

EVENTS CASE STUDIES

Functions for Profit

Using your premises to host private functions is a great way to leverage your infrastructure and generate additional revenue. Dedicated facilities to enable functions throughout the normal trading day offer the greatest flexibility, but you can also hire out your facilities after hours.



The objective is to maximise your return on your capital investment and generate additional revenue. Hosting functions can also maximise your staff hours. The additional work generated could justify the creation of more part or full time positions and offer existing staff the opportunity to widen their skill base.

However, just like any other activity at the cellar door, ensure that the type of functions you attract are congruent with your brand objectives. Otherwise, you might create an image you didn't intend, such as "wedding specialist" if you're perceived as being a prime wedding venue. Of course, if that's in keeping with your brand objectives, then it's not a problem.

One South African winery, **Vrede & Lust**, justifies closing its cellar door down entirely for the day to allow the venue to be hired out for weddings. Tastings are conducted from the café area, some distance from the cellar door building, instead. The rules are simple: the customer hires the venue, contracts the caterers and designers and serves the winery's wine exclusively. On-site accommodation is available in the fully restored, magnificent manor house and the grounds are available for the service and photography. Aside from wine sales and brand exposure for a relatively new brand, the revenue generated from hiring the building goes straight into building much-needed winery infrastructure. Not a bad financial strategy!

The corporate market is another area showing keen interest in winery venues for meetings, seminars and conferences. Depending on your size and facilities, you could have anything from a small boardroom to a dedicated conference centre with all the technological gadgets needed to run a corporate event. At **Karoomba Vineyards** near Boonah in Queensland, a 40-seat conference centre has been developed to cater for the Brisbane corporate market. Specialising in day seminars and lunches, the offer is expanding to include a corporate wine club business.

Across the Tasman, **Moorilla Estate** has recently completed a major new cellar door/restaurant/function centre development. In contrast, Moorilla can cater for up to 300 people for corporate functions and up to 1000 for small concerts. Located just 15 minutes from Hobart, the venue's proximity and range of additional facilities (accommodation, restaurant) allow it to target the corporate sector effectively. Thorough research conducted through the Tasmanian Convention Bureau and Tourism Tasmania indicated a trend towards conferences in the 200-300 pax range, so the function room was built accordingly. The latest technology and equipment was installed to ensure that any corporate requirements could be met. Moorilla also works with the bigger hotels to win conference business and offers off-site dinners as part of the package.

The function room was also designed with concerts in mind by incorporating special acoustic treatments. As part of the design, a marquee hire company was asked to work with the architects to ensure that a Hoecker (free standing) marquee could effectively butt up against the room, increasing the capacity to 1000 guests.

In Canada, **Jackson-Triggs** Winery takes the corporate sector seriously, estimating its business potential to be worth up to \$2M. A dedicated sales person works directly with meeting planners, who may recommend the winery as a beautiful destination for a meeting, opening up the customer base to people who might never otherwise consider visiting a winery. The opportunity to convert delegates successfully to customers is evident in the huge impact on secondary sales.

And if dealing with brides-to-be and their mothers is simply not your cup of tea, use your imagination and work with local businesses to promote your winery as a potential venue for product launches, awards nights, staff functions and trade events.

Entertain the Crowds

Hosting major events, like concerts, can be an enormous undertaking – and highly risky. If it's not core business for you, and you don't have a great deal of experience, call in the experts to assume the risk and just provide the venue and wine. Some wineries go all out and have earned national and even international reputations for hosting first class events.



Leeuwin Estate in Margaret River is one such example. In addition to the annual concert series, Leeuwin hosted a major concert featuring acclaimed artist "Sting" to aid the relief efforts in the wake of the 2004 Boxing Day Asian Tsunami, demonstrating that philanthropy makes good business sense too.

But what makes Leeuwin so special is the environment in which the concerts are held. "The winery and hospitality areas were constructed overlooking a natural amphitheatre with a backdrop of 120-year-old Karri trees," says proprietor, Denis Horgan. "These have been supplemented by additional plantings over the years and now represent the largest stand of Karri trees on a private property in the world. They form a natural backdrop for the Leeuwin Estate concerts."

Also in Western Australia, **Sandalford Wines** in the Swan Valley plays host to various concerts. "We have a natural amphitheatre on one side of the property, where we host a number of concerts", says CEO Grant Brinklow. "The biggest is the annual 'Symphony at Sandalford' concert, where top billing names play with the WA Symphony Orchestra. It started five years ago, when Kate Ceberano played to about 6,500 people and this year we had Harry Connick Jr, who played to a crowd of 10,000."

Sandalford recognises the importance of the corporate market and the role the wine club plays in event promotion and sales. "The wine club helps us to sell wine, but it also helps us to sell events like the concert. We have a marquee at our 'Symphony at Sandalford' event that can host 650 black-tie guests paying \$675 per head. It sold out this year for Harry Connick Jr."

"These guests are mostly bankers, lawyers and corporate heads, and it gives them the chance to entertain their clients. Of course, it's also bringing our key market – both domestic and from overseas – onto our property. The Japanese, for instance, come down for the concert but they stay to look over the operation. It's now regarded as one of the key events on the WA social calendar and is very important to us from a prestige point of view."

Rochford Wines in the Yarra Valley has established a reputation for showcasing world class performances in music of many genres including opera and even the odd ballet of international standard. The infrastructure and organisation for these events is massive with crowds of up to 8,000 to manage. But that is potentially 8,000 hamper buying, wine drinking customers. And more importantly, the population of event-goers is a major source of recruitment for the wine club and a specific strategy for signing up members operates during the events. Rochford events have established such a profile that if you mention music in the Yarra Valley, people immediately think Rochford.

On a smaller scale, another Yarra Valley winery decided to try their hand at a jazz event during 2005. Recognising their lack of expertise, they collaborated with an event promoter who coordinated the whole process including ticketing. Tickets were pre-booked so numbers were assured and the winery's only task was to have their property looking spectacular with plenty of hands on deck to sell wine (and water). For the cost of some hire equipment, a contingent of staff and a clean up, they generated \$25,000 in wine sales in just one day. Not a bad effort and a huge boost to cash.

Create a Program of Events

If large-scale events are out of the question, consider a more manageable program that fits with your brand objectives, targets new markets and generates revenue.

Consider combining a winery tour with both food and wine, as Del Rollo from **Jackson-Triggs Winery** explains.



“We hold a ‘Savor the Sights’ event once or twice every month. It’s a progressive dinner of 5 or 6 courses through the winery stopping at key spots in the building, winery and cellar, finally finishing in the lounge area in front of the fireplace with a glass of Icewine. The cost is \$135 per person and we can cater for up to 40 people at a time.” But that’s not the real revenue generator – post event wine sales usually total several thousand dollars.

Gerald Ellis at **Meadowbank Estate** in Tasmania runs a quarterly program of events, focusing mainly on food and wine. Wine and film nights such as ‘Babette’s Feast’ have proved popular as has the ‘Great Oyster Debate’, designed for patrons to work out which wines go best with oysters. The winery also incorporates a program of musical and artistic events including a sponsorship program to promote local artists.

Finding an event formula that suits your brand, locking it in and securing your position on the annual Regional and State event calendar will help create a recognised event. Don’t simply copy what others are doing – think outside the box and see if you can create something quite different for your region as opposed to just another wine and food festival.

What about an International Cuisine Program, a Developing Artists Event, a Car Rally or Chef or culinary competition? Perhaps you’re more inclined towards literature or fashion, so consider a Writers Festival (all the better if it’s wine writers) or a Fashion Design Celebration. Think about your target market’s areas of interest and discover if there is an opportunity to develop a crowd-pulling event that generates revenue and enhances your brand.