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Henrik Lilleheim

Florida International University, hospitality@fiu.edu

Reidar J. Mykletum

Stavanger University College, null@null.edu

William J. Quain

Florida International University, hospitality@fiu.edu

Christer Engstom

Florida International University, hospitality@fiu.edu

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South Beach Wine and Food Festival - Why Participate?

Abstract

This paper studies why restaurants, wineries, and other exhibitors participate in Wine & Food festivals. We hypothesized [hat the purpose was to acquire new customers thru promotional involvement in the festival. A secondary outcome was to ascertain if there were differences in motivation between the three groups. A survey was conducted of participating companies in one of the largest Food & Wine festivals. We found differences in what motivated winery participants from restaurants or other exhibitors. A discussion of these differences and how festival organizers may aid participants in achieving their goals is presented.

Keywords

Event Management, Wine, Food, Miami, FIU

South Beach Wine and Food Festival – why Participate?

By Henrik Lilleheim, Reidar J. Mykletun, Bill Quain and Christer Engstøm

This paper studies why restaurants, wineries, and other exhibitors participate in Wine & Food festivals. We hypothesized that the purpose was to acquire new customers thru promotional involvement in the festival. A secondary outcome was to ascertain if there were differences in motivation between the three groups. A survey was conducted of participating companies in one of the largest Food & Wine festivals. We found differences in what motivated winery participants from restaurants or other exhibitors. A discussion of these differences and how festival organizers may aid participants in achieving their goals is presented.

Introduction

The purpose of this research was to analyze the reasons why restaurants, wineries and exhibitors participate in Wine & Food festivals. Specifically, we present findings from a survey given at the South Beach Wine & Food Festival in Miami Beach, Florida.

Before initiating the survey, the authors assumed that the restaurants, wineries and exhibitors participated in the festival in order to acquire new customers. However, the findings of the survey indicate that this may not be the primary reason for all of the groups. Our goal was to help establish more effective selling techniques for recruiting exhibitors by increasing the perceived value of the festival for the industry participants.

The South Beach Wine & Food Festival

The Festival, which is now purported to be the largest in North America, began in 1992 as the Florida Extravaganza. The event was co-sponsored by Southern Wine & Spirits and Florida International University's School of Hospitality Management. All of the proceeds of the festival go directly to the School.

From the beginning, the Festival depended heavily on Southern Wine's extensive relationships with the wine industry. Southern identified and recruited the wineries. Each winery supplied staff members and product. FIU recruited restaurants to give food to the attendees. Many of the restaurateurs were alumni, or had strong connections with the School because of employees or management loyalties.

A singular highlight of the event has always been the auction. Over the years, many dignitaries have both donated, and purchased auction items ranging from rare wines to special events.

In 2001, Dean Joseph West from the School, and Mr. Lee Schragger, from Southern Wines & Spirits established a plan to significantly enlarge the Festival. They changed the format from a single event to a multi-day, multi-venue spectacular. This format proved so successful that, in 2002, they moved the event from the college campus and hosted it on Miami's South Beach.

Today, the South Beach Wine & Food Festival is a world-class event that is primarily housed in a tent village directly on the sands of South Beach. The main tent holds over 250 tables and exhibits. In 2004, festival participants included 88 restaurants, and 60 wineries (many, such as Berringer with several tables.) Many of these exhibitors participated in the Grand Tasting. Approximately 20,000 attendees viewed famous chefs, tasted food from some of South Florida's finest restaurants and sampled wine, liquor, beer and bottled waters from a wide range of producers.

The Festival Participants

There are three groups that participate in the Grand Tasting at the Festival. These are the restaurants, the wineries (or other beverage distributors) and the exhibitors. Below is a description of each group, their relationship to the Festival and their methods of exhibiting.

Wineries

This group includes traditional wineries, such as Berringer, Frapiani, etc. as well as some liquor companies, such as Belvedere Vodka, and also producers of bottled waters, beers and other beverages. Each of these companies has one thing in common, however. Their products are all exclusively distributed in Florida by Southern Wine & Spirits. (In Florida, alcoholic beverages may only be distributed by one company. Southern is the largest distributor in Florida and has exclusive contracts with many of the best known brands.)

Most of the wineries poured their products from table-top displays. A few, such as Berringer, had central display areas that used a different layout. For example, Berringer had a squared area in the center of the tent that incorporated two well-known local restaurants, Chispa and Carmen-the-Restaurant.

Besides providing all of the products at no cost to the Festival, each winery paid a fee for each table-top display area. This group occupied about 127 tables at the Festival.

Restaurants

In 2004, 88 restaurants supplied Festival attendees with food samples. Like the wineries, each restaurant received a 6-foot table. While the restaurants did not have to pay a fee for the table, they were required to supply about 1,200 portions of food, staff the tables and provide their own serving equipment. The restaurants' menu choices were greatly impacted by the conditions at the South Beach location. While a prep kitchen and cold storage were provided at the Beach, none of the restaurant tables had electricity. In addition, fire codes prohibited any propane burners or charcoal grills in the tent.

Exhibitors

This was a rather eclectic group. 2004 was the first year when Festival staff emphasized selling space to exhibitors. Exhibit packages ranged in price, depending on the number of days, size of the exhibit area and the ability to participate in "goodie bag" product promotions. Exhibitors ranged from restaurants (who wanted more exposure) to cookware manufacturers to wine publications.

Basically, two rules governed the selection and acceptance of exhibitors. First, their products could not compete directly with a product distributed by Southern. Second, all exhibitors had to have products that related to food and wine, cooking, or a hospitality lifestyle. In 2004, there were 22 exhibitors. Some of them, like Kitchen Aid, were also major Festival sponsors.

Festivals as Expositions

The International Association of Exposition Management (IAEM) uses the word "exposition" to describe any venue or situation where products or services can be shown to potential customers or other publics. While most business people think of expositions as Trade Shows, the opportunities for promotion extend to a wide variety of venues.

IAEM roughly divides expositions into several categories. One of these categories is Fairs and Festivals. For example, they cite the World's Fair as a form of exposition. At the World's Fair, companies create exhibit that showcase their products.

The South Beach Wine and Food Festival, using the IAEM definition, is a form of exposition, and as such, the participants are all exhibiting their products and services to the attendees. The Festival even has a "trade only" tasting at the Grand Tasting Village. This is, in fact, a trade show where the attendees are primarily restaurants operators and employees.

A Promotional Tool

Trade shows and expositions are part of most company's marketing plans. Interestingly, while most business people are familiar with the "4 P's" of marketing (product, price, promotion and place) far fewer understand where expositions fall within that mix. Trade shows and expositions are, in fact, a form of promotion. According to most marketing textbooks, the promotion variable has four sub-variables – personal selling, sales promotion, advertising, and Public relations. Expositions are a form of sales promotion.

The idea of most sales promotions is to create interest or excitement and to ultimately, induce a purchase. Examples of typical sales promotions include coupons, "two-for-one", contests and sweepstakes, demonstrations, etc. The purpose of exhibiting at a Festival is to promote the product by connecting it with something fun and exciting.

One of the authors, Bill Quain, is also the author of *How to Create an Effective Exhibit Marketing Plan*, which is published by the International Trade Show Exhibitors Association (TSAE). One of the opening remarks in this book is "It is a show, so show them". In other words, use the interactive nature of the occasion to clearly demonstrate, or better yet, let the attendees try and sample, the products. A wine festival, where people actually sample the products, is certainly an excellent form of sales promotion by these standards.

The Research Question

All of this leads back to a basic question that the organizers of the Festival wish to answer. "Why are the restaurants, wineries and exhibitors participating in our Festival?" Another question is "Are there differences between groups as to why they would participate in the Festival?" These two questions led to the study.

We expected to find a very simplistic reason for these companies to spend their time and money to participate at the Festival. It seemed, on the surface, that the most logical reason to participate was to generate more customers and sales. For some of the participants, this was, indeed, a major impetus. However, like most things that involve human beings, there were multiple factors which affected the motivation to participate in the event.

Clearly, the Festival management has a major desire to understand their customers, and fortunately, the results of their inquiry can be used for other festivals and promotional situations. So far, participants in festivals are given scant mention in the research literature. Even the major textbook in the area, *Event management and event tourism* by Donald Getz pays very little attention to the participants. The results of the study, which were driven by a practical need for information, also make excellent additions to theory.

Research design and methods

The population to be studied was all exhibitors, wineries and restaurants that participated in the 2004 Festival. As the number was limited, the study involved the entire population, and no sampling was done. The study was designed as a questionnaire study. Two teams surveyed wineries and exhibitors at the Festival on Saturday March 6 and Sunday March 7, and all three groups (wineries, exhibitors and restaurants) on Sunday, March 7. The teams went from table to table, identifying the decision maker for each company and asking him/her to complete the survey, which the team picked up on the return to that same table a few minutes later.

Before designing the questionnaire, we interviewed eight restaurateurs and winery representatives to identify what they thought of as the most interesting issues for this research. Based on this, the authors developed a 12-question survey that asked respondents to determine the degree to which they agreed, or disagreed with the survey statements. Responses were given on a seven point Likert scale. The response options were: Strongly disagree, Disagree, Slightly disagree, Neutral, Slightly agree, Agree, and Strongly agree. Information that made it possible to differentiate between the three groups was included. As all statements were stated in a positive wording and responses are given according to degree

of agreement, there will be a risk of having the respondents reporting too high or positive values on the items. The part of the survey reported on here is displayed in table 1.

Table 1. Items included in the survey

| Item | Question |
|------|--|
| 1 | The South Beach Food & Wine Festival is important to promoting your own product or service. |
| 2 | Participating in the festival is a valuable marketing tool. |
| 3 | Identifying new customers is an important reason for attending the festival. |
| 4 | It is important to be at the festival because our competitors are there. |
| 5 | looking at the products and services displayed by others is an important reason to attend the festival. |
| 6 | Networking with other food and wine professionals is an important reason to attend South Beach Wine and Food Festival. |
| 7 | Having fun is an important reason to attend the South Beach Wine and Food Festival |
| 8 | Supporting FIU is an important reason for participating in the Festival. |

Data were entered into the SPSS 11.5 computer program, and analyzed by cross-tabulating types of participant (e.g. exhibitor, winery, or restaurant) with the eight dimensions (see table eight) we are presenting here. As no sampling was undertaken, there is no need for any statistical testing of differences between groups.

We received responses from a large number of the participants. Specifically, 47 out of 71 restaurants (66.1%), 47 out of 58 wineries responded (81%) and 28 of 40 exhibitors responded (70%). These high response rates are indicative to the spirit of cooperation and interdependence that exist at the Festival. The participants are a relatively small community. The extreme conditions at the Festival (no electricity, running water, etc.) make for a lot of cooperation in many areas. This spirit of willingness greatly enhanced the survey process.

The Results

The results of the study are presented graphically in Figures 1 – 8. As expected, showing own products or services were important, but far more so for the exhibitors and restaurants than for the wineries. It is also worth noticing that a significant portion of all three groups indicated that this was only a minor, or even no reason at all for attending the festival. This latter tendency was most pronounced by the wineries.

Figure1. Importance of promoting products and services at festival for restaurateurs, exhibitors and wineries compared (N=122)

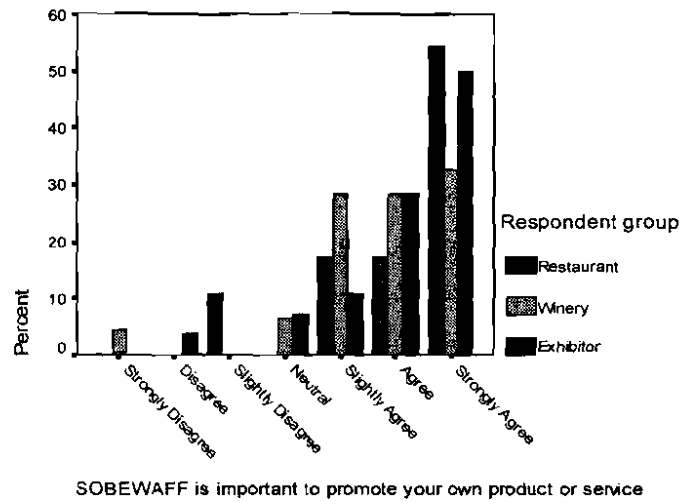
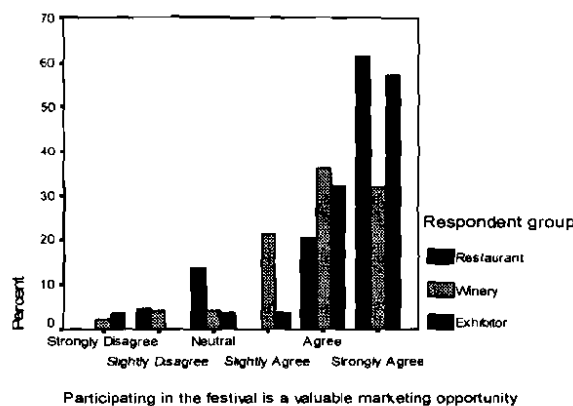


Figure2. Importance of promoting products and services at festival for restaurateurs, exhibitors and wineries compared (N=122)



It may be observed that participating in the festival was regarded more as a valuable marketing opportunity for the restaurants and exhibitors, as compared to the wineries. Again it may be observed that a substantial portion of the wineries only slightly agreed, were indifferent and also negative to this purpose, and followed only by a minority of the restaurateurs and exhibitors. As an extension of these two observations we also found that the restaurants and exhibitors regarded the festival as a good opportunity for identifying new customers, while again the wineries held back on their enthusiasm and gave this selling part of the function a lower score.

Figure 3. Importance of Identifying new customers at festival for restaurateurs, exhibitors and wineries compared (N=122)

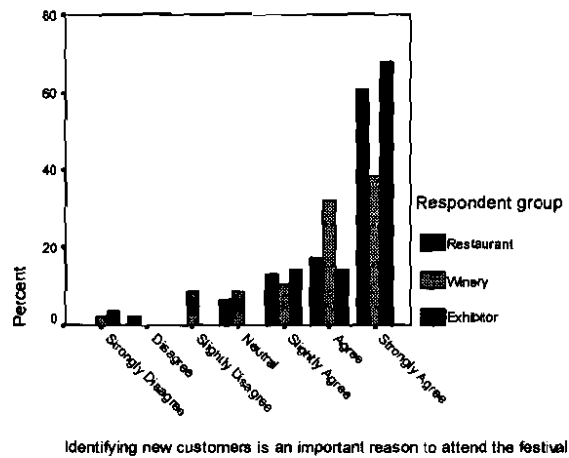
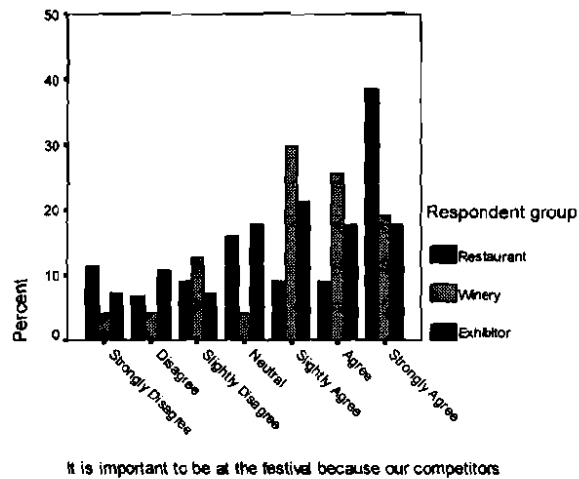


Figure 4. Importance of being at the festival because of the competitors, restaurateurs, exhibitors and wineries compared (N=122)



A somewhat different pattern of responses were displayed on the issue of competition and the wish to study products presented by the others. To be at the festival because of the competitors was more important for the restaurateurs than for the others, and least important for the exhibitors. The restaurateurs also held a strong belief in attending the festival to study the services and products provided by the competitors, while the wineries were least eager to participate for this reason, closely followed by the exhibitors.

Figure 5. Importance of looking at services and products displayed at the festival, restaurateurs, exhibitors and wineries compared (N=122)

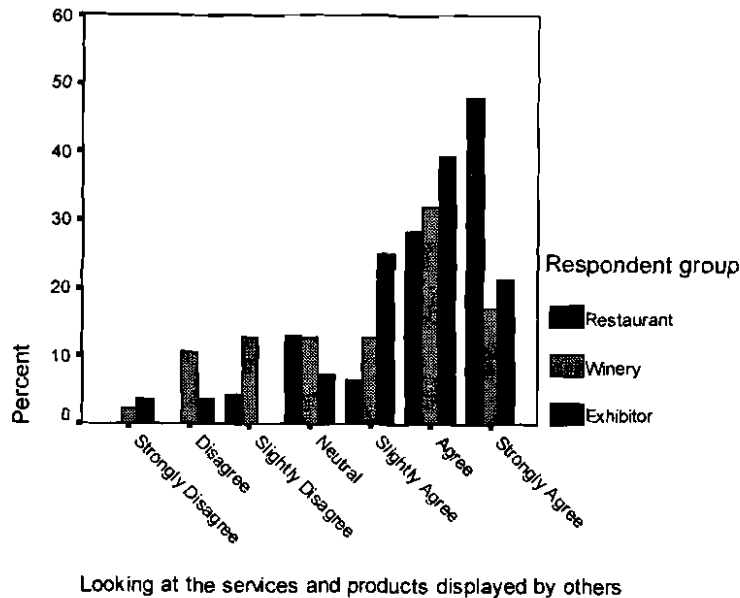
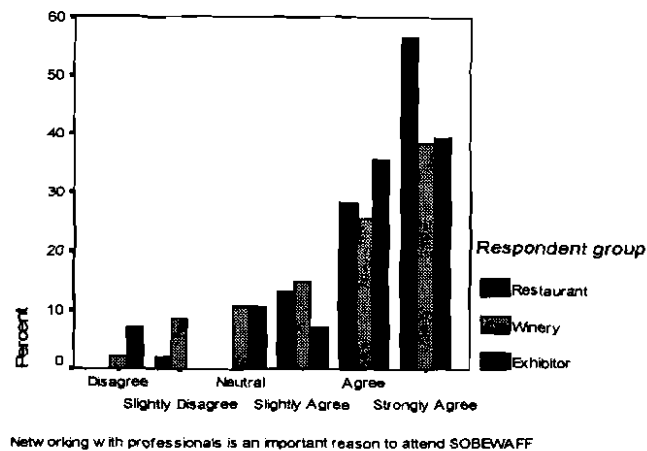


Figure 6. Importance of networking at the festival, restaurateurs, exhibitors and wineries compared (N=122)

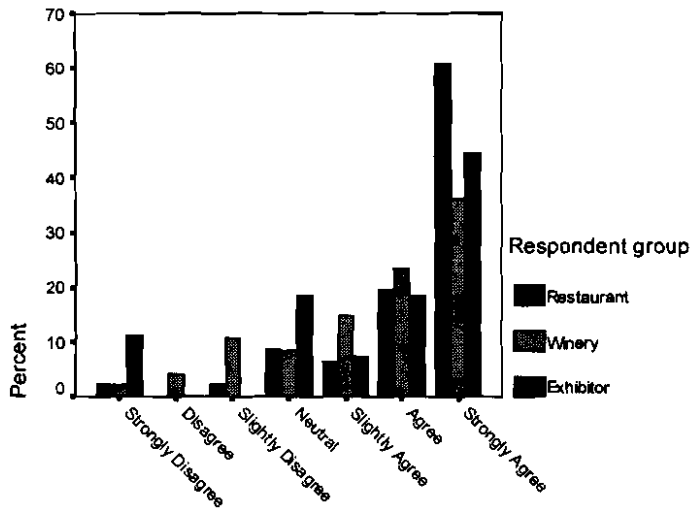


Networking was another important drive for participating at the festival that also distinguished the restaurateurs from the exhibitors and the wineries. Again it could be observed that the restaurateurs were the most positive group positive, placing a higher value on the festival as a meeting place between professionals and customers, than the other participants. The same tendency may be observed for the dimension of having fun when attending the festival. Restaurateurs were more aware of this aspect of the event than were the exhibitors and wineries.

Finally, it could be observed that supporting Florida International University (FIU) was much more important to the restaurateurs than to the exhibitors and wineries. A substantial

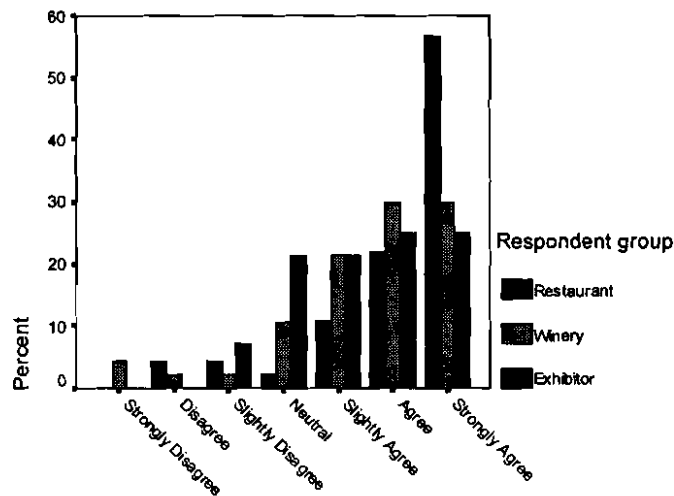
portion of these two groups did not care much about the interests of one of the organizers - the University.

Figure 7. Importance of attending the festival to have fun, restaurateurs, exhibitors and wineries compared (N=122)



Having fun is an important reason to attend the SOBEWAFF

Figure 8. Importance of attending the festival to support FIU, restaurateurs, exhibitors and wineries compared (N=122)



Supporting FIU is an important reason to attend the festival

Discussion

As expected, the study clearly indicates that the participants attend the festival to meet customers, to promote and market their products and services. Moreover, meeting new customers is an important reason for attending. This coincides well with a recent finding in a Norwegian study of the Food Festival of Stavanger, where participants mainly attend to show their products to customers, to each other, and to the media and the society. Not so obvious is the finding that it is important to be present at the exhibition area because of the competitors. This may reflect a fear of being overlooked and forgotten when not present, which adds significantly to the case of attending to *'show them'*, as stated by Quain. Knowing this, future events could probably increase the opportunities to promote products and services by focusing this important urge on the side of the participants.

More so, participants also engage in the festival to find out about products and services provided by other professionals, and also use the scene for networking and develop personal and professional relationships. This adds an educational dimension to the event, turning it into a scene of sharing competences and may be also 'steal' ideas and skills from competitors, an aspect that is clearly overlooked in previous research. Future research should focus more on the issue of competence and knowledge transfer among professionals related to festival participation. For future events, the networking and educational options could probably be cultivated to increase the professional motivation to and the rewards from participating.

Interestingly, the participants are motivated by the sheer fun of attending the event. A similar finding was reported in the Norwegian study, highlighting the rich emotional stimulation gained from just being there with the big crowds of people enjoying the event. At that Norwegian event, the differences between the festival atmosphere and everyday working in their own company were highly appreciated by the participants. This important intrinsic motivation should not be overlooked neither by researchers nor by practitioners. As such, important rewards are to be found for the attendants also on this emotional dimension, and this should certainly be observed for future research and practical event organizing.

Interestingly, supporting one of the organizers, the Hotel school at FIU was also part of the motivation. This alliance formation is important for both parties involved, as they may mutually develop each others as well as the food and wine competence and commerce in the area.

Somewhat surprising, the restaurateurs were by far the most positive group, reporting higher levels of motivation to participate on all the observed dimensions. Since quite a few of them are previous graduates from FIU, they should be expected to be the most eager to state their support to their own school. However, the differences between the restaurateurs and the other groups are reflected in all the results; their responses are in need of need explanation. One comment may include that the work of the restaurateurs is different from the other groups, and their personal and professional stimulation from the festival experience is far beyond those of the other groups. It could be that the quality of the social and professional interaction between the visitors and the participants is different across the groups, leaving the most interesting with the restaurateurs. It may also be that the restaurateurs are participating in only few events, while wineries and exhibitors are more frequently attending events like this, and thus get more easily bored by repetitions. As the restaurateurs come from the south beach area, they may be more involved both emotionally and professionally in the festival, compared to the other groups that also contain participants not local to the South Beach area. May be the restaurants face a stronger competition and have to fight harder for their customers compared to the exhibitors and wineries. Finally, it should not be overlooked that there may be significant differences in basic attitudes and personalities between the restaurateurs and the other groups. Only future research can explain this. The practical consequences are great, however. Different approaches should probably be employed to

recruit participants for future festivals, while also making sure that the present group of restaurateurs is motivated and satisfied also in the future.

In sum, the motivations for attending are promotion and marketing, just being there with customers, colleagues and competitors, learning and networking, and enjoying the thrill of the festival ambience. In general, all the measures were more positive for the restaurateurs than for the others, leaving us with an impression that this group holds a higher level of motivation and also finds the event more rewarding than the exhibitors and the wineries. Networking, having fun and altruistically supporting FIU are rewarding to the participants and of great value for the future development of the event.

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About the authors:

Henrik Lilleheim and Christer Engstrøm, Florida International University, School of Hospitality and Tourism Management and Stavanger University College, Norwegian School of Hospitality Management; Professor Bill Quain, Florida International University, School of Hospitality and Tourism Management. Associate Professor, Reidar J. Mykletun, Stavanger University College, Norwegian School of Hospitality Management;