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# THE BUSINESS POTENTIAL OF LIVE COMMUNICATION IN THE EUROPEAN UNION

A Market Analysis of the European Union's Outsourced Event and  
Communication Actions

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## ABSTRACT

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This commissioned thesis examines the business potential of live communication in the European Union. The commissioner of the study is the Live Communication agency 27Names. Live communication is an innovative sector of the event industry entailing the face-to-face and online goal-directed visitations between the communication owner and target audience.

The study examines the current utilization of live communication in the EU, the competitive field targeting to the institutional projects and the business possibilities the European Union is offering for the live communication agencies.

The theoretical framework of the study contains the knowledge of the current communication actions of the European Union, the procurement procedures and the features of the competitive environment. The main sources of the research were the qualitative customer survey and the comprehensive study of the customer and competitors.

The final outcome of the thesis entails a market analysis with two segments: the customer analysis and the competitor analysis. The analyses offer an extensive view to the business potential of live communication and to the current competitive environment targeting the EU projects.

The main findings indicate that the business potential of live communication in the European Union is remarkable. There are versatile working possibilities for live communication companies. However, the projects also contain several rules and directives that must be obeyed. The competitive environment targeting to the EU projects is extremely intense. There are many experienced agencies competing with the commissioning company. Despite the strong competitors, 27Names has great possibilities to gain success in the institutional projects. The outcome of the thesis can be applied to the entire event and live communication business sector in Europe.

Key words: live communication, European Union, public procurements, market analysis, customer analysis, competitor analysis

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Tämä hankkeistettu opinnäytetyö tutkii tapahtumamarkkinoinnin liiketoimintapotentiaalia Euroopan Unionissa. Työn toimeksiantajana toimii tapahtumamarkkinointitoimisto 27Names, joka toimii tällä hetkellä 16 eri Euroopan maassa. Tapahtumamarkkinointi tarkoittaa kasvotusten ja online-medioiden kautta tapahtuvaa tavoitteellista ja kokonaisvaltaista tapahtuma- ja markkinointitoimenpiteitä asiakkaan ja yrityksen välillä.

Työ tutkii tapahtumamarkkinoinnin hyödyntämistä EU:ssa, kilpailua julkisen sektorin rahoittamista projekteista sekä liiketoimintamahdollisuuksia, joita Euroopan Unioni tarjoaa eurooppalaisille tapahtumamarkkinointiyrityksille.

Opinnäytetyön teoriapohja rakentuu EU:n nykyisistä viestintä- ja tapahtumahankkeista, hankintamenetelmistä sekä kilpailuun vaikuttavista tekijöistä. Työn tärkeimmät lähteet olivat laadullinen asiakaskysely sekä kokonaisvaltainen tutkimus asiakkaasta sekä toimeksiantajan kilpailijoista.

Tulososuus koostuu markkina-analyysistä sisältäen kaksi erillistä tutkimusta: asiakas- ja kilpailija-analyysit. Nämä tutkimukset tarjoavat laajamittaisen raportin tapahtumamarkkinoinnin liiketoimintapotentiaalista sekä Euroopan Unionin hankkeisiin kohdistuvasta kilpailusta.

Tutkimuksen keskeisimmät tulokset osoittavat, että tapahtumamarkkinoinnin nykyinen asema EU:ssa on merkittävä. Euroopan Unionilla on huomattava määrä monipuolisia tapahtumamarkkinointiyrityksille soveltuvia hankkeita. Projektit sisältävät paljon säännöksiä sekä ohjeita, joita yrityksen tulee noudattaa. Kilpailu EU:n tarjoamista hankkeista on kuitenkin erittäin tiukkaa. Kovatasoisista kilpailijoista huolimatta, toimeksiantajayrityksellä on hyvät mahdollisuudet menestyä tulevissa EU:n tarjouskilpailuissa. Työn tulokset ovat hyödynnettävissä koko Euroopan tapahtuma- ja tapahtumamarkkinoinnin alalla.

Asiasanat: tapahtumamarkkinointi, Euroopan Unioni, julkiset hankinnat, markkina-analyysi, asiakasanalyysi, kilpailija-analyysi

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## 1 INTRODUCTION

Internationality and Europeanization are growing mega-trends and are affecting individuals and business sectors all over Europe. More and more agencies are keen to enhance their international efforts and reach the greater markets. The institutional projects are one option for cross-border operations. In Europe, the European Union (later also the EU) is continuously outsourcing the contracts and increasing the competition of the market. Due to the attractiveness and the size of the European markets the competition and the requirements of the industries are tightening quickly. According to Thai (2001) despite the significance of the institutional businesses, there are still some relative poorly investigated and defined areas related to them.

The event industry is a business segment that is strongly operating internationally. Getz (2007) defines the event as “*an occurrence at a given place and time; a special set of circumstances; noteworthy occurrence*” (Getz 2007, 18). The event planning includes the design and implementation of the occurrence from the beginning to the very end. This entails a wide range of different services, such as theme, programmes, services, locations and content corresponding to the needs and expectations of the customer, guests and other stakeholders. The event industry is a rapidly growing business segment entailing versatile divisions from corporate meetings to cultural festivals and educational conferences. (Getz 2007, 21-23.)

Live communication is a relatively young but innovative sector of the event industry (see figure 1). It is a combination of the live experiences and creative communication. It includes all forms of communication actions that involve goal-directed live interactions with a target audience, such as congresses, event management and marketing, exhibitions, field and street marketing and road shows. The communication with the target audience can take place either face-to-face or via digital channels such as social media and other internet-based systems. Live communication is an effective channel to reach the target audience in several business sectors including cultural and corporate segments. (Vergucht 2014; The Oval Office 2014.)

As mentioned above, the European Union is a powerful actor in the European business sector. Yearly over 250 000 public authorities in the European Union outsource procurements for the contractors registered in the EU countries. This makes prospective business possibilities in the European Union attractive and worthwhile to seek. (Conti 2014; European Union 2014b.)

This commissioned thesis implicates two current topics: the outsourced procurements of the European Union and live communication. The figure 1 presents the connection between the examined segments.

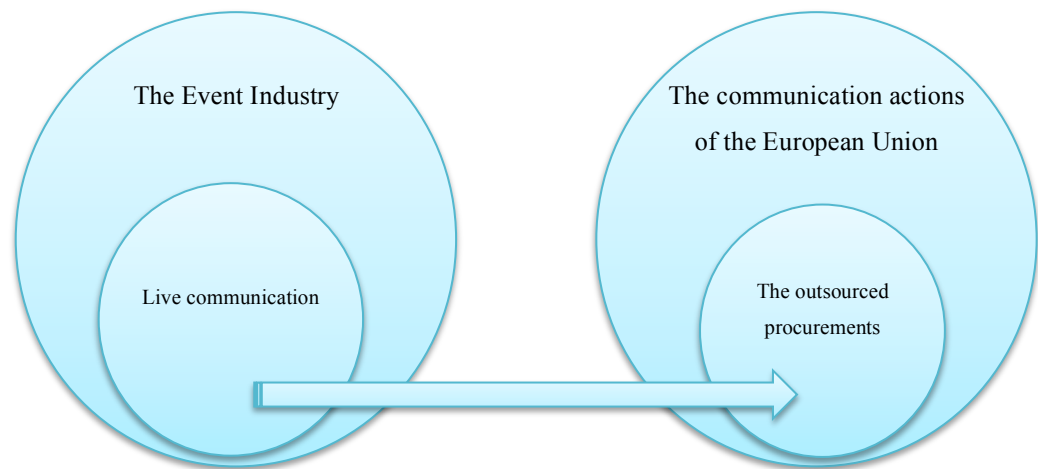


Figure 1. The industry segments related to the study.

### 1.1 Background of the thesis

Being a part of the European Union offers several business possibilities for the companies registered in member countries and one important part is an opportunity to run business across the borders. Yearly the European Union with the various responsible bodies conducts a notable amount of different communication and event actions throughout Europe entailing congresses, conferences, seminars, exhibitions and informative campaigns. (European Union 2014b; European Commission 2014c.)

One option for the implementation of the communication actions is to outsource them. In order to find the most suitable contractor for the implementation of the project, the European Union uses various procedures such as competitive

biddings. Several industries including the event industry and live communication have noticed the business possibilities and the great markets the European Union offers and are willing to participate in the competitions for the contracts.

One agency keen to enhance the experience and knowledge of the institutional markets is the commissioning company of this thesis. The Live Communication Agency 27Names has already gained some experience in the competitive biddings of the EU and they are interested in improving their competitive prosperity.

An internship period and later a position as a project coordinator in Lataamo Event Oy which represents 27Names Finland, caught the author's interest to conduct a study about the competitive biddings in the European Union and strengthen the business knowledge of the prospective market potential of live communication in the European Union.

During the working period, the author of the thesis was part of the project group that attended one competitive bidding process of the European Commission. The tender process is presented more closely in chapter 4.4. The project taught a lot about the tendering process and inspired the author to continue studying the topic even further.

## 1.2 Objectives and research questions

The commissioning company considers current business potential of live communication in the European Union and current competitive environment unclear and difficult to understand. The objective of this research-oriented thesis is to clarify the business potential of live communication in the European Union for better strategic planning and finding new business opportunities. The study is focused on the communication actions of the European Union and the procurement procedures that they are based on.

To reach the scope of the thesis there are three research questions guiding the process. The research questions asked in this thesis are:

1. How does the European Union utilise live communication in their communication actions?

2. How to stand out from the competitors and improve a competitive advantage in competitive biddings in the European Union?
3. What kind of business opportunities is the European Union offering for the live communication agencies?

The objective of the first research question is to clarify the position of live communication in the communication actions of the European Union. Is there a place for live communication in the European Union? Do the bodies of the European Union consider live communication essential for their communication actions and if so, how do they utilize live communication in their overall communication actions? How effectively is live communication utilised in the implementations of the public procurements of the European Union?

Along with the second question the study outlines the competitors of the commissioning company and clarifies the characteristics that separate one company from the others: How to be different and better than the competitors? How to create continuity of the competitive advantage? The question combines the investigations into the expectations and needs of the European Institutions and ways to correspond to them better than the competitors.

The third question guides the market study: What kind of business possibilities does the European Union offer for event and live communication agencies? What kind of tenders will there be during the next two years and how much money did the European Union spend on the event projects during last the 3 years?

The structure of the thesis conforms to the research-oriented content (see figure 2). The first chapter introduces the thesis containing the information about the commissioning company and the objectives of the study. Chapters number two and three contain the theoretical framework of the study. The methodology is defined in chapter 4 followed by the actual outcome of the research in chapter 5. The final chapter 6 concludes the thesis containing the evaluations, recommendations and prospective future studies.

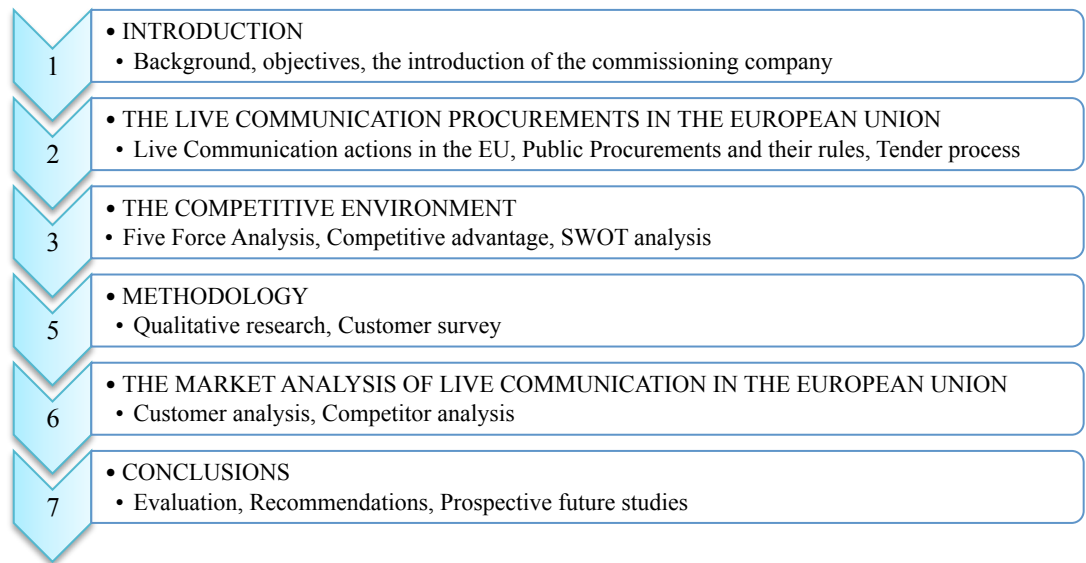


Figure 2. The structure of the thesis.

The theoretical framework of the study contains the project chain of the European Union related to the subject of the thesis (presented in figure 3). The baseline of the chain is the need of the European Union. They know what they want to accomplish and to whom the issue is addressed. However, before the topic reaches the target audience the project needs to be conducted. This study is concentrated on the topics that the European Union decides to outsource. After the decision, they launch a competitive bidding to find the most suitable contractor for the implementation of the project. This is the point when companies in the EU countries have an opportunity to step in. The competition for the EU contracts is intense. The EU projects are considered worthwhile to seek since they are funded with public money (Conti 2014). This allows the mandator of the contract to select the most suitable and effective contractor.

This study is focused on the projects where live communication actions are considered an effective and suitable way to fulfil the objectives of the topic.

Chapter 2.1 clarifies the communication segments of the European Union. With these specific units the EU carries out daily communication between the EU and the general public. In addition to the communication units, chapter 2.1 defines the general event activities of the EU. When a topic exceeds general communication

or they want to outsource a part of a project, they launch a tender. Chapters 2.2 – 2.5 concentrate on the outsourcings of the procurements. These chapters clarify the tender process entailing knowledge of the rules, directives and instructions for submitting a tender. (See figure 2.)

Chapter 3 surveys the competition points. There are several companies competing for the same project and it is highly important to be able to stand out from the other agencies. Chapter 3 presents the forces affecting the competition, tools for targeting the competitors and recognize one's own competitive advantages. See the structure of the theoretical framework in the figure 3.

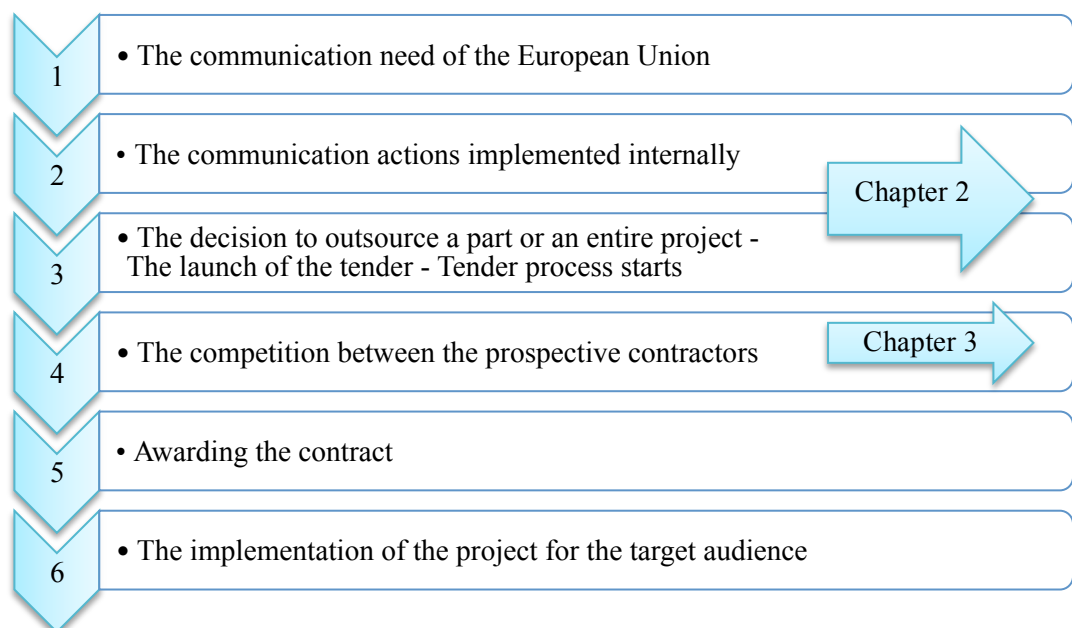


Figure 3. The theoretical framework of the study.

A qualitative research method was considered the most functional way for the execution of the study. Chapter 4 presents the methodology more closely. The research includes both primary and secondary research works. In order to investigate the research questions one and two there are two applied research methods: primary survey and secondary desk research. Versatile secondary desk researches are conducted for the third question.

The thesis concentrates on the institutional markets under the European Union. The research does not include the perspective of the purely corporate business or other industries than event & live communication.

### 1.3 27Names - Europe's Live Communication Agency

27Names is a European Live Communication Agency founded by independent, national event and Live Communication agencies across Europe. The headquarters are located in Brussels, Belgium with other offices all over Europe. 27Names is offering a wide range of event marketing and live communication activities such as brand experiences, audience engagement solutions and strategic communication for B to C (business to customers) and B to B (business to business) markets as well as for public sector customers. (27Names 2014.)

27Names was founded in 2008 as a network of event and live communication agencies to increase co-operation, collaboration and knowledge sharing among event-marketing professionals across Europe. The goal of the agencies working together was to learn from each other and find wider and deeper business opportunities within the European market. After several projects together between two or more partners in the beginning of 2014, 27Names became an agency with offices across Europe. Despite the economic recession in Europe in recent years, the investments in live communication have been increasing and live communication is now a given and accepted channel for companies and organizations to communicate through. "As Europe is increasingly becoming one, also 27Names believe that in their domain of expertise, pan-European live communication projects, the demand will grow" (Vergucht 2014). They want to offer a qualitative answer to this need in the European market. (Lehtinen 2014; Vergucht 2014.)

The ultimate objective of 27Names is to cover each member country of the European Union and be the market leader in the business area of live communication in Europe. The scope of the company's operations is to offer high quality all-in-one live communication experiences to clients all over the Europe and being perceived as the most innovative, creative and strongest European brand in the live communication industry. 27Names wants to be an alternative to

the traditional advertising and event agencies since they offer wider communication solutions, with a focus on live communication in the entire European market.

Currently there are more than 500 experts working for 27Names – located all across Europe. The group of employees consists of a wide range of professionals from creative event producers to copywriters and from social media gurus to PR experts. One main value of 27Names is the diversity in culture, language and live communication skills. They want to unite the expertise of today's professionals and offer one entirety for a client: "*Out of many mouths, we create one voice*" (27Names 2014). The CEO of the company is Mr Milo Vergucht who has a long experience of working in the international meetings and events industry, specialized in sales, strategic account management and operations. (27Names 2014.)

As mentioned above 27Names has offices in 16 European countries ranging from Brussels (HQ) to Moscow and from Lisbon to Helsinki. All offices are working nationally and internationally creating professional and innovative events both locally in partner countries and across Europe.

Despite the company's young age, 27Names has a wide experience on notable events: 27Names France produced the International Ceremony to commemorate the 70<sup>th</sup> anniversary of the Normandy Landings which was nominated as the Best Event in Europe at the EuBEA ceremony in Seville, Spain in October 2014. In Lisbon 27Names created "VIP Emirates brand experience" to launch the Fly Emirates operations between Lisbon and Dubai, which was multiplied to a launch concept also with an Irish agency in Ireland, a Norwegian agency in Oslo and a Belgian agency in Brussels, just to mention a few examples. (27Names 2014; EuBEA 2014.)

27Names have won 84 awards in the last 3 years in the field of live communication & event industry and is participating regularly in international event competitions. In EuBEA, *The International Festival of Events and Live Communication 2014*, 27Names was awarded as the Best Agency in 2014. Furthermore 27Names was announced as the winner in eight other categories

encompassing the awards of the 1<sup>st</sup> prize of EuBEA, Best Creativity, Best Executions, Best Effectiveness, Best Celebration, Best use of Environment / Setting, Best Creative Director (The head of 27Names France) and Best Incentive. (27Names 2014; EuBEA 2014.)

In the near future the aim of 27Names is to increase the participation in competitive biddings of the European Institutions. They focus on all pan-European institutions, with the European Union itself as a potential client. As of September 2014 they have participated in two calls for tenders. Based on the directive 2014/24/E, article 56 on public procurement The European Commission decided to defer the first contract and the awarding decision for an undefined period. The European Commission re-issued the tender in September 2014 and 27Names submitted an updated proposal in November 2014. The latter tender was awarded to another competitive agency (Ted 2014). Despite the unfavourable decisions, 27Names have found the tendering process useful and significant for the company. They are willing to continue the participation in the competitive biddings of the European institutions. Through an exceptional European wide capacity and the knowledge of the local markets, language and culture, 27Names has a great platform to offer live communication services to the European Union and to other EU institutions. (Lehtinen 2014; Vergucht 2014.)

## 2 THE LIVE COMMUNICATION ACTIONS IN THE EUROPEAN UNION

The European Union is continuously using a great number of event and communication actions to reach the specific target audience of each topic (European Union 2014b). In order to produce the communication actions, the European Union is outsourcing a part of the productions. The following chapter is monitoring the communication actions of the European Union and their outsourcing processes.

### 2.1 Live communication actions of the European Union

The European Union is continuously communicating in-house and with the member states of the EU including corporate companies and the general public. The topics can be related, for example, to education, environment, economics or working life. Currently there are several various communication objectives in the European Union; part based on Europe's growth strategy, Europe 2020 and part on the general communication objectives of the European Commission. (European Commission 2014b, 2014c.)

In 2014 the main objectives of the European Commission's communication activities are:

*General Objective 1: To contribute to citizens' understanding of the Union, its history and diversity, to foster European citizenship and to improve conditions for civic and democratic participation at Union level (European Commission 2014c, 5).*

*General Objective 2: To communicate to EU citizens EU policies by listening and engaging with citizens, To enable better informed College decision making by feeding country specific information and analysis into the policy making process (European Commission 2014c, 6).*

Europe 2020 strategy (European Commission 2014b, 3-4) states five main objectives related to climate, education, social inclusion, innovation and employment. The main scope ranges from increasing the level of the education and the employment to decreasing poverty and greenhouse gas emissions. In addition to the main objectives there are seven "flagship initiatives" (European Commission 2014b, 3-4). The objectives and the initiatives target the strong and

sustainable growth of Europe by 2020. To ensure the accomplishment of the objectives, the European Union is using various communication actions to endorse the fulfilling of the topics. (European Commission 2014b.)

Conti (2014) classifies the seminars, congresses, conferences, exhibitions and roadshows as one of the most common event activities in the European Union. These communication actions require expertise in many distinct subspecialties such as technical implementation, event management, venue selection, promotion, VIP treatment and the design of catering, transport and accommodation. (Conti 2014.)

The main body responsible for communications of the European Commission is called the Directorate-General of Communication (later DG Comm). The objective of the operations of the DG Comm is to be a link between the European citizens and the Commission. The aim of their work is to inform the European citizens about the actions of the Commission and communicate with the Commission about the opinion changes in the member countries. (Cini & Pérez-Solórzano Borragán 2010, 133-134; European Commission 2014c.)

In addition to the DG Comm there are separate communication units inside of each EU division. They are communicating with their target audiences about the specific topics related to their areas of responsibilities. Together these units are forming the communication entirety of the European Union. (Cini & Pérez-Solórzano Borragán 2010, 133-134.)

## 2.2 The procurement outsourcing

The European Union is continuously outsourcing a great number of the communication and event actions (European Union 2014b). These public procurements are based on the goals of the internal market. The term ‘internal market’ signifies the integration of the EU member states (Cini & Pérez-Solórzano Borragán 2010, 259). One remarkable part of the European Union’s internal operations is to ensure the free movement of services, goods, people and capital within the 28 member states. These features are known as the four freedoms (European Commission 2013, 3). The Lisbon treaty (2007/C 306/01,

article 2) strengthened the freedoms in 2007. The objective of the internal market is to ensure the freedom to work, live, study and earn in another EU country. (European Commission 2013, 3.)

In order to create a grand integration and reach the objectives of the internal market, the rudiments of business growth are required to be stable and attractive. The European Union is working continuously to ensure a favourable climate for business and increase fair competition. One notable part of the business environment of the internal market are the public procurements. (European Commission 2013; European Commission 2014d.)

Public procurements are purchases made by a public authority or institution. The object of the contract can be a supply, a work or a service. One example of an outsourced project is the implementation of the EU Development days with a value of EUR 3 000 000 (Conti 2014). The aim of the public purchases is to increase the competitiveness of the European businesses and encourage the European companies to work across the borders. Public contracts ensure transparency and effectiveness of the purchases. (Ministry of Employment and the Economy 2014.)

Each year more than 250 000 public authorities in the European Union launch a significant number of competitive biddings to find the most suitable and cost-effective providers for their purchases (European Union 2014b). Based on the legislation of the European Union, the authorities are required to expand the markets to the entire Europe when the value of the contract exceeds certain thresholds (see chapter 2.3). The lower value contracts are governed by the national rules. Since around 18 % of the EU GDP is spent on public purchases the attendance for the competitive biddings for the contracts might offer a notable business opportunity for a company registered in the European country. (European Union 2014a; Directive 2014/24/EU.)

Public procurements are playing a significant role also in the Europe 2020 strategy. The aim of the strategy is to create a strong base for the inclusive, sustainable and smart growth of Europe and to share public funds effectively.

Chapter 2.1 describes the objectives of the strategy more deeply. (European Commission 2014b, Directive 2014/24/EU.)

The contracts above the thresholds (see chapter 2.3, table 1) are published in the *Supplement to the Official Journal of the European Union* (later *OJ S*) and in their web version *Tenders Electronic Daily* (later *TED*). TED includes the updated information about the open tenders and results of the past tenders from the last 5 years. TED is open to all European citizens and companies and most of the tenders are available in several European languages. (European Commission 2009; The EU Publication office 2011.)

### 2.3 The rules and directives of the public procurements

Each year the European Union is the author of a notable number of public purchases and working with numerous companies and individuals. To create clear and equal conditions for the companies participating in the competitive biddings of the European Institutions, the European Union has set laws to control the bidding process. These rules and directives regulate the process of the public purchasing from the publication to the implementation of the project. (European Commission 2014b.)

The rules and directives of public procurements (2014/24/EU) consist of the instructions for the tenders. The rules include the definitions of the occurrences the rules apply to, working methods, description of the tender process, procurements procedures and general rules conducting the process and contractors. To guarantee the best possible conditions for the competition and business the European Union reforms the rules at times. The latest reform was published in the beginning of 2014 (2014/24/EU) replacing the previous directives (2004/18/EC).

The rules were reformed since the European Union considered that the economical, political and social developments and the budgetary restrictions had made the previous rules unclear. The objective of the new rules is to improve the simplicity and effectiveness of the rules and enhance the cost-effectiveness of the public contracts. Simultaneously the transparency and an equal competition are

respected. The reform should especially have a positive influence on small and medium sized companies. (European Commission 2014a.)

The general process of the public contract obeys a certain order (see figure 4). The procedure type is changing from tender to tender but the major part of the public competitive biddings obey a general publication process. The main publication process contains three notices: an optional prior information notice, a contract notice and a contract award notice. (European Commission 2009, 6-7.)

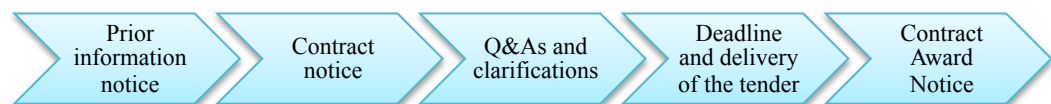


Figure 4. Competitive bidding process in the European Union (European Commission 2009, 6-7)

If the contracting authorities consider the advanced-knowledge of the procurement appropriate they may release prior information notice which abbreviates the time of the bidding. After the optional prior notice, the tender process continues with the contract notice that is published in OJ S and TED. The contract notice includes the necessary information of the tender containing the objectives, the estimated value and the bidding schedule of the contract. The number of notices define the date of the deadline: in case a prior information notice has been published the deadline might be closer to the official contract notice. (European Commission 2009, 6-7.)

The legislation of the European Union defines the thresholds for the public contracts (Table 1). The contracts of which estimated final values are equal or greater than the following limits are obeying the EU public procurements directive 2014/24/EU. These contracts are required to be published either in the entirety of Europe or for the selected companies depending on the contract type. The current threshold amounts are published in the directive 2014/24/EU. From the year 2014 the European Commission will verify the thresholds every two years to guarantee that they correspond to the thresholds of the World Trade Organisation Agreement on Government Procurement. (2014/24/EU, article 6.)

<b>Estimated value (excluding VAT) of the contract</b>	<b>Type of work, supply or service</b>
<b>EUR 5 186 000</b>	Public works contracts, subsidised works contracts
<b>EUR 207 000</b>	Public supply and service contracts awarded by sub-central contracting authorities and design contests organized by such authorities
<b>EUR 134 000</b>	Public supply and service contracts awarded by central government authorities and design contests organized by such authorities

Table 1. The EU thresholds for public works, public supply and public service (2014/24/EU, article 4).

#### 2.4 Procurement procedures

Public contracts of the European Union conform to the directives that define the procedures and rules of the purchasing process. There are three most commonly used procedures concerning public contracts: open, restricted and negotiated procedures. (2014/24/EU, articles 27-29.)

Open Procedures allow any operator to submit a tender. In case there is no prior information notice published, the time between the publication and the submission of tenders is required to be at least 52 days. If the administrator of the tender publishes the prior notice, the time will be abbreviated to 36 days. Open procedures are the most commonly used procedures in the European Institutions. (European Commission 2009, 4; 2014/24/EU, article 27.)

In restricted procedures there is a biphasic process: in the first step any company is allowed to participate and offer a proposal demonstrating their validities

corresponding to the exclusion and criteria of the organisation party. The selected operators of the first step are invited to submit a tender for the final competitive bidding. This two-step process allows the proper examination of the completeness and the suitability of the contractors. (European Commission 2009, 4-5.)

A part of the step one procedures obey a call for expressions of interest. Responses of such call will be stored on a list which is valid for three years and will be utilized for the various medium-value purchases, on average service contracts less than EUR 133 000). In other words the candidate contractor may be asked to submit a final tender during the next three years. (European Commission 2009, 4-5.)

The European Commission uses negotiated procedure when the expected value of the contract is below EUR 60 000. In such procedures the administrations invite directly the candidate contractors to submit a tender. After that, there are negotiations between the candidates and the Commission if the tenders are insufficient (2014/24/EU, article 29). The negotiated procedures are generally faster and simpler than open and restricted procedures; the directives and rules are less tight and the tender can be delivered by email. (European Commission 2009, 5.)

The contract type varies from single to multiple framework contracts and the one-time contracts. The framework agreement sets the contract between the contracting authority and the economic operator. The agreement covers the terms of the contracts during the defined time period. The terms consider mainly prices of the projects. The maximum time for a framework agreement is four years. (2014/24/EU, article 33.)

Parts of the public contracts are renewable for either the same contractor or the new one. In order to maintain the continuation of the purchases and increase the quality of the competition the authorities are able to revise the similar contract if they consider it necessary. (2014/24/EU, 77.)

## 2.5 Submitting a tender for the European Union

There are certain requirements that the company must fulfil in order to participate in the competitive bidding. The exclusion criteria contain versatile social and economic requirements, as the company cannot ever been bankrupt, have filled their tax responsibilities and have not been excluded from previous competitive biddings due to an infraction. The participating company must be registered in the EU countries or the in the non-EU country which has a contract with the European Union to open the markets across the borders. (European Commission 2009, 8-9.)

Figure 4 in chapter 2.3 presents the structure of the tender process. Based on the rules of the public procurements (2014/24/EU, 77) the tenders may be conducted in any official EU language. If the mandator of the tender requires a certain language it is always mentioned in the contact or the prior information notice. The specific language requirement may be caused by the international use of the contract or when the implementation of the project is strongly related to the certain language. (European Commission 2009, 9.)

As figure 4 indicates (see chapter 2.3), after the publication of the contact notice the participating parties still have an opportunity to ask further questions and clarifications about the tender. Even though the requirements of the tenders change from project to project, a few of the most common features can be named. The main structure of the tender is often formed by the official documents entailing the legal entity and declaration of honour, technical and financial offers and the cover letter. (European Commission 2009, 9-10.)

The official documents prove the capability of the company to implement the project and prove that they are not guilty of any mentioned criteria that might exclude them from the competition. If the company is working in a consortium with other agencies or suppliers also they are required to prove their capability to participate in the competition. The technical offer contains the presentation of the content of the proposal and how the project will be produced in case the proposal is awarded. The financial offer includes the price of the project. It must comply to the given limitations and specify the VAT if they are included. (European Commission 2009, 10-11.)

Based on the rules on public procurement, in most cases the most economically advantageous tender will be awarded (2014/24/EU, article 67). In order to find the most cost-effective tender, the contracting authorities use various methods. One price-based criterion is the quality-price ratio. The quality of the service/product entails, among the other features, the experience of the project group and the overall quality as technical implementation and environmental characteristics. The life-cycle costing can be used as one awarding criteria. The life cycle costing entails all costs of the project from the costs of the procurement to the implementation and the finishing of the project. (2014/24/EU, articles 67-68.)

### 3 THE COMPETITIVE ENVIRONMENT

An effective and functional strategic planning is essential for any company. When planning and creating the strategy it is vital to recognize the industry and environment the company is operating in. There are several forces affecting the industry entailing economic and social changes but one key element is a competitive environment of the industry. (Porter 2004b, 3.) The following chapter analyses the main features of the competitive situation: the forces affecting the competition, recognizing and creating a competitive advantage and how to utilize a SWOT analysis as a research tool.

#### 3.1 Five Forces analysis

Michael E. Porter's Five Forces Analysis (2008, 24-26) describes the level of the competition and the forces affecting the market in a certain industry. The aim of the framework is to define the attractiveness and profitability of the market based on the strengths of the forces. The five forces apply in all industries and business fields and therefore are workable for any company and market area. The framework is a tool for recognizing the current rivalry and the prospective threats of the market and for imposing the strategic position of the company. The forces together define the level of the competition and the attractiveness of the market. Based on the five forces analysis the company is able to create the business strategy and by means of the strategy the company strives to reduce the threats the forces are causing. The figure 5 presents the five forces: Bargaining power of the customers, bargaining power of the suppliers, threat of new entrants, threat of substitute products or services and the current industry rivalry. (Porter 2004, 4.)

Bargaining power of the customers describes the power the customer is holding. The customer goes after the lower price, higher quality and better service that aren't consistent with the interests of the company. Porter (2004, 24-26) highlights that the greater the negotiation power the customer has, the bigger the threat it is to the attractiveness of the market. When the supply is higher than the demand, the customer has the power to select the most suitable provider for the benefit. In that case a customer is able use the competitive biddings to find the

lowest price. The aim of the company is to strengthen the proprietary negotiation power with respect to the customer. (Porter 2008, 30.)

The bargaining power of the suppliers defines the power of the supplier. The aim of the supplier is to sell the products or services at a higher price and lower cost of production (Porter 2008, 28). These objectives are opposite to the aims of the customer. The demand of one company is to maintain the balance between these two parties (supplier and customer) and place itself in an advantageous negotiation position with respect to the both sides. (Porter 2004, 27-29.)

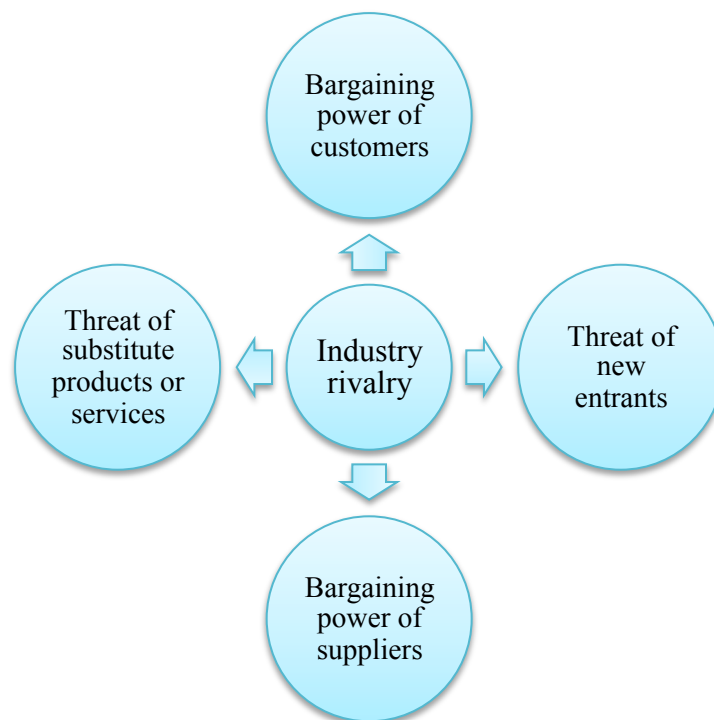


Figure 5. Porter's Five Forces Analysis (Porter 2004, 4).

The third force affecting the market is a threat of new entrants. When the market is profitable and attractive it lures the new entrants. The increase in competitors erodes the profitability of an individual company. The strict limitations such as patents, capital requirements or government policies reduce the increase of the new entrants. The objective of the company is to create a stable position in a market and increase the barriers to entry to the market and lower the boundaries to exit the market. (Porter 2004, 7-9.)

The threat of substitute products or services set the boundary for the pricing. When there are substitute products or services in a market a customer has an opportunity to replace the original product if the prices are too high or the quality too low. The substitute products can offer the same benefit as the previous products but at a more competitive price. The threat of replacing products drives the companies to work with relatively reasonable prices. (Porter 2004, 23-27.)

The main affecting force is the current competitive rivalry. Porter (2008, 32) states that the number and the capability of the competitors are a major part of the market attractiveness. If the market contains several agencies offering similar products, the attractiveness of the market decreases. The reactions and the operations of the competitors affect each other and therefore it is crucial to know the strengths and weaknesses of the competitors. (Porter 2004, 17-21.)

### 3.2 Competitive advantage

When a company maintains a profit exceeding the average profit of the industry the competitive advantage is in company's possession. The objective of the functional business strategy is to achieve and maintain a sustainable competitive advantage. (Porter 1985, 1-3)

According to Michael E. Porter (1985, 11) there are two separate basic types of competitive advantage: cost advantage and differentiation advantage. When the firm is able to produce and deliver the benefit to a customer at a lower price than the competitors, they are applying a cost advantage (Porter 1985, 62-63). A differentiation advantage (Porter 1985, 119-120) occurs when the products of the company are better and express higher quality than the competing ones. A powerful competitive advantage allows a company to produce an overpowering value for the customer and a remarkable profit for itself.

In generic competitive strategies, Porter (1985) defined three main strategies: cost leadership strategy, differentiation strategy and the focus strategy (see table 2). The focus strategy is divided in two: the low cost focus strategy and the differentiation focus strategy. Two features form each strategy: the type of the advantage and the competitive scope. The competitive scope of the company can

be either broad or narrow. The broad market segment includes the industry in general and the narrow segment borders in a certain market. (Porter 1985, 11-15.)

When a company considers cost effectiveness as an advantage and is targeting the wide industry it is following a cost leadership strategy (Porter 1985, 12-13). Then the scope is to produce and sell the benefit at a lower price than the competitors. In this strategy the company markets itself as a low-cost-producer. If the product uniqueness is considered as a competitive advantage and the company is targeting wide markets they are implementing a differentiation strategy (Porter 1985, 14). With the differentiation strategy the company has a unique and distinct benefit that is highly appreciated by the customers. The differentiation may appear in any step of the production: the product itself, the delivery system, the customer service or a wide range of other factors. The differentiation must correspond with the expectations and needs of the customers so that they are willing to pay a potentially relatively higher price. (Porter 1985, 14.)

THE COMPETITIVE SCOPE	ADVANTAGE	
	Low cost	Differentiation
Wide	Cost leadership strategy 1	Differentiation strategy 2
Narrow	Low cost focus strategy 3a	Differentiation focus strategy 3b

Table 2. The Generic Strategies by Porter (1985, 12).

The focus strategies (also known as niche strategies) are targeting an extremely restricted market area. The cost focus strategy pursues the cost advantage and targets the benefits for a certain customer. The company following a differentiation strategy has a unique benefit which is carefully targeted to a particular customer or customers. The advantages of both the low cost focus strategy and the differentiation focus strategy offer a possibility to create a strong

and loyal customer relationship. The focus strategies allow the company to express strongly their expertise and respond to the needs of the customer quickly. (Porter 1985, 15-16.)

### 3.3 SWOT analysis

SWOT analysis is a tool to recognize the internal and external factors affecting the object. It assists in placing a particular object to the competitors and recognizes the most potential future opportunities and threats in the market. The analysis is separated into four features: The internal features strengths and weaknesses and the external attributes, opportunities and threats (see table 4). The SWOT analysis is an effective tool to examine various actions of the company entailing services, products and the overall operations of the firm. The first letters of the features form the name of the analysis. (Aaker 2008, 48; FME 2013.)

Internal <b>STRENGTHS</b>	Internal <b>WEAKNESSES</b>
External <b>OPPORTUNITIES</b>	External <b>THREATS</b>

Table 3. SWOT analysis table (FME 2013).

The internal factors strengths and weaknesses are factors the company is able to affect with their strategies and internal operations. Opportunities and threats are considered to be external factors and the company doesn't have a controlling opportunity for them. The market where the company is operating determines the external attributes. (FME 2013.)

'Strengths' consider the internal features that are advantageous for reaching the objectives of the company. 'Weaknesses' instead are internal disadvantageous factors for the operations' objectives. The strengths and weaknesses can relate to innovation, management, finance, marketing or a wide range of other things. In

the external field, 'opportunities' are strengthening the company's possibilities to reach the objectives. 'Threats' instead are threatening the operations of the firm. The external forces can relate to, for example, the financial, social or political situation of the market. (Aaker 2008, 48-52.)

However placing the factors doesn't follow an unequivocal structure; the same feature can be seen to be part of more than one sector. For example focusing on one product or service can be considered a strength since then the company has an opportunity to be a market leader but at the same time it can be considered a weakness due to the vulnerability. (FME 2013.)

The SWOT analysis is not a definitive conclusion for the company's examination since the affecting forces are changing over time. The analysis is suitable to be used as a starting point for more in-depth investigations. (FME 2013.)

## 4 METHODOLOGY

The aim of this research-oriented thesis is to clarify the role and the business possibilities of live communication in the European Union. To reach the scope there are two main research methodologies: qualitative primary research and qualitative secondary research. Each research question is answered with a different methodology. The primary and secondary qualitative research methods were selected for questions numbered one and two. For question three, the main research method was a secondary research.

A qualitative research is a versatile research method to study the unstructured theme with various specific procedures. Martyn Hammersley (2013) conducted a study about the definition of the qualitative research and its complexity. He defined *qualitative research* in the following way:

*A form of social inquiry that tends to adopt a data-driven and flexible research design, to use relatively unstructured data, to emphasize the essential role of subjectivity in the research process, to study a small number of naturally occurring cases in detail and to use verbal rather than statistical forms of analysis. (Hammersley 2013, 12.)*

### 4.1 The qualitative customer survey

Due to the distinct locations of the researcher and the respondents, the qualitative online research method was selected. The online survey is an effective method to gather a wide group of respondents in a relative brief time period. There are two options in an online survey: an email survey and a web survey. The email survey, either embedded or attached email questionnaire survey, is sent by an email to a selected group with an introduction letter. The respondents send the filled survey back to the researcher either by email, post or fax. For the web survey the researcher invites a certain group of people to visit a web page to fill out the questionnaire. The responses are automatically transferred to the researcher and respondents don't have to send the responses by themselves. According to Bryman (2012) the restrictive feature in both survey methods is the knowledge requirement of being able to work with the online-processes and computers. The

advantages of both methods are the rapidity and the online form of the prospective responses. (Bryman 2012, 670-672.)

An attached email questionnaire survey (see appendix 1) was evaluated to be the most suitable method for the study in question. With the email survey the prospective respondents are able to choose the most convenient time to fill out the survey and expand the answers if necessary. After comparing the embedded and attached survey methods the attached document was deemed more appropriate for the use: the survey form was easier to modify for the study and simple to print in case of postal return. To reduce the complexity in the opening of the document the software selected was relatively well-known Microsoft Word (Bryman 2012, 676-677.)

The notable disadvantage in the non-personal interviews is the unproved identity of the respondent. When the survey is conducted either by email, phone or post there is a possibility someone else is responding on behalf of the receiver. In this case the researcher wouldn't receive reliable data. (Bryman 2012, 676.) To reduce the risk of unreliability the surveys were sent to the official email addresses of the European Institutions.

The qualitative customer survey offers one base for the research questions one and two. The survey deals with two main topics; the role of live communication in the communication activities of the European Commission and the procedures of the public procurements and contract types in the European Commission and the EU Agencies.

#### 4.2 The working procedure of the customer survey

Two main study steps composed the content of the survey. Firstly research over the public tenders, awarding criteria and upcoming tenders was conducted (see 4.3). The draft questions started to form based on the findings of the research. To gain more knowledge about the unknown segments of the operations of the EU, the author of the thesis consulted three directors of 27Names. The consultation was the second step of the study behind the survey.

Since 27Names have participated in two competitive biddings of the EU during the years 2013 and 2014, the managers of the projects were convenient people to consult. The aim of the consultations was to clarify the topics that needed to be examined and to find the challenges they confronted during the tender process. The consultation contained both face-to-face and email interviews. The consultation entailed a draft version of the survey and an inquiry into what they would like to know about the tender process, the connection between live communication and the European Union and the external communication actions of the EU. The discussions and emails yielded good results containing mainly suggestions to be more precise with the definitions of the concerned terms.

One consultant, a director of 27Names Belgium proposed to stick to a closed format and decrease the amount of the open questions. The author of the thesis investigated the options and decided to stay with the greater number of open questions. This decision was based on the aim of the research: to gain as much information as possible and increase the amount of new perspectives. The target was to avoid the passivity of the answers. If the survey had included mainly multiple-choice questions there is chance that the questions were just the hypothesis of the author and the possibility of incorrect data increases. With open questions, the respondents are able to use their own terms and the questions are not steering towards certain kinds of answers. The open questions might decrease the amount of the responses since they require higher attention and amount of time from the respondents. However the author of the thesis considered the advantages of the open questions higher than the disadvantages and the open format was selected. (Bryman 2012, 246-250.)

Based on the outcome of the consultation and an edit of the questions the final survey was formed. To reach the most useful and professional outcome for the survey there was a customer study conducted in the beginning of the research (see 4.3). The receivers of the survey represent the officials in charge of the communication actions in the European Union. The surveys were sent on 27<sup>th</sup> August 2014 to 26 selected prospective respondents. The deadline for the survey responses was 12<sup>th</sup> September 2014. The aim was to reach 60 % response rate, signifying 16 responses.

The final response rate of the customer survey was 26.9 %, 7 respondents out of 26. Four respondents out of seven preferred to stay completely anonymous. The deputies of EU Committee of the Regions (CoR), DG Employment, Social Affairs and Inclusion (DG EMPL) and European Training Foundations (ETF) impart the views of their departments.

The sample of the survey is sufficient when there are no further samples appearing and the results begin to repeat themselves. The saturation is the sign that the wider sample isn't offering any new substance for the research. (Flick 2014, 172.)

Despite the relatively low response rate, 26.9 %, the saturation was reached. Due to the accomplished theoretical saturation the outcome of the survey is reliable.

All the received responses were read and sorted into homologous groups. The survey responses were divided into three themes: <sup>1)</sup> the needs of the customer, <sup>2)</sup> the utilization of the live communication and <sup>3)</sup> the requirements of the tender. Each theme includes three main findings based on the survey responses. Chapter 5 presents the themes more deeply. Eventually, the themes and responses are the basis for the market analysis represented in the chapter 5.

#### 4.3 Qualitative secondary research

The qualitative secondary research concentrated on comprehensive study of the procurement outsourcing in the European Union. The aim of this research-oriented thesis is to offer better possibilities for the business planning of the commissioning party by clarifying the business potential of the live communication in the European Union.

Qualitative secondary research assists in defining the topic and find the unsearched areas that need to be examined. It offers a possibility to continue with an area that is investigated partly or combine two topics together. By using a secondary qualitative method the researcher must state clearly which material is the secondary information and include the author's own conclusions. (Flick 2014, 66-68.)

The author of the thesis examined the procurement outsourcing of the European Union and competitive environment in the European event industry. When

conducting secondary research it is vital to investigate the subject as widely as possible (Flick 2014, 67) and in order to gain a maximal outcome the author started the study with the concerned secondary research. The objects of the research were the outsourced procurements and the competitive environment of the competitive biddings of the European Union. The outcome of the secondary research is formed by three reports: the tender report (appendix 3), the competitor report (appendix 4) and the EU database related to the topic (appendix 2). The appendices 2, 3 and 4 are concealed since they are confidential documents and part of 27Names' trade secrets. These sets of data are described here below in more detail.

The tender report began with the familiarization with the EU tenders. The author examined the selection criteria and requirements of the contracts and selected tenders that are the most suitable for the live communication agencies. Since all notices of the contacts are published in TED (European Commission 2009) and available for three years, the author examined the tenders from 2009 till 2014. Based on the repetitive structure of the tenders (see 2.4) the author estimated the upcoming tenders till 2016. The outcome of the research study is a table of the tenders. The table contains data of 75 tenders that are most suitable for commissioning agency. The table includes the following information: name of the contracting authority, reference number, tender title, estimated total value, term and the estimate time for next tender. In cases when the tender was already awarded the table contains also the awarding data: when the contract was awarded and for which agency. The tender study was conducted in September 2014 and therefore the report includes only tenders published by the end of September 2014. The total value of the tenders part of the study in 2009-2016 was EUR 777 857 776.

The tender study above was the base for the competition targeting. Based on the winners of the selected tenders, the author examined 19 European event agencies more deeply. The selected companies have achieved a good prosperity in the EU projects and therefore are powerful competitors for the commissioning company, 27Names. 10 agencies out of 19 had received more than EUR 500 000 of the EU budget in 2011-2014. The amount of the EU budget addressed to a certain agency is an overt data and available in the EU's Financial Transparency System

(European Commission 2014e). That information is utilized in the competitor study. The competitor report includes the outcome of the competitor study entailing the basic data, such as age, country, company description and mission, type of ownership and industry, experience in the EU projects and the level of pan-European operations. Since it is vital to recognize the strengths and weaknesses both in competitors and in the company intrinsically (see 3.3), the report entails SWOT analysis of each agency. In order to compare 27Names to competitors, the author conducted similar study also about the commissioning company. The outcome of the research is collected to the competitor report with 16 pages.

The EU database includes the EU units whose outsourced procurement related to the event industry exceeded EUR 1 000 000 in 2009-2016. The database is the extension for the tender research: The author examined the tenders (see “The tender report” in the chapter 4.3) and based on the data of the tender report, the units with over EUR 1 000 000 event purchases were selected. The EU database includes information about 26 EU units containing the name of the unit, value of the outsourced projects and the contact person.

The database offers an archive of the EU contacts for 27Names. The aim is to ease the tender process by offering data about the EU bodies beneficial to them. The EU database was the source for the customer survey. The survey recipients were the communication officers of the selected units (see 4.1).

#### 4.4 The participation in the competitive bidding of the European Commission

One basis of this commissioned thesis is the author’s previous experience in the competitive bidding of the European Commission. While working in the Finnish bureau of 27Names the author was part of a project group of 27Names that transmitted an offer to *Tender n° 2014CE16BAT003: Provision of services to communicate with young people with a view to providing fun and educational information on the European Union* (Ted 2014). The tender process was dated April – May 2014 and gave a good perspective for this commissioned thesis. (Ted 2014.)

The objective of the tender was to create an event ensemble for young people with encouraging and informative content. The European Union wanted to find a tool to increase the knowledge level of the target group about the European Union and create an approachable and fun field to teach more about the work of the European Institutions. (Ted 2014.)

The tender entailed three separated simulations; an education fair, a mobile application and the informative truck road show. The final outcome of the tender followed the restrictions of the European Union and included three detached document bundles; the financial offer containing all the financial information needed, the technical offer entailing the technical production of the tender and the supporting documents with all the official certificates the European Institutions require. (Ted 2014; Lehtinen 2014.)

An international team composed the project group; the 27Names Finland had the operational lead of the project and 27Names France was in charge of the tender process. The working period from the beginning to the deadline of the project was around 4 weeks including all the work the tender required.

The tender was awarded in October 2014 and 27Names didn't conquer the competition. Despite the unfavourable outcome the project group considered the tender process worthwhile and instructive. After receiving the awarding results the project group processed the teachings of the tender. The biggest mistakes were made in the structure of the tender and the accuracy of the budget. According to the feedback discussions of the project group the main reason for the mistakes were the lack of knowledge and experience in the Institutional projects. The objective of this study is to clarify the business potential of live communication in the European Union and therefore offer a deeper knowledge over the needs and expectations of the customer. (Lehtinen 2014.)

## 5 THE MARKET ANALYSIS OF LIVE COMMUNICATION IN THE EUROPEAN UNION

The outcome of the research is the market analysis of live communication in the European Union. The objective of the analysis is to clarify the role and business potential of live communication in the European Union. The following chapter is examining the role from two perspectives. The customer analysis examines the role directly related to the customer: what kind of business opportunities the customer is offering, what the needs of the customer are and how to prepare an advisable tender. The competitor analysis examines the competitive environment of the industry targeting to the internal market of the European Union (see figure 6).

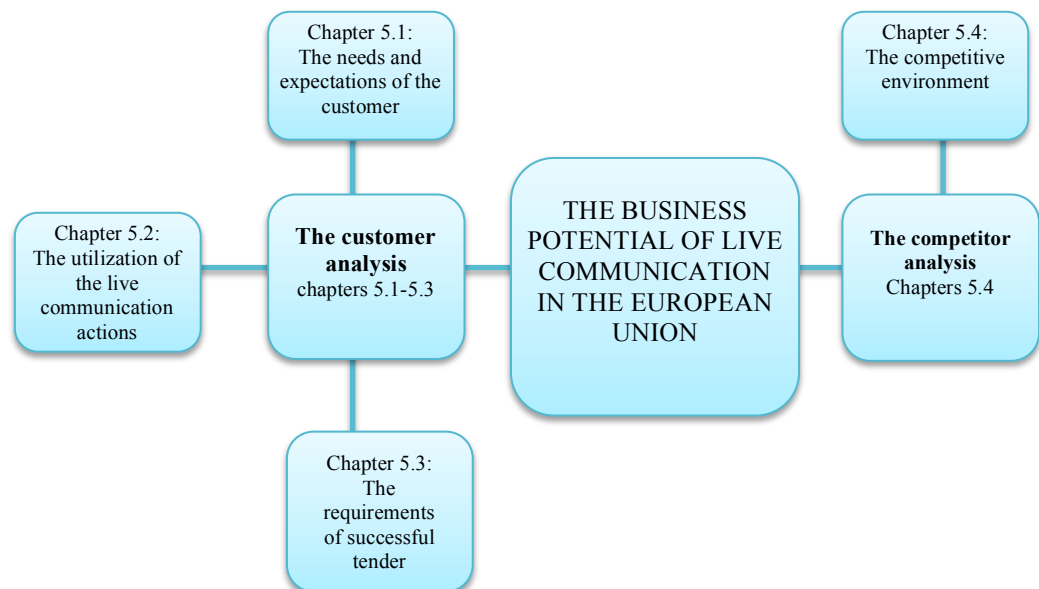


Figure 6. The structure of the analyses

The customer analysis offers business knowledge about working with the European Union. The base of the study is a research study of the outsourcing operations of the European Union and a customer survey addressed to the communication officers of the European Union (see chapter 4).

The responses of the survey are divided into three themes: The needs and expectations of the customer, the utilization of live communication in the European Union and the requirements of the tenders. Each theme entails then

three main findings on the topic. The three main findings are based on the results of the survey and qualitative customer research study. The customer analysis is presented in chapters 5.1 – 5.3.

The competitor analysis contains a competitor matrix and a report over the current competitive market heading to the EU projects in the field of live communication. The competitor analysis includes three main findings on the topic as well. These main findings are the most important factors of competitive environment based on the research study. The competitor analysis is presented in the chapter 5.4.

### 5.1 The needs and expectations of the customer

The European Union is continuously organizing versatile events either in-house or with the outsourced contracts. The needs and the objectives vary considerably depending on the target group; is the communication addressed to in-house utilisation or outside of the institutional bodies. In both cases the demand for high quality services is remarkable. The main findings related to the needs and expectations of the customers are the following:

1. The variability of the event and communication actions is wide – events from one-day seminars to the multiyear event chains.
2. There are two main target audiences of the communication actions: The EU in-house and the general public in the EU countries – Different topics and objectives.
3. The demand for a high quality entirety of the outsourced project: the importance of the pan-European reach, experience and diversity in the services.

The first finding on the needs and expectations of the customer presents the event types. The needs of the customer related to the events vary considerably from small one-day open house events to multiyear event entireties. The data of Conti (2014) endorses the results of the customer survey. He highlights the versatility of the event actions of the European Union and the requirements of the contractors for each event type. For one-time secretariat work the expectations of the

customer are different to the implementation of the multiyear event chain (Conti 2014).

Based on the directive of the public procurements (2014/24/EU, article 33) there is a wide range of contract types available from the single one-time contract to the multiple framework contracts. Therefore in addition to the size of the event, the type of the contract affects the expectations of the customer as well. With a framework agreement the company is required to express the diversity and stability in a long-term relationship. In a single contract the need of the customer can consider only a strictly limited area of expertise.

The tender table supports the first finding. There are versatile projects available from working as a secretariat in one single seminar to the framework contract for organisation of several events throughout Europe.

There are two main target audiences of the communication actions: The EU in-house and the general public in the EU countries. The audience of the in-house communications is the staff of the European Union including the European Institutions, as the European Commission, and the EU agencies. The purpose of the in-house communication is to keep the employees informed about the frameworks and changes in the organization. They communicate about the best practices and the new procurement procedures.

The communication to the European Union in general is addressed to the general public and the civil society of the EU, the corporate sector and the NGOs. The main objectives of the external communication are to raise the awareness of the basic knowledge about the EU, inform the potential beneficiaries about the funding opportunities and share the information about the topics linked to the ongoing campaigns with changing headlines.

The objectives of the Europe 2020 strategy (European Commission 2014b) and the management plan of the European Commission (European Commission 2014c) are closely related to the external communication actions. One respondent to the survey states the external communication objectives as follows: *“One of the current corporate communication themes of the Commission is to ease and improve the business possibilities (in Europe) and increase the quality of life.”*

These themes are visible in the Europe 2020 strategy as well by increasing employment and decreasing poverty (European Commission 2014b).

Over 50% of the survey respondents considered the level of the general EU knowledge among the European civil society relatively low. This is part of the general communication objectives as well (European Commission 2014c, 5-6). The European Union is keen to increase the knowledge level of the civil society about the results of their work.

The public authorities considered the digital transformation as one important trend affecting their work during next 2-3 years. This is a remarkable transformation for the communication actions as well. Both the internal and external audiences are better and better reachable via online channels. The publication rules of the tenders (see 2.1) endorse this online revolution since the digital channels have risen as an egalitarian method to publish the tenders.

The most notable requirement for the tender is a high quality entirety. This includes an intense compliance of the rules but also the great expression of the creativity and innovativeness. Experience in the institutional projects and understanding of the working methods of the European Union is highly appreciated. Another remarkable feature is the pan-European reach. When the objective of the event is to reach a wide audience located throughout Europe, the customer trusts the contractor's capability to work across the borders and produce a wide range of services.

One significant finding of the survey was the importance of the pan-European reach. The tender table points out that several outsourced projects are linked to many EU countries. Due to that the customer appreciates the internationality and the multilingual staff. One respondent defined the international needs as follows: *"For us having a pan-European reach is really important – we need to be able to organise live events anywhere in Europe but do not have the resources to contract on a country by country basis."* The finding is linked to Conti (2014) as well. He emphasizes the contractor's ability to speak at least English, French, German and Spanish (Conti 2014). One example of the outsourced international project is the tender n° 2014CE16BAT003 (Ted 2014). The objective of the tender was to

create a communication entirety that is achievable in several locations. The implementation of the certain kind of event chain requires a strong experience in international operations and working methods. More about the tender can be found in the chapter 4.4.

Based on the EU directive on public procurements (2014/24/EU, article 67) one of the most powerful awarding criteria is the cost-effectiveness. In order to find the most effective and suitable contractor, the contracting authorities acknowledge a few other features along with the price. The results of the survey indicate the importance of the experienced staff and wide diversity of the expertise as the key features of the successful contractor. In order to correspond to the needs and expectations of the customer it is vital to express a good knowledge and understanding over the EU politics.

## 5.2 The utilization of live communication in the European Union

The current utilization of the live communication activities is relatively intense. Such as the event types of the European Union also the types of the live communication activities vary considerably (see chapter 5.1). The European Union has divided the organisation of the live communication actions into two, for internal and external responsibilities. The findings under the theme number two are:

1. Live communication is considered to be a very important channel to reach the target audience.
2. Conferences and events are the most commonly used live communication activities in the European Union.
3. The organisation of the live communication activities is divided in two: for internal responsibilities and for the outsourced contractors.

The highly significant part of the survey results was the current state of live communication. Based on the responses of the survey the live communication is considered as a key element and highly important part of the communication strategy of the European Institutions. One of the main objectives of the external communication is to reach the target audience effectively (European Commission

2014c) and live communication actions are considered as a dynamic tool for that: *“(Live communication) offers face-to-face contacts between the agency and audience and helps to create an overall experience in the communication (An anonymous respondent of the customer survey)*

One objective of the EU’s communication plan 2014 (European Commission 2014c, 3-6) is to increase the interactive communication with the EU citizens and bring the European Union closer to them. Based on the results of the research, live communication actions are considered an effective channel to reach the objectives. All the respondents of the survey classified the magnitude of live communication as either very important or extremely important for their organisations.

The study of the market size strengthened the position of live communication. The total value of potential projects (containing both closed and upcoming tenders) in 2009 – 2016 is more than 700 million euros. That demonstrates the great opportunities the European Union is offering to live communication agencies. According to the responses the estimated annual budget targeted for live communication actions is 8-10 % of the overall budget.

Conferences and events are the most commonly used live communication activities in the European Union. Live communication is an integrated part of the communication plans of the European Union entailing campaigns, seminars and conferences (European Commission 2014c). Conferences and events are the most commonly used live communication actions in the organisations of the respondents. They are seen as a suitable way to reach the audience compatible with the communication objectives.

Furthermore the conferences and the wide range of the live communication actions are considered important for the European Union. The communication officer of the EU agency states: *“Live communication – events, conferences, workshops, study visits – are part of almost all our Work Programme activities.”*

The entirety of live communication activities is divided in two: the logistical and the content related issues. The major part of the content related issues such as agendas, concept notes and expertise materials are organized in-house. The

logistical side such as the search and management of the venue, accommodation and transportation and the registration processes are often outsourced. Also the management of the specific events and campaigns are often outsourced: “*Most live communication activities are outsourced, especially if those events take place outside Commission premises. Procurement and contract management for live communication is done by the responsible internal services.*” (An anonymous respondent of the customer survey.)

Conti (2014) emphasizes the diversity in the requested expertise. Based on the needs of the customers the contractors should express the know-how in a wide range of areas from hotel bookings to promoting activities and from web streaming to VIP treatment. This strengthens the result of the research above: The contractor is required to possess wide range of expertise to gain a success in the EU projects.

### 5.3 The requirements of the tender

The competition for the public contracts of the European Union is intense. In order to gain prosperity in the tender processes of the EU, the tender is required to correspond with certain requirements. Based on the research the most important requirements of the successful tender are:

1. The strict compliance to the rules and instructions.
2. The general quality of the tender from the references to the technical appearance.
3. The appropriate use of creativity.

The strict compliance with the rules and instructions is a vital part of the tender. The competitive biddings of the European Union obey the rules managed by the public authorities (2014/24/EU). The strict compliance with the rules is highly important. The tender must comply with the instructions in every parts of it. All received tenders are required to follow the same structures so that they are as comparable as possible. The communication officer of the independent EU agency defines the requirements of the tender in the following way: “*The tenders we*

*receive have to correspond to the specific requirements outlined for the specific events and provide all the required services.”*

In most cases the contracting authorities allow a possibility to ask further questions before the final dispatch of the tender (European Commission 2009, 6-7). In case the tendering companies have some obscurities or questions about the tender they are allowed to submit a request for clarifying instructions. All questions and answers are published and available for everyone. By allowing the possibility for the clarifications, the contracting authorities are able to receive tenders that comply better with their requirements.

The general quality of the tender is highly important. The quality must come over in every part of the tender from the references to the technical appearance. The structure of the tender varies but there are some recognizable common requirements. The rough structure of the tender entails the cover letter, official documents, technical and financial offers and the certifications of the prospective subcontractors. (European Commission 2009, 10-11.) The general essence of the tender must be stable and express high quality in each division of it. The results of the research emphasize the importance of the continuity. Based on the results of the research, the quality of the proposed services must be clearly proven and possible to measure. An anonymous respondent emphasizes the contractor's ability to measure the services: *“Quality assurance and control procedures (are the most significant award criteria in the decision making process for a call for tender.)”* Due to that, the implementation of the technical offer must be extremely detailed and the financial offer must correspond with the technical features.

The communication officer of the DG Employment, Social Affairs and Inclusion states creativity as one of the most important criteria of the tender along with the standard exclusion and selection criteria (2014/24/EU, article 58). This standpoint sets the companies to a demanding position. They are required to find precisely the right balance between the rules and creativity. An anonymous respondent to the survey strengthens the finding: *“(The most significant mistakes, made by tenderers in their tender responses are) the unimaginative offers when it comes to creativity or some times too much creativity which does not fit the institutional purpose”*.

#### 5.4 The competitive circumstances for the EU projects

The current competitive environment targeting the EU projects is intense. The awarded proposals display extremely high quality and the requirements of the tenderers are continuously tightening. The EU projects are considered attractive due to the long term relationship and good references they are offering (Conti 2014). Since the supply exceeds the demand, the bargaining power of the customer is extremely high and strongly affects to the attractiveness of the market. The findings concerning the competitive environment are:

1. The current rivalry is intense – the great number of competing agencies and the high total values of the contracts.
2. Experience in institutional projects and a pan-European reach are considered to be one of the most significant features of a successful agency.
3. The bargaining power of the customer and the current industry rivalry are affecting the industry.

The current competition targeting to the EU projects is intense. There are several strong and stable agencies in the European event industry targeting to the EU projects. The competitor report indicates the large number of companies competing in the same field of the industry. The selected companies represent the organisations that have gained the great prosperity in the competitive biddings of the EU and received a significant amount of the EU budget in 2011 – 2013. Chapter 4.3 contains more information about the formation of the report.

The total value of the contracts of the selected competitors in 2011-2013 exceeds EUR 410 000 000. The total value indicates the power of the market and the great business possibilities the EU is offering. Due to the economic opportunities and the possibilities to earn a long-term relationship, work with the EU is tempting many agencies. Also the broad market area and excellent references are alluring many organisations (Conti 2014).

The competitor matrix (see figure 7) presents the states of the selected companies. The matrix reveals a relatively versatile competitive environment in the market. However the competition is quite stable; only Ecorys is holding the leading

position when it comes to the values of the contracts but the other 9 competitors have relatively stable positions.

The criteria of the matrix are based on the needs of the customer. The customer research and the survey defined the most significant features of the live communication company seeking the prosperity. Two features are above the others: the experience in the institutional projects and the pan-European reach (see chapter 5.1). Also the rules of public procurements emphasize the experience of the project group and the capability to work with an institutional project (2014/24/EU, article 67). Due to that, the selected criteria of the matrix are: The total value of the EU projects in 2011-2013 and the number of the offices in Europe (see figure 7).

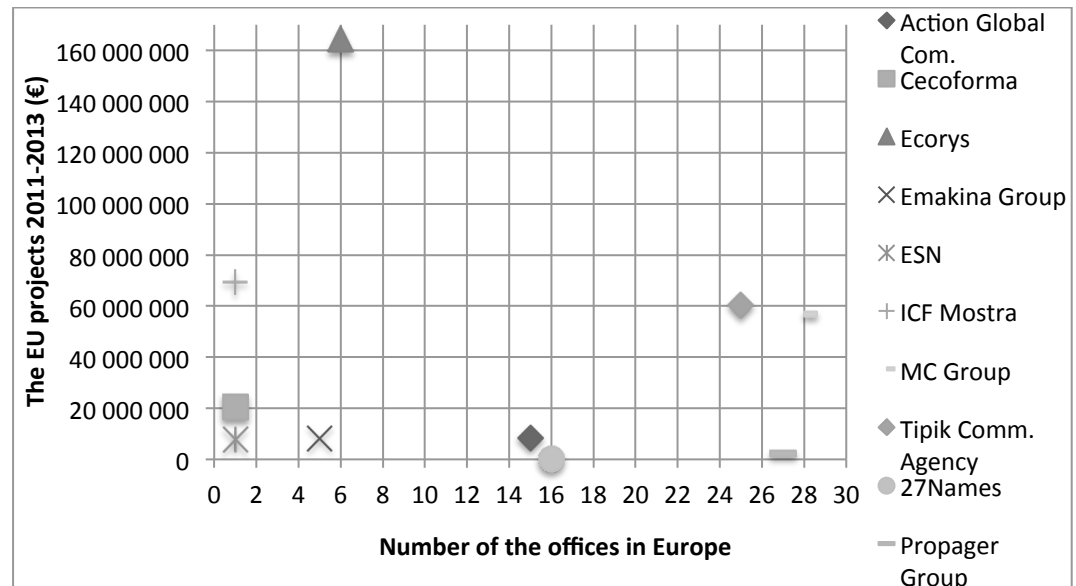


Figure 7. Competitor matrix

The experience in institutional projects and the pan-European reach are considered to be one of the most significant features of a successful agency. The directive on public procurements (2014/24/E, article 67) determines the cost-effectiveness as a main premise when awarding the tenders. Besides the price, the experienced staff and capability to offer a wide range of services are considered an important part of the awarding criteria.

In order to stand out from the competitors the company is required to have an overpowering advantage. There are two main types of competitive advantages (Porter 1985,11): the cost and differentiation advantage. The contracting authorities award the contracts mainly based on the lowest price and therefore the tenderer must be able to operate with competitive costs.

The differentiation focus strategy is one suitable strategy for a company targeting the institutional markets. With the differentiation focus strategy the market scope of the business is narrow, containing only the institutional market and the European Union. Since the cost-effectiveness is the main requirement of the tenders, the prospective contractors have to stand out from the other companies through their content. The demand is to conduct a unique and cost-effective tender that corresponds with the tender requirements and expresses innovative creativity. (Porter 1985, 15-16.)

Understanding the institutional projects and experience of working with the European Union are considered extremely important features. The communication administrator of the EU committee of the regions defines the requirement of the contractor in the following way: *“Apart from the standard exclusion and selection criteria, good understanding of the complexity and the organisational culture of EU institutions are the most important criteria a live communication agency should have”*. That strengthens the conclusions of the competitor research; when a company achieves the first contract and gain more experience, the possibility to succeed in future contract competition increases.

The SWOT analyses on the competitors indicate the conjunctive feature of the successful companies: the expanse of the business. The wider European reach the company has, the better possibilities it has to succeed successfully in the pan-European competitive biddings. The responses to the customer survey highlighted the importance of the pan-European reach and the capability to produce events across borders. This dimension is clearly visible in the connection between the competitor database and the research results. Companies with great success in the Institutional projects often have a strong pan-European reach (Figure 7).

The bargaining power of the customer and the current industry rivalry are affecting the industry effectively. The five forces analysis (Porter 2008, 24-26) defines five of the most significant features affecting the competition: the current industry rivalry, the bargaining power of the customer, the bargaining power of the supplier and the threat of the new entrants and the threat of the substitute services.

The bargaining power of the customer and the current rivalry are playing notable roles in the event and live communication industry targeting the EU projects. The supply exceeds the demand and the customer has an overpowering possibility to dominate the market. This means that the customer is able to define the level of costs and a certain level of quality. (Porter 2004, 5.) Working with the EU is considered attractive due to the public money (Conti 2014) and agencies that are ready to invest on the competitive biddings for the EU contracts.

The high intensity of the competition maintains the level of the product development and controls the increase of the prices. The high level of competition increases the quality of the services since the agencies are required to improve the quality-price ratio continuously. Among the institutional market area the high and intense level of the competition increases the attraction of the market significantly. The business area is considered attractive if it is offering prospective market possibilities for several agencies. (Porter 2004, 17-21.)

## 5.5 Future prospect and recommendations

The needs of the European Union related to the event and live communication industries are versatile. In order to gain the success in the competitive biddings of the European Union, the tenderer is required to express a high level of diversity in the services. The advantage of 27Names is the capability to conduct live communication actions from small one-day seminars to the massive worldwide events. The experience in versatile event action and awards are good references for the EU tenders.

In order to gain prosperity in the competitive biddings of the European Union the tenderer must be able to respond to the customers' needs in the right way. The

competitor matrix (see figure 7) shows that the current position of the 27Names is relatively weak due to the lack of experience in the EU projects.

The lack of experience in the institutional projects can be seen in the quality of the tender. Unfamiliarity with all the instructions and the working habits of the European Union might affect the tender unfavourably. In order to improve the success rate in the EU projects, 27Names is required to increase its experience in the institutional projects. However, this is a vicious circle: in order to gain experience, 27Names should reach the first EU project but without the experience, gaining prosperity is relative challenging. This study offers one solution for the challenge. A better understanding of the needs and expectations of the customer can improve the ranking on the competitive biddings.

To be able to beat the competitors, a company is required to possess a superior feature that beats the competitors. The feature can be either cost or product based (Porter 1985, 11). The advantage of 27Names is an extremely wide capability to produce pan-European activities throughout Europe. The employees of 27Names have extensive expertise in international projects and experience in working across the borders.

The role of live communication in the European Union is relatively good but there is always something to improve. Currently the European Union is outsourcing only a part of the event and communication entirety. The major part of the content related issues is managed in-house through special communication units. The design and the management of the logistical operations and the special actions are often outsourced. In order to increase the business possibilities of the outsourced contractors, the contracting authorities should release the responsibility for the content related issues. This new area of responsibility would demand changes from the contracting authorities.

When a live communication company is pursuing work for either external or internal communications they are required to express the solutions both innovative and informative. 27Names has great possibilities to improve the generation of the projects; they have an international and innovative team with the fresh and innovative ideas. The European Union is seeking more and more creative

solutions for their demands but due to the strict instructions, the balance between the creativity and rules is relative challenging to reach. The new rules on public procurements strengthened the positions of small and medium sized agencies by relieving the tendering requirements. (European Commission 2014a.) This is good news for the companies in question but despite the new rules it takes time until the changes can be seen in action.

One aim of the European Union is to increase the free movement of capital, services, people and goods (European Commission 2013, 3). In order to reach the goals within the business sector, both sides –The European Union and the corporate operators – are required to engage certain principles. Even though the competition for EU projects is intense and there are several agencies competing for the same project, there are still relatively big and experienced companies celebrating in the awarding ceremonies. One need of the customer is the experience in the institutional projects and this requires attention from the customer as well. The versatility of the projects is extremely high and in order to set the public funds effectively and equally, the contracting authorities could divide the projects by size. The companies with a little experience could start with the smaller projects and then proceed to the higher value contracts if it is seen profitable.

## 6 CONCLUSIONS

The objective of this thesis was to clarify the business potential and role of live communication in the European Union. To conduct the study three research questions were set: How does the European Union utilize the live communication in their communication actions, how to stand out from the competitors and improve the competitive advantage and what kind of business opportunities the European Union is offering for the live communication agencies.

Live communication is effectively utilized in the European Union. The most commonly used live communication activities are conferences and events in general. Furthermore the connection to the digital channels as social media is continuously becoming more common. The general objectives of the European Commission's communication plan (European Commission 2014c) entail the consolidation of the mutual communication between the European Union and the civil society of the EU. In order to reach the audience, the units of the European Union are effectively utilizing the live communication actions. The responsibilities of the communication and event activities are divided in two: for in-house and outsourced segments. The external contractors are often in charge of the logistic matters.

The competition for the contracts of the European Union is intense and it is highly important to be able to stand out from the competitors. The customer appreciates the earlier experience and knowledge of working with the institutional projects and the capability to offer a wide range of services across Europe. The most common awarding criterion in the competitive biddings of the European Union is the cost-effectiveness entailing the quality-price ratio (2014/24/EU, article 67). Because of this, the successful tenderer is required to create an entirety both innovative and cost-effective. In order to stand out from the other competitors, the most workable feature is the total quality of the services. This includes the extreme expertise of the project group, a strong combination of the creativity and the cost-effectiveness and the capability to offer a wide range of services across Europe.

The European Union is offering significant business opportunities for the live communication agencies. In 2009-2014 the total value of the EU projects suitable for a live communication agency was almost EUR 7 million. The European Union with separate units are willing to use the live communication actions and this offers great working possibilities for the prospective contractors. There is a versatile assortment of business possibilities in the EU from the logistic arrangements to the organisation of major event chains.

The business potential of live communication in the European Union is remarkable. The utilization of the live communication actions is continuously increasing and new digital opportunities offer an opportunity to expand the markets even more. The requirements of the customers are strict and the contractor is required to work highly cost-effectively. However, the competition for those contracts is extremely intense. In order to gain success the agency is required to overcome the competitors. The company has to respond to the customer's needs better than the competitors and maintain an overpowering competitive advantage. In other words, the better the agency responds to the needs of the customer, the greater the business opportunities are.

This thesis responds to the need of the commissioning company. They are striving to improve their success in the competitive biddings of the European Union and expand their knowledge of the institutional works. Since the commissioning company considers the success in the competitive biddings of the European Union highly important, they were ready to invest in the research to increase their business potential in the institutional projects. Despite the unknown and complex conception into the institutional public procurements (Thai 2001), they are tempting many inhabitants and agencies in the EU countries. Due to that, this study doesn't only offer knowledge for the commissioning company, but also for the entire European event and live communication industry.

Live communication is a segment of the event industry (see Introduction chapter, page 2, figure 1). This thesis offers business knowledge for the entire European event industry since the public contracts of the European Union are tempting not only live communication agencies but also other European event agencies. The thesis describes the working methods of the European Union with the public

contracts and therefore the knowledge can be utilized widely across Europe. The European Union is a remarkable commissioner of public contracts in Europe and therefore their actions affect on other business sectors as well. Due to that, this thesis offers good information for many event sectors. The expectations of the customer, such as pan-European reach and experience of the contractor, and data of the competitive environment can be utilized on other event business sectors as well.

### 6.1 Prospective future studies

The data concerning the upcoming tenders is updating continuously and due to that one prospective study opportunity is the continuation of this research. The interested agencies should examine the Official Journal of the European Union regularly if they are willing to utilize the business possibilities the European Union is offering.

This study was limited to concern only the public contracts within the European Union. Besides the internal business, the European Union has wide external markets as well. Because of this, one option for future studies is to expand the research across the EU borders. What kind of business possibilities is the European Union offering for live communication companies outside of the EU states?

Since this thesis examined the business possibilities and role of live communication in the European Union, the implementation of the projects could be a next step. How have the live communication actions served the expectations of the customer? Has there been an increase in the utilisation of the live communication action during a certain time period? Furthermore paying attention to the social and economical changes, takes the study more to the political level. Do the social and economical changes with the increasing euro scepticism and economic problems affect the public purchases?

To bring the study closer to tourism management, a future study could focus on the connection between the EU project and tourism. Do the EU projects related to

events and live communication increase the tourism within the European Union?  
What kind of economical impacts do they have?

27Names has a special project group, entailing the CEO and three directors of 27Names and the author of the thesis. The project group is searching and examining the potential EU projects. The group will have their next meeting in Brussels in the beginning of December 2014. The agenda is focused on the utilization of this study and the upcoming actions among the institutional projects. One of the thesis' main finding was the requirement to respond to the customer's needs correctly. There should be a special division inside of a company that focus on public sector projects. A practical development suggestion for 27Names is to improve working of the project group mentioned earlier. Taking part to the competitive biddings of the European Union and submitting a tender is easier when there is an experienced project group that knows the working methods of the European Union.

## 6.2 Evaluation, validity and reliability

The research into the market possibilities in the European Union is part of the business plan of the commissioning company 27Names. The internship and later work as a project coordinator in 27Names Finland offered a natural continuation to conduct the thesis for 27Names. The topic of the study, the business possibilities of live communication in the European Union, was partially familiar before the study due to the earlier participation in the competitive bidding of the European Union. The tender project caught the author's interest in the public contracts and it underlaid the thesis study effectively.

The actual thesis process started in July 2014 with defining the topic together with the commissioning company. The aim of the study was relatively clear from the very beginning: what kind of business possibilities the European Union is offering and is it worthwhile to take part in their competitive biddings? It was necessary to limit the study solely to events and live communication since the thesis is responding to the need of the commissioning company.

After confirmation of the topic was settled, the author started to compile the theoretical framework. The selection of the theories was a bit challenging due to the quantity of the available data. The European Union is continuously releasing a great number of publications about the public procurements and the internal market. The confining of the study had to be clear so that the topic doesn't expand excessively. The structure of the theoretical framework cleared while the thesis was in process.

Along with writing the theoretical framework, the competitor and customer analyses were built. The formation of customer analysis started with the tender study: what kind of tenders the European Union is offering and how much they are worth. The examination of the tenders engaged strongly. TED (The EU Publication office 2011) contains a great amount of information about the tenders and limiting the search was vital. The selection of the tenders led to the competitor analysis and deeper study into their competitive roles. The competitor analysis taught a lot about the features that affect positively or negative the competition. With a qualitative research method it is important to study the topic as widely as possible (Flick 2014, 67). It was an effective way to conduct the study since the amount of available data was relatively wide. The qualitative research method offered a wide perspective to the topic and allowed for expanding the knowledge of the customer and competitors.

The customer survey was a strictly planned part of the study but offered some ethical evaluations. When conducting any kind of research it is highly important to remember to work on a great level of ethics. The work must be transparent and the researcher must be able to express the aim and use of the study clearly. (Flick 2014, 49-50.) All the respondents were aware of the purpose of the survey and sanctioned the use of the results for the thesis research. Since the commissioning company has been participating the competitive biddings of the European Institutions the author of the thesis determined to conduct the survey purely as a student not as an executor of the 27Names project. The reasoning for the decision was the hypothesis that even though all the knowledge is public and achievable, the respondents would rather dispense it to a student than a delegate of a company. The author of the thesis emphasizes the publicity of the knowledge and the consciousness of the respondents of the public outcome.

In the beginning of the process it was a bit unclear how broad and prominent the study would be. Even though the live communication actions and the significance of the European Union's public procurement were known, the timeliness of the topic surprised the author. This encouraged the author to examine the topic even further and this expanded the study a bit. The final outcome entails more data than the author first planned: the separate reports (customer and competitor analyses) are wider and deeper than what was planned in the beginning. Despite the changes in the plan, the author is satisfied with the final outcome. Furthermore, the wider analyses respond better to the needs of the commissioning company.

The thesis schedule delayed a bit during the process. The aggregation of the theoretical framework and the writing process took more time than the author first expected. In the beginning of the project the estimated final deadline was the end of October. The final completion of the project was around two weeks later, in November 2014. The schedule was set with the commissioning company and they agreed with the new closing date. This allowed deepening the knowledge over the topic and finishing the reports to high-quality compositions. Since the study and topic are relatively wide, a longer working time benefited the study significantly.

The research into the market potential of live communication in the European Union is part of the commissioning company's business plan. That motivated the author of the thesis effectively during the process when writing was a bit challenging or when the goal was missing. The thesis assignment was clear. The CEO of the commissioning company gave good objectives and channels for the study but also allowed for independent decisions and working operations of the author. The most challenging part of the thesis was to combine the expectations of the international agency and the Finnish thesis. Despite some challenges the author of the thesis is satisfied with the outcome.

The professional know-how of the author developed during the process considerably. Conducting a wide research in English gave good experience and certainly benefits the author in the future. Furthermore the knowledge of the institutional projects and procedures of the European Union can be utilized in many future projects. The thesis topic is a great part of the event management future since the works and projects are becoming more and more international.

Working with a big international agency taught a lot. The creativeness and innovativeness of 27Names inspired the author and increased motivation. 27Names was awarded as the Best Live Communication Agency in 2014 during the thesis project (EuBea 2014). That strengthened the significance and need for the thesis: To maintain the well-earned position, they are required to gain success also in institutional projects. Furthermore, it was a great honour for the author to receive trust to conduct the thesis for such prosperous agency.

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## APPENDICES

- |            |  |
|------------|--|
| Appendix 1 | The customer survey question form  |
| Appendix 2 | The customer report: The customer database<br>[confidential data, not published] |
| Appendix 3 | The customer report: Tender table<br>[confidential data, not published]          |
| Appendix 4 | The competitor report<br>[confidential data, not published]                      |

## Welcome to the survey about the role of Live Communication in the communication efforts of the EU institutions

**Thank you for taking your time for this survey. Your support is highly appreciated.**

### Introduction

**I'm** a final-year student of Bachelor degree of Event Tourism Management in Lahti, Finland and working on with my thesis about the EU tenders in the field of Live Communication. This survey is part of the research I'm carrying out for my thesis.

**The goal** of this survey is to understand the role of Live Communication in the communication efforts of the EU institutions and the position of Live Communication among the overall communication strategy of European Institutions. In addition to that I want to understand better the organisation of Live Communication activities, the outsourcing strategy, and the selection process of external service providers.

**This survey** is addressed to the communication officers of European Institutions, Directorates General and Agencies of the European Union. The survey includes 17 questions and should take around 15 minutes to complete it. You may respond this survey with your name or anonymous, just how is appropriate for you.

I kindly invite you to participate in this survey by filling-in the following questions and sending it back to [minna.kiljunen@student.lamk.fi](mailto:minna.kiljunen@student.lamk.fi) by the Friday 12<sup>th</sup> of September 2014. In case You prefer a personal conversation by phone, just email me at [minna.kiljunen@student.lamk.fi](mailto:minna.kiljunen@student.lamk.fi) with your available days and times.

In case of any questions or concerns, please contact me.

Best regards, Minna Kiljunen  
[minna.kiljunen@student.lamk.fi](mailto:minna.kiljunen@student.lamk.fi)  
+358 50 464 0293

### Definition of Live Communication

Live Communication includes all forms of communication that involve a live interaction with the target-audience, and includes Event management & marketing, Exhibitions, Congresses, Trade shows, Road shows, Field & street marketing, PR activities, marketing & entertainment, ...

### Survey

#### **Personal details**

Name and position

Organisation  
(Institution, DG,  
Agency)

I want to stay  
anonymous

#### **General**

- Please describe briefly the main objectives of your overall communication strategy.

2. Which main topics does your organisation need / wish to communicate about?

3. What are the main audience(s) your communications are addressed to?

4. What is often misunderstood about your organisation?

5. Which trends will affect your organisation in the next 2-3 years?

**Live Communication**

6. How does Live Communication support your Communication strategy?

7. How is Live Communication integrated in your overall Communication activities plan? How is it linked with other communication channels?

8. On a scale of 1 to 5, how important is Live Communication for your organisation?

1 Not at all important	2 Slightly important	3 Moderately important	4 Very important	5 Extremely important

Please explain briefly.

9. What are the most commonly used Live Communication activities you use?

- Conferences, Events
- Exhibitions, Trade shows
- Road shows, Field & street activation
- Public Relations activities, corporate hospitality
- Public events & entertainment
- Other, what?

10. How do you organise your Live Communication activities? Which tasks do you manage internally and which do you outsource?

### **External support**

11. Apart from the standard exclusion and selection criteria, what are the most important criteria a Live Communication Agency should have? Mention three (3).

12. What is the most commonly used contract type for external services in the field of Live Communication? Public Contract, Framework contract (single, multiple, cascade), dynamic purchasing system...

13. What is the most commonly used procedure for selection of external providers of Live Communication? Open, Restricted, negotiated, accelerated...

14. Apart from 'Price' what are the most significant award criteria in the decision making process for a call for tender? Mention three (3).

15. Which are the most significant mistakes, made by tenderers in their tender responses?

16. Which Programmes currently exist for your organisation, which contain fully or partially Live Communication activities?

17. Does your organisation have a targeted annual budget for Live Communication? If yes, how many per cents it is of the total budget?

**Thank you** for taking your time to complete this survey and thereby help me to collect data for my thesis. In case of any questions or concerns, please contact me.

Best regards,

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