# Beerscape: Are there best practices for hosting an inaugural beer festival?

By Kerry T. Manis and John Palabiyik

### Introduction

The importance of servicescape regarding beer festivals is emphasized through a case study utilizing a market analysis conducted for a local chamber of commerce located in the Southwestern United States. The chamber of commerce is the premier business association for promoting commerce, community, and character in the local area. The case study follows Shannon, the marketing manager for the chamber of commerce, and his experience before, during, and after the inaugural beer festival. We first provide a brief overview of the servicescape model and background of the event. Then, we discuss (1) the local chamber of commerce, (2) the FeBREWary fest, (3) attendee feedback, and (4) discussion and activities regarding decisions Shannon must make regarding future FeBREWary fests.

# Servicescape

Servicescape is a concept developed to explain the positive and negative effects of physical settings on customers and employees (Bitner, 1992). Indeed, there is a correlation between customer behaviors and environmental dimensions. Servicescape is defined as the physical surroundings of the environment where a product or service is consumed and/or experienced in the same place it is produced (Bitner, 1992). The concept of servicescape is grounded in theories and empirical findings from multiple reference disciplines. Indeed, environmental psychology (e.g., approach and avoidance behavior; Mehrabian & Russell, 1974), marketing, organizational behavior, human factors/ ergonomics, and architecture informed the servicescape model proposed by Bitner (1992). The five elements incorporated into the overall servicescape model, which also apply to beer festivals (i.e., beerscape) (Manis et al., 2020) many event organizers, groups, and individuals have sought to capitalize on this movement by hosting inaugural beer festivals. This article proposes a multidimensional conceptualization of perceived value specific to beer festivals incorporated into a model for beer tourist behavior by exploring the staging of an inaugural beer festival hosted in a rural community located in Southeastern New Mexico (USA, includes (1) ambient condition, (2) spatial layout, (3) signage, (4) cleanliness, and (5) functionality. We conceptualize beerscape as the physical surroundings of a beer-related event where beer is consumed and/or experienced in the same place the beer is served (i.e., bar, festival, etc.).

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First, ambient condition (i.e., the background characteristics of the environment) affecting perceptions and responses of consumers (Baker, 1987; Baker et al., 1988; Becker, 1981; Darley & Gilbert, 1985; Russell & Snodgrass, 1987; Sundstrom & Sundstrom, 1986; Wineman, 1982)"type":"article-journal","volume":"10"},"uris":["ht tp://www.mendeley.com/documents/?uuid=511854de-2017-4d65-a1d5-9e275a675289"]},("id":"ITEM-2","itemData":["ISBN":"0877571880 9780877571889","abstract":"Baker, Julie (1987 in the festival context is an aspect affecting attendees' experience at a festival (Booms & Bitner, 1981; Siu et al., 2012; Wakefield et al., 1996). The ambient condition includes temperature, lighting, background music, attractiveness, and aroma (Booms & Bitner, 1981; Wakefield & Blodgett, 1996)B. H., & Bitner, M. J. (1981.

Second, Bitner (1992) described spatial layout as the spatial relationship and arrangement between all elements of the event, which is composed of three elements: accessibility, space allocation, and the arrangement of the event elements. The spatial layout of an event is the determining factor in attendees' perception of crowding and spaciousness (Aubert-Gamet, 1997).

Third, signage is an important aspect of events because attendees can quickly lose their way through a large venue, especially if the event is set up in a complicated fashion and unfamiliar to the attendees (Siu et al., 2012). Further, signage helps attendees plan and make decisions regarding where they would like to go next during their time spent at the festival.

Fourth, cleanliness is an expected attribute for any business or commercial venue. Whether an event is held indoors or outdoors, it is a reasonable expectation an event will be free of trash and other debris, trashcans will not be overflowing, and the overall environment will be clean. Previous studies regarding events at the convention and exhibit centers show cleanliness to be the most important factor for event attendees when assessing their overall experience with the facilities at the convention (Breiter & Milman, 2006; Robinson & Callan, 2005; Siu et al., 2012). Furthermore, bathroom cleanliness is a major indicator of the quality of a festival (Kinnunen & Haahti, 2015).

Fifth, Bitner (1992, p. 66) defines functionality as "...the ability of the same items (i.e., machinery, equipment, and furnishings) to facilitate performance and the accomplishment of goals". Further explained, functionality represents the capacity of the physical items to enable the service exchange process (Ng, 2003) and to improve consumer support in a user-friendly manner (Aubert-Gamet, 1997).

# **Background**

The FeBREWary fest is an inaugural beer festival hosted in a rural community located in Southeastern New Mexico, USA. The event is hosted by the local chamber of commerce – an organization that provides support to the business community and promotes these businesses to visitors of a host community. The chamber organized this event to raise funds to build a new State Welcome Center for New Mexico and a new chamber of commerce building for the local community.

# The Local Chamber of Commerce

The chamber of commerce in this community was established in 1930. Currently, there are one in five businesses who are members of the local chamber of commerce, translating to approximately 400 businesses. These businesses pay an annual fee of around \$180 to be a member. Benefits of being a member include member-only referrals, placement in the community guide and business directory, exposure on the website, bulk-mailing discount, and free networking and education events. For those opening a new business, the chamber will provide a ribbon-cutting ceremony and spread the word of the grand opening to members via email and the public via social media. The free networking and education events hosted by the chamber have a maximum of 20 attendees. The FeBREWary fest is the chamber's first major event where all community members have the option to attend. Further, this is the first beer festival hosted in the local community by any entity.

## The FeBREWary Fest

Shannon is the marketing manager for the Chamber of Commerce and is in charge of the FeBREWary fest. The executive director tasked Shannon with this event three months before the event date. Before marketing the event, Shannon had four major factors to consider: (1) price of each ticket, (2) the entertainment options, (3) the quantity and names of food vendors, and (4) the quantity and the names of the breweries attending the festival. Shannon based these four factors on information found on the website of America on Tap Craft Beer Festivals, a for-profit organization hosting approximately 25 beer festivals annually (America on Tap Craft Beer Festivals, 2017).

The ticket prices at this festival ranged from \$25 (standard admission) to \$35 (VIP admission). The standard admission included a beer glass with the festival logo, unlimited tastings, and a wristband allowing the purchase of up to five full pours at the festival. The VIP admission included everything that comes included with standard admission plus early entry by one hour and one free full pours. The price at this festival is lower than what attendees have been found to be willing to pay, that is, between \$35 and \$55 (Buell, 2016). Shannon decided to charge a lower price to encourage more people to attend because it is an inaugural event. Attendees could also purchase des-

ignated driver tickets, a cost of \$5, and were not allowed to sample or purchase alcohol at the event; however, designated drivers could still attend and enjoy the food and live music. Alcoholic beverages were not poured after 5 p.m., per state law. Shannon included the following pricing structure for festival vendors and sponsors:

#### Sponsor VIP:

\$1500 for VIP table on the second level, Early Bird admission, event banner, advertising, and other considerations

#### Food Trucks?

\$250 per space.

### • Breweries? Wineries?

No fee for the first booth. \$250 for each additional space.

#### Vendors?

\$250 per space.

Figure 1



Shannon marketed the event on Facebook and in the local newspaper; however, Shannon began marketing the event less than sixty days before the event date. Shannon created the event page (Figure 1), so those on Facebook could easily find the event. He made routine posts within the event discussion to generate interest and invited over 800 people to the event. Shannon hoped the Facebook event would create a snowball effect where those interested in the event would invite their

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friends and others who might be interested in attending. An additional 600 people were invited by those indicating interest or attendance (i.e., organic invitations) for a total of slightly over 1400 people invited to the event. Additionally, flyers and other marketing materials were distributed to chamber members, and Shannon requested the members to place these flyers at their establishment. Shannon considered using additional marketing tactics; however, Shannon felt this was the best he could do in a short time with limited funding.

There were four food vendors present, brick oven pizza, barbecue, Mexican food, and popcorn. A total of ten breweries were present at the festival. These breweries are unique to the state where the festival is being held and have no brewing operation outside the state.

The inaugural event is over; however, Shannon must begin planning for next year. During the festival, Shannon had comment cards and a box for attendees to leave comments about the festival anonymously. While there were no major complaints, these comments will help Shannon make changes for the future. Shannon also had the emails of attendees who purchased their tickets online. Shannon sent a short questionnaire to these attendees (100 in total) and received responses from sixty. Attendees who completed the questionnaire received a 10% discount code to attend next year's festival.

### **Attendee Comments**

The following comments were positive comments provided by attendees during the festival through comment cards.

- I liked the fact that we received a souvenir glass from the festival. I will keep this and use it at my house when I have a beer.
- The music at this festival is awesome! For the money spent, there was a good variety and music continued throughout the day.
- I liked that the chamber posted this as an event on Facebook, otherwise I would have never known about the event.

The following comments were negative comments provided by attendees during the festival through comment cards.

- Other than standing in line to get drinks and the live music, there is nothing else to do here. It would be nice to have more entertainment options.
- The festival seems empty because there are hardly any vendors here. It would be better if there were more vendors.
- The festival seemed like a cross between a business expo and a festival. They could have had more vendors that fit better with a beer festival.
- I wish there were more vendors here, so I could buy some souvenirs at the festival. It would have been nice to have had a place to buy different cheeses or artisanal products to take

home.

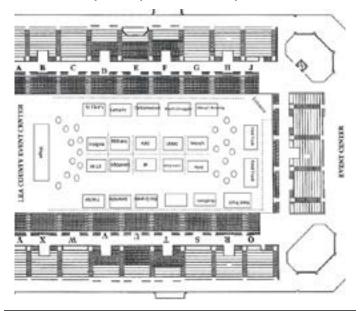
- The air is smoky and making it hard for me to stay here because I have asthma. I was not expecting this when I came here this afternoon.
- My only problem with this event being indoors is the smoke coming from one of the food vendors. The ventilation system is not taking the smoke out, and it is giving me a headache.
- The smoke in the arena seems to be a health hazard, the closer you get to the food vendors, the worse it gets.
- The bathrooms at the event were very confusing because the «women's» restroom had urinals in there making me think I was in the wrong restroom. There was no sign telling me if this was the men's or women's restroom. I had only been told by someone that's working at the event.
- This being my first time to the event center, I had no idea where bathrooms were located. There were no signs letting me know, so I had to find the host of the event.
- When I walked into the event center, I had no idea the festival would be held in the arena. It was hard to figure out where we needed to go when we walked into the event center.

# **Questionnare Results**

A total of 60 attendees responded to the questionnaire. Regarding gender, a total of 31 males (51.7%) and 29 females (48.3%) participated in this study. Various age groups participated in this study, which includes 25 to 45 (30%), followed by 45 to 54 (23.3%), and 35 to 44 (21.7%). Participants' household income was generally high, with 30% of participants earning \$100,000 or above. Many participants were highly educated, having completed at least college or graduate school (83.3%). In terms of marital status, the majority of the participants were married (66.7%). In terms of satisfaction, the majority (72%) was satisfied with the festival; approximately 28% were either indifferent or dissatisfied. Satisfaction directly relates to the attendee's intention to return to the festival where approximately 80% indicated they would be likely to return to the festival. Further, satisfaction had a strong positive impact on future intentions. Specifically, approximately 70% indicated they were likely to visit a brewery from the festival, and 67% indicated they were likely to purchase a beer or wine made by the vendor after the festival.

Figure 2

### **Spatial Layout of FeBREWary Festival**



### **Discussion and Activities**

Since World War II, macro-breweries (e.g., Anheuser-Busch) have dominated the beer market in the United States (Burns & Novick, 2011; Knoedelseder, 2012). Despite this, craft beer gained substantial footing after 1978 with the re-legalization of beer home brewing, an activity banned with the onset of Prohibition (1920–1933). Because of the re-legalization, Americans began experimenting with different beer styles, eventually transitioning their hobby into a profession. This transition was the catalyst for the craft beer movement resulting in an increase in craft breweries from fewer than 100 in the 1980s to more than 4,000 craft breweries today. The majority of this growth occurred between 1993 and 2000 and between 2005 and the current day, with the most considerable growth seen in the latter period (Brewers Association, 2016; Nordrum, 2015).

Following the craft beer movement, there has also been an increased number of beer festivals. Beer festivals have grown substantially in the last 15 years. In 2015, almost 1,500 beer festivals were held, with 900 of those in the United States (beerfestivals.org, 2015; Buell, 2015). This number has increased from approximately 250 beer festivals in 2000 (beerfestivals.org, 2015). More importantly, beer-related events have quadrupled from 2012 to 2014, growing from 1,500 to over 6,000 beer-related events in the United States (Buell, 2015). Consequentially, many event organizers, groups, and individuals have sought to capitalize on this movement by hosting inaugural beer festivals.

The physical environment, encompassing the servicescape elements, plays an integral role in impacting quality perceptions (Reimer

& Kuehn, 2005) the effect of the servicescape on quality perception has been inadequately captured by previous empirical research. The purpose of this paper is to examine the impact of the servicescape on perceived quality in a more comprehensive way. Design/methodology/approach – The article proposes a new model for assessing the effects of the servicescape on quality perception based on SERVQUAL. The model considers the special role of the servicescape (or what is called "tangibles" in SERVQUAL. Additionally, servicescape elements provide cues to the consumer to assess both the quality of an experience as well as the creative element (i.e., ambient conditions). Indeed, "the servicescape and its physical functionality, its constructed ambiance, and symbolic projections become part of the meanings customers associate with any value proposition, thus influencing their service expectations" (Nilsson & Ballantyne, 2014, p. 377). Moreover, Siu, Wan, and Dong (2012) indicate servicescape elements directly impact visitors' desire to stay when attending a convention/exhibition. Based on the prior comments and the questionnaire results, Shannon has some serious issues to consider if he would like to continue hosting this event in the future, increase the quality of the festival, and increase festival attendance. Based on the information provided in this case, you will submit an evaluation based on the following:

#### Attendee Comments

- Classify attendee comments by servicescape elements
- Develop a solution for each of the negative attendee comments.

# **Questionnaire Results**

- Prepare a vendor information packet based on the information provided in the questionnaire results section to promote the event to potential vendors.
- Develop a list of potential vendors that would be a good fit for the event and categorize the vendors by vendor type (e.g., souvenirs, food, and beer).
- Acquire information for potential entertainment options for the event based on the target market.
- Design an attractive event cover photo for a Facebook event page for the FeBREWary Fest
- Create marketing materials for three social media posts to attract potential attendees in your target market.
- Formulate marketing materials for one alternative form of advertising (i.e., newspaper, television, etc.) that might appeal to potential attendees in your target market.

# **Funding Proposal**

Compose a proposal for the city government, where the festival will be hosted, to obtain funding for next year's festival. The proposal

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should include the following information:

- Title of event: FeBREWary Fest
- · Executive summary
- Purpose and goals of the event
- Description of the target population
- Plans for marketing and advertising
- Organizational and staffing arrangements
- Transportation services
- Food vendors
- Budget
- Schedule of major tasks and activities
- Description and action plan, integrating the solutions from question two, regarding the beerscape elements including:
- Ambient condition
- Spatial layout
- Use the existing layout provided as a starting point.
- Signage
- Cleanliness
- Accommodations for accessibility
- · Risk management plan

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