



• 10 TIPS TO •

CREATING A

**RESPONSIBLE**

ALCOHOL PROGRAM

• THAT GIVES BACK •

By Karen Shostak

The vast majority of our festivals and events sell beer. Some of our events sell large quantities of beer and have only seconds at a time to get it right. So our first piece of advice in this article is to have you all remember that “How you prepare for service and how you engage in service, will have everything to do with the outcome of service.”

It is a fair statement to say that the only way to be exempt from making a mistake in the alcohol supply chain is to not sell alcohol. Though this is a fair statement, it is not realistic. It is expected at most events, primarily those with music, that this adult amenity will be available. It then becomes our responsibility to provide the amenity in the most customer friendly environment while doing all things possible to not incur violations of the law. As the times change and our audience changes, we must stay aware of as many best practices as possible. It also helps to have some scalable guidelines to go by. We will share some practices that have served as great support to the Riverbend Festival here in Chattanooga, TN, as well as some science behind creating a program that will make you proud.

Here are 10 helpful tips that will help jumpstart your program. You should look at these guidelines at 50,000 feet. As you apply them to your event, your altitude will lower and these tips should help you land safely.

### 1. Choose Your Team Wisely

The team you select to sell alcohol at your event is your last line of defense for a successful alcohol sales program. Some events choose to have the responsibility be handled by a third party and the event is paid a percentage while others choose to take on the risk and yield a higher return. Either way, your team and approach will always reflect on the event.

**Q:** How does the Riverbend Festival staff the event?

**A:** The Riverbend Festival does not contract a third party. Our beer seller

team is made up of local non-profits or charitable organizations. A percentage of each serving sold, once reconciled, is paid out to the organization.

**Q:** Why does Riverbend choose this type of staff?

**A:** These organizations have a need to raise money. They also come with an army of good citizens raising as much money as possible for their cause and the festival ends up with the right amount of staff to get the job done. Since this program was created in 2007, the beer sales program has put nearly \$300,000 back in to the community.

**Q:** Why is the right team important?

**A:** Consider your alcohol sales team to be another event representative. Third party or not, they are a reflection of your event and the overall experience.

### 2. Before You Sell the First Beer...Train, Teach, Repeat

Training your staff is a critical step of safe beverage service. This activity should consist of clear instructions, dry runs, and guidelines to refer back to during sales hours. There should also be reinforcement on every day of show to be sure that all workers are confident on what they need to do to achieve a successful sales night. A solid training program could mean the difference between making a mistake and receiving a violation or not having any issues.

**Q:** How is training and continuing education handled in order to prepare for Riverbend?

**A:** In the months leading up to the festival, training sessions are conducted with team leaders then with all of the actual workers. The training consists of proper identification protocol, how to deal with intoxicated patrons, event supply chain and logistics.

**Q:** Why has this worked so well for the Riverbend Festival?

**A:** Preparing our staff with solid training has allowed them to be armed with the tools needed to work through our unique and very busy sales environment.

### 3. Plan Your Locations as Though You Were a Patron, Not What's Easy for Your Clean Up.

Remember, it's not about you; it's all about your customer!

**Q:** How are the locations determined at the Riverbend Festival?

**A:** We begin planning locations based on sales history in that area of the event. We want to be sure that we are maximizing real estate and revenue potential. Next, we look at the lay of the land i.e. visible; easy to access, power available. Once the locations are selected, we walk the site prior to the event in “patrons” shoes. It is only then that we will know if these locations really make sense for our guests and if we need to adjust. Remember, patrons need organization so, “If it's hard to get to, they're not going to do it!”

**Q:** Why has this location assignment process worked well?

**A:** By creating areas that the patron has no difficulty in, the buying process for them is much smoother and usually yields higher results in the end.

### 4. Master Your Alcohol Order

Placing an order for alcohol at your event can be stressful to say the least. “Will I order enough? Will I order too much? Will I order the right items and make money!?”

**Q:** How does Riverbend master the alcohol order?

**A:** Sales history and margin reports are a vital part of a good alcohol order for our event. Sales history helps us with ordering the right quantities and margin reports help us make sure we are buying smart and pricing it right. We also research trends in our region and compare them to our flavor mix from the

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previous year essentially asking ourselves “What are people buying?”

**Q:** Why has this order process worked for Riverbend?

**A:** By keeping track of our order quantities, margins, and flavor mixes, our cost of goods compared to our margins have maintained a solid percentage; usually 70-73 percent. We are also able to predict in advance if we need to adjust the price to the consumer versus finding out after the fact that we should have charged more.

### **5. Stocking Grids; Your Lineup Can Affect Your Nightly Sales, What's The Percentage**

Now that you have placed your order for let's say 4,000 cases, how do you stock your event per evening? Based on sales history you know that you will go through this much product for the entire festival, but now you need to find out how much you need to stock for the night and per location. First, do your homework. Imagine a line up something like Friday Florida Georgia Line, Saturday REO Speedwagon, and Sunday Wide Spread Panic. Of the 100 percent of your order, you should determine what quantities are needed to supply each night and each location and what the proper flavor mix should be. This determination is made up of many things such as other event results with these artists and comparable nights in the past at your event. Ultimately you need to use good math and research to divide up the order properly, avoid over ordering, and keeping ample supply of the right flavors on hand.

**Q:** How does Riverbend determine stocking grids?

**A:** We use the following formula for stocking.

1. Determine the percentage of overall sales for each location using sales history.
2. Determine what percentage of each flavor will be sold per location.

3. Determine what percentage of sales should be divided up per our line up of music.

### **6. Ample Storage = Fewer Transactions**

Having adequate storage on site for your alcohol order allows for fewer small deliveries. It also allows you to place a large order on the front end and only order small case quantities for more popular flavors at a specific location. Ultimately you will have fewer transactions per location and the reconciliation process becomes very simple; i.e. beer ordered minus beer left over equals beer sold. The beer sold quantity should match the dollars collected per station.

**Q:** How has a good alcohol storage plan helped Riverbend?

**A:** In most situations, a location will only have two inventory tickets, one for the alcohol that was delivered and the second for the alcohol that did not sell. This has helped us determine sales by location much faster and close the books in a very reasonable time frame.

### **7. Proper Staffing Numbers Can Mean Happier Workers and a Reduced Risk of Making a Mistake.**

Staffing locations with adequate support allows your workers to not be overwhelmed or overworked. With enough folks on hand that have a specific job to do, the chances of making a mistake are dramatically reduced. Locations that are short staffed have a higher likelihood of inconsistent results and the potential for unintentional violations could be introduced. Good staffing numbers allows your team to work well together during the limited and important sales hours as well as gives them the time to offer superior customer service to your patrons.

**Q:** How have large staffing numbers helped the festival?

**A:** By maintaining good staffing numbers, our workers come back year to year. They usually request the location that they have worked before and fall back

into the positions that they felt were best for them. Also, by staffing groups and organizations, we have been able to maintain good team numbers with people that like to work together. This has created consistent teams, great customer service, and measureable sales results.

### **8. Queue It Up! Create a Flow That Even You Wouldn't Mind Waiting In**

Most festivals and events have a rush of patrons. Gates open and it is off to the races. Corraling your guests is a must to help achieve the goal of a happy visit.

**Q:** How does Riverbend “Queue it up?”

**A:** The traffic pattern per location is determined with convenience and safety in mind. We also work to create a “one way in and one way out” scenario. This allows our staff to take care of each and every guest with structure. They enter the location, show ID for verification, obtain an over 21 wristband, and move forward with the transaction with eager folks waiting to sell it to them. We snake the lines of larger locations to minimize the feeling and appearance that the line is “a mile long.” Lastly, queue lines do not interfere with neighbors on site. We make sure that the “in and out” does not block a sponsor or vendor that is next door.

### **9. Your Friends Wear a Badge. Work Together!**

If there is only one message that you take away from this article, let it be one of these last two tips. Working with law enforcement and other emergency services will ensure a smoother outcome every time. Planning programs that involve alcohol should always involve these important players. Making them part of the planning process is not only smart business but also helps to create a safe environment and makes the emergency services team part of the plan.

**Q:** How has Riverbend benefited from partnerships with Law Enforcement and other emergency services?

**A:** Chattanooga is made up of a wonderful and respected emergency services team. Success is always the outcome when both the Riverbend Team and the teams of all of the services are on the same page and working together in unison with the same intentions. Riverbend and the community benefit from these strong partnerships because the outcome is a fun and safe event for everyone.

### **10. Check Yourself!**

It cannot be stressed enough that just when you think you have a flawless

system, you find a problem. Using secret shoppers and conducting compliance checks allows you to be proactive and find any shortcomings before they potentially become a violation. This is a critical step in completing a great night of service at your event. You strive for perfection in a plan leading up to your event such as ideal locations, staffed to the hilt, adequate order, and your queue lines are reminiscent of "Disney." These things matter most when you "shop" yourself and confirm that you were right on target!

**Q:** How does Riverbend implement a secret shopper program?

**A:** We accomplish this in two ways and always involve local law enforcement. Either law enforcement is a direct participant or they are aware of our plan for the night. We "shop" our festival for compliance issues and customer experience information.

To check compliance, we recruit young men and women that are under 21 and attempt to obtain an over 21 wristband. **IMPORTANT NOTE,** we are not allowing these team members access to alcohol. We are only looking for a problem within the ID process. Once we begin our "compliance check" we walk with the police and observe the outcome of the check. By us conducting these checks we are able to correct any potential problem areas before they become a violation. If the police department conducts the check and there is a poor outcome, this leads to fines and the inevitable PR implications.

To check for customer experience, we recruit a group that is already attending the festival and ask for their feedback on both alcohol and food purchase results. The people recruited are either Riverbend regulars or a festival supplier. These groups are usually not afraid to tell you what is wrong and that feedback is taken seriously, sometimes causing a change that night or the next day. For Riverbend, our secret shopper program has certainly kept us on our toes.

To sum it up, we hope that these tips are as helpful for you as they have been for us. We all work hundreds of days a year for the success of only a few; this hard work should only be reciprocated with remarkable results. We hope for all of our IFEA friends and peers a profitable yet safe program that allows you all to nail the landing!

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