

Festivals, mergers and COVID-19: An interview with Zack Sabban, CEO at Festicket

The impact of the global pandemic has been catastrophic for the events industry, but festival ticket marketplace Festicket has been one of the few to successfully weather the storm.

We spoke to Festicket's CEO, Zack Sabban, about his career change from investment banking, launching his own business and bouncing back from COVID better than ever before.

What was your professional background before founding Festicket?

I used to be an investment banker. I studied in Boston in the US and started working in a French investment bank straight after graduation in New York for about three years. I was doing M&A and project financing, and was eventually moved internally within the same bank from New York to London. I spent about a year and a half working for this bank in London but as soon as I got there, I knew that I was not going to stick around long both at that bank and in the finance world.

Back in 2012, I did a big year of visiting events and music festivals all around the world. I went to around 46 different festivals during that year to places including India and the US. From that year, I understood that the events were growing in popularity. I could see that there was a very diversified audience attending and it was becoming mainstream to go to music festivals. I saw the trends by experiencing it myself and then started the music festival company on the back of that very rich experience.

How did you start the business?

I had one friend – who's still my business partner today – who had the technical skills that I lacked. He helped me with the website and was also at a moment in his own life where he needed to make a choice between going into accounting or creating a website with me. The latter was far more exciting to him, so we did that together.

After a small friends and family investment round, we immediately started selling packages for music festivals from the first day we launched the website.

We made deals with festival organisers so their website featured a link going to Festicket. Without marketing power, branding or any reviews from a consumer, we were able to sell packages from the very moment we launched the website in 2012. We were surprised where we saw the first order on day one.

With this early traction, we contacted some of our investor connections in New York. We jumped on the plane from London to New York and in the meeting, we discussed our ideas, our numbers so far and what we wanted to achieve.

A couple of weeks after this meeting, we managed to secure our first VC investment round of £400,000 of investment.

For six or seven months, we had zero income and it was in our plan to start paying ourselves a small salary after an investment run, so that was also nice. It became serious from that moment, because I always had in the back of my mind that if Festicket didn't work out, I would be looking for another job in finance and I really didn't want to do that.

How have you managed the growth since the launch?

We made a couple of hires in year one and some of them are still with the business – one is the chief commercial officer and the other one is operation director. It's a puzzle to find the right talent. Skill sets that you need when you hire can be different to the ones you require years later, so you always need to adapt and check to see how people are progressing.

Hiring is what makes a company a success or a failure, and we were lucky to have a really good team and great people to run the project from the very beginning. Our team is currently made up of 100 really amazing people.

How does the business look now compared to the initial vision?

The business now is very different to the one we launched. We started by selling packages for music festivals only and today we have a complete end-to-end SAAS platform for live event experiences.

We use our cutting-edge Event Genius technology to sign big event contracts. In parallel, we are still operating Festicket and Ticket Arena – the two consumer facing websites – to help event creators increase their reach and diversify their audience.

I'm very happy with the product we have now and how the vision has evolved over time. We are now traversing the entire live event ecosystem and that is very different than what we initially thought it will be.

Was there a particular festival that you were really excited to partner with?

In the early days, we had an amazing partnership with Tomorrowland. At the time, that partnership propelled our website to a new, different dimension. We experienced huge traffic and huge sales because of it.

Then, over time, we started working with pretty much all of the biggest music festivals in the world like Ultra, Coachella, Leeds, Reading and Creamfields. We were lucky to be partners with all of them and continue to be strong partners with them. Working with these huge scale music festivals is a big deal and

makes you realise that you're doing something right.

What has the impact of COVID-19 been both on Festicket and the wider events industry?

As a company, we managed to have a fairly decent year in 2020 because we are an international company covering a lot of different markets. Today, we have offices in San Francisco and Denver in the US and people working from Barcelona, Madrid, Amsterdam, Porto, France, UK and Australia. This means we were able to be very reactive and pick up the parts of the business that were still able to happen in different parts of the globe.

We were completely shut down from mid March to June, but then from July through to December, we had some business in the US, Australia and South America through smaller scale events. We were able to do some of those deals and work with those event creators by being opportunistic. For us as a company, we didn't suffer as much as some of our competitors and we have experienced about a 10-12% decrease in sales as a whole compared to 2019 numbers.

From an industry perspective, we felt that we had no help and were not a priority for any government around the world.

We still feel we have very little support from governments because of the lack of clarity about when events can resume.

We need a road map for both when events can happen and what the conditions will be so we can factor these points into our business. Having said that, we are very optimistic for the future because, like me, I think half of the world can't wait to get on the dance floor. Everyone is at home looking up what they can do as soon as this pandemic is over. All we need is to wait and build all the tech internally that will be necessary in order to allow event creators to have the gates open.

We have been working on this over the past few months, whether it's incorporating a vaccine ticketing system, very quick rapid testing, or the integration of our ticketing system to a law or track and trace to make sure that the event creators know everyone that is going through their doors.

We know this summer will be very special; internally we call it the 'partial season'. You will have some events that will be able to happen, but with very strict health and safety conditions. Some events are simply too big to happen in 2021. Organisers couldn't turn these large-scale festivals around quickly because they need many months of preparation and there is still a lack of information for governments. However, I think that you will have a lot of smaller scale niche festivals happening because they can react quite quickly.

We can't wait for events to happen again. I think the market and the industry are going to reach all time highs in the next two to three years.

What has been your career highlight so far?

One highlight that is shaping our future is acquisition of Event Genius and Ticket Arena, which was announced in September 2019. It was a very special moment because I had wanted to merge with other businesses that had a different set of technology, skills and people working there for a long time.

This acquisition was an inflection point for us. At that point, our vision evolved. In the past, we were operating Festicket.com as a B2C marketplace model. Following the acquisition of Event Genius, we became a SAAS company focused on unlocking the full potential of event creators.

Our mission is now to build the new digital-first era of live entertainment. Our business model means we are signing exclusive deals with event creators and are looking to provide them with a unified environment for all their revenue streams through ticketing, online payment services, travel and ancillaries, access control, marketing and data, and cashless or contactless payment onsite.

Through the B2C Festicket model, we were representing about 15-20% of an event's inventory, whereas with Event Genius, we now sign up to 100% of the ticket allocation for events. This move is a big step forward and there are a lot of very interesting challenges around technology and how we empower event creators with the right tools to help them sell, manage and run their events more efficiently and profitably.

Now, the vision will be how we will use the unique combination of our product

suites to create business intelligence and data insight tools to allow event creators to understand better their fans behaviours both outside and inside their event. This will ultimately help event creators to target better their fans and improve their business performances.

We're there every step of the way with those creators and we want to help them going forward. We have a big role to play on how the industry restarts and grows again after the pandemic ends.

Zack Sabban is CEO and founder of Festicket and CEO at Event Genius.

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