

PROMOTIONS & EVENTS

Sales promotions and events can be affected by the weather both positively and negatively. Weather can keep people away from your store or event or it can cause an increase in attendance and revenue. Weather dictates what goods or merchandise customers will purchase. Weather also determines if people want to attend an outdoor event. With the use of a weather risk management product, you can reduce or eliminate weather's effect on your bottom line.

Weather driven promotions can be used to increase sales, enhance customer loyalty, or simply as a tool to generate positive press coverage for your company. Weather promotional possibilities are truly endless. Below are a few examples of how weather promotions can be used to benefit a business:

- A furniture store offers a promotion if it snows 1" at Chicago O'Hare on New Year's Day, they would refund all purchases made between December 1 and 24.
- A store specializing in outdoor sports and recreation offers a sales promotion that if it rains ½" on the 4th of July, they will refund the full cost of all barbeque grills sold in the month of June.
- A jewelry store offers a promotion that if it snows 2" on Valentine's Day, they will refund all purchases made between January 31 and February 13.
- A minor league baseball team offers to sell opening day tickets for the same price as the temperature at 8:00am on the first day tickets are sold. The temperature is 10°F at 8:00am, so tickets are sold for \$0.10 each.
- A wedding photographer offers a promotion that if it rains 1" at the local airport on your wedding day, your photography package is free.

For more information about weather-related promotions, click here (link to MSIGW website – www.guaranteedweather.com)

Events, both indoor and outdoor, are strongly impacted by the weather. Adverse or advantageous weather conditions can determine how large your attendance will be, concession sales, and parking income. People will be less likely to attend your outdoor event if it is cold, rainy, or snowy, directly reducing your revenue. While outdoor events are influenced more often by the weather, indoor events can also be affected.

Below are a few examples of how events can use weather coverage to protect their revenue:

- A youth baseball tournament is held every spring on the first weekend in March. If it rains before or during the tournament, the games must be postponed or cancelled causing tournament organizers to refund all or a part of the registration fee.
- A local zoo has noticed a decrease in attendance on days when the temperature is below 55°F or above 90°F and/or rains ½". During certain times of the year (Spring Break, Memorial Day weekend, Labor Day weekend, etc), this decrease in attendance can be substantial.
- The county fair books a major band to perform on the busiest day of their event. Tickets for the concert go on sale the day of the event, which happens to be a rainy day. Due to the weather, there is a major drop in the number of tickets sold costing the fair thousands of dollars.
- A wedding venue offers brides and grooms a refund on the cost of the venue rental if it rains ½" during their wedding and reception, making the venue more attractive to potential customers.

For more information about how to protect your event from the weather, click here (link to MSIGW website – www.guaranteedweather.com)