suitable avenues for further improvement and development of the festival.

Investing in viral marketing has not been part of the marketing strategy of DFRE as it was not required and was provided by the visitors at no cost. The reliance was more on traditional media such as television, radio and Internet. Social media is an important channel as DSF is present actively with a dedicated team during the festival updating the Face book page and on Twitter accounts as well. It was felt that many of the web visitors use search engines such as Google to look for information about the festival and that’s one means to get information about the interest in the DSF, Twitter is very strong, where, visitors comment on the events and it’s a good way to check the reviews of visitors.

4.9 Promotions in the festival

Before the year of 1997, there were no promotions in the city due to legislation restrictions except for a few retail advertisements on a very narrow scale. The start of DSF was the official door opening for the city promotions and legislation change where a new law has been issued to allow promotions as they are considered one of the key success factors of any festival, alongside events marketing. Promotions generate excitement and enthusiasm that attracts customers and help in selling the products. Different types of promotions were implemented in the festival such as sweepstakes, raffles, discounts, winning cards and so on.

The planning strategy of the festival is generally supported by different parties such as the marketing research agencies, data support centers, the external research companies, PR agencies, media placement agencies, the Internal team of DFSE in DFRE, the government partners and the government organizing committee to back up the planning process involved in bringing the festival to life. Dubai electronics group, Dubai retail group, Dubai gold group, Dubai textile group and Dubai Shopping mall group are considered to be the five major promotion organizers and sponsors in the festival and each to promote a unique message about the city of Dubai. One example to show that is the Dubai gold group that runs all the gold events across Dubai to promote a message about Dubai as a city of Gold.

4.10 International marketing efforts to promote DSF

Dubai shopping festival is an international event that requires international promotion due to the wide target market it attracts. DFRE promotes festival in different major media and exhibitions such as ITB in Berlin, the world’s leading travel trade show, Russian exhibitions, London exhibition, China and different Arab cities. The promotion in these exhibitions gives the DSF a global presence and an
international appearance as these exhibitions are considered to be the leading channels worldwide in this industry. On the other hand, DFRE organizes road shows in different parts of the world such as INDIA, GCC and CHINA. Mass marketing is also an important way to have a maximum reach such as MBC, were tailored programs have been aired for promotional purposes; also the opening ceremonies of the festival were aired on local channels. Radio channels are also used to advertise for local events. Billboards and outdoor tools are utilized in UAE and Saudi Arabia especially near and outside airports. International and local Newspapers and magazines are also used to promote DSF before and during the event. DFRE realizes the importance of Public Relations and accordingly, press releases and journalists are invited to opening ceremonies, events and exhibitions to cover the updated progresses.

4.11 DSF World Wide Recognition

DSF has earned a global recognition and many international awards due to its many success factors that have been tracked worldwide. One of the latest awards won by Dubai was the “2011 World Festival & Event City” an International Award presented by The International Festivals & Events Association (IFEA) during the 56th Annual IFEA Convention & Expo in Fort Worth, Texas, U.S.A. on October 3rd, 2011.

Although DSF has reached a very competitive state and position since it started and until today, yet the DFRE wishes to push the festival into a global competition by seeking more regional integration and that’s due to the presence of many small festivals in the region. Many of those events are repetitive and may lead to losing the possibility of attracting more visitors. A regional collaboration may lead to a more powerful offering towards this destination. Given the magnitude of such an initiative, DFRE has decided to enlarge the festival into a yearlong sequence of running events in Dubai, brought out through Dubai Calendar. In collaboration with Emirates Airlines, the calendar is made available to travellers and event lovers. The calendar is also promoted via TV and other media channels to promote Dubai as a full year events HUB.

4.12 DSF impact on the economy

DSF has proved throughout the past year, its importance and association with boosting Dubai’s economy through bringing in a considerable visitor purchase revenue every year. DFRE has conducted a study in 2011 during DSF and showed that the contribution to the economy from retail, hospitality, and travel spend, amount to a total of AED 15.1 billions. The research analyzed the visitor’s spending habits, demographics, participant engagement, and the perception of the retailers about the event.

Endorsing the continuous growth in number of visitors and the purchase revenue (Figure 1), His Highness Shaikh Ahmad Bin Saeed Al Maktoum, President of the Department of Civil Aviation, Chairman and CEO of The Emirates Group and Chairman of Dubai World, said: “Since 1996, the Dubai shopping Festival has been a success story for the Emirates, and has grown to become a brand which carries the Dubai name across borders. The festival stands as testament to the power and potential of the public and private sectors working together towards a shared goal.” (Gulfnews, 2012).

Research has proved the impact of DSF on Dubai’s economy and on boosting retail and tourism as well. Ms. Laila Mohammad Suhail, CEO of Dubai Festivals and Retail Establishment, commented that: “Over the last sixteen years, The Dubai Shopping Festival has played a central role in establishing Dubai as a world leading retail destination.” (Gulfnews, 2012).
DSF has started the journey with big potentials and small resources, the festival has grown to be a worldwide event now and the DFRE is becoming more systematic and strategically oriented towards festival due to its relevance to the economic development of Dubai and the mission of his highness to promote Dubai as a touristic destination and a worldwide attraction. DFRE realizes the importance of market research and the integration between the annual strategy, the concept and the market planning, where they create an integrated model that unifies the
whole process. The process starts with an annual strategy with the goal of economic development of Dubai through contributing to the economy in both areas of retail and events. Another internal objective to the department is set towards visualizing what should be achieved in comparison to previous years by setting quantifiable targets to be measured by the end of the festival. Annual budgeting is a very crucial stage that accompanies the general strategy. Setting the concept of the festival is the next stage where it defines what the event stands for and accordingly the target market is decided and then the communication strategy is set. A business plan also evolves from deciding the concept till a budget is decided for the marketing and media buying. Promotion and participation plans are identified for the retailers to participate in the festival; fees being paid according to different classes of sponsorship opted by the retailers. Finally, marketing research plan plays a huge role in the success of the current and future festivals.

DSF strategies have developed tremendously throughout the past seventeen years to become more of a scientific and data supported process to be able to serve the demand of the international customers that Dubai is receiving on a regular basis now and also to deal with the current international competitive environment.

5 CONCLUSION

DSF today stands as one of the most successful international retail festivals and the success can be attributed to the systematic planning and scientific approaches of DFRE, as described above. One of the most distinguishing factors of this event is the integration of different stakeholders and the successful management at a micro and macro level. The government’s support to the festival and its system actually motivates the participation of all retailers in the event, which enhances the chances of a win-win result both to DFRE and the participating stakeholders. The various integration efforts, systematic planning and their indigenous formula for success have been captured below as the ‘DNA of Success in Marketing Events’ (Figure 2), which can serve as a good addition to the existing literature on ‘Events Marketing’.
Figure 2 - DNA of success in marketing Events

REFERENCES


Events Marketing Model of Dubai Shopping Festival

IFEA, accessed 17/12/2012,
http://www.ifea.com/joomla2_5/?option=com_content&view=article&id=274&Itemid=710


