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### Fyre Festival: The good, the bad, the ugly and its impact on influencer marketing

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## Abstract

This study focuses on the events surrounding the rise and fall of the infamous pop culture event known as "Fyre Festival." The festival, which was hosted by a team of first-time festival organizers and promoted by a large number of social media influencers, ended in disaster when festival goers were stranded on an island in the Bahamas without proper access to food, water and shelter. The event was widely discussed on social media and resulted in the Fyre company to close. The results can be used to apply a new perspective on marketing, public relations, technology, the tourism industry and more. A timeline, background information, evaluation and key takeaways are included in this study. The use of Salesforce's Marketing Cloud Social Studio social listening technology was deployed to analyze the level of social buzz surrounding this event from start to finish. Information was pooled from more than 624,000 social media postings to analyze Fyre Festival's timeline with social media mentions, engagements, influences and crisis response effectiveness. All internal information surrounding processes and intent was gathered from the documentary, "Fyre: the greatest party that never happened," which was released on Netflix in early 2019. Primary tweets and social posts were used to construct a timeline and reaction following the festival. The findings from this report show Fyre Festival shouldn't change the influencer marketing industry because of its inability to turn impressions into purchases.

## Background

In the documentary, *Fyre Festival: The Greatest Party that never happened*, one of the organizers believed Fyre Festival would still be successful even as the event was days away with mass unpreparedness. He related his optimism to the history of Woodstock, a music festival that took place in the 1960s and resulted in drug overdoses, mudslides and intense traffic jams. The organizer claims that no one talks about the negative aspects of Woodstock, and he believed if Woodstock could overcome its shortcomings, so could Fyre Festival. However, the industry of music festivals and social media has changed drastically since the twentieth century.

- Fyre Festival was a disaster

## Music Festivals + Millennials

Multi-day, outdoor music festivals have been a regularly occurring event for many years. Across 57 countries, there are currently more than 800 music festivals hosted each year. According to Nielsen Music, more than 32 million people reported going to at least one music festival in 2014, with 14.7 million of those attendees falling into the millennial category. Also, music-centered tourism made up 17 percent of the tourism industry in 2014 (Billboard, 2015). This has resulted in a saturated market for the music festival industry, causing many festivals to partner with the local governments, move the event to another exciting location and take on a bigger financial risk with securing broader talent (Lopez, 2017). Music festivals have begun partaking in advanced use of social media and digital promotional technology to build a long-lasting brand identity and appeal to a younger audience (Hudson, et al., 2015). For example, the Tennessee based music festival, Bonnaroo, utilized radio frequency and geo-location promotions to engage with attendees and garnered 1.5 million digital impressions because of it (Hudson, et al., 2015). When questioning the purpose of music festivals on social and digital

power of social media influence

media, researchers in the sports and entertainment industry found more than 57 percent of events with a clearly defined social media strategy experience higher revenues than events without a social strategy (Hudson, et al., 2015). Music festivals are no stranger to controversy, including a history of illegal drug use, crime, exploitation of local resources and more.

The main audience targeted by music festivals is the millennial group. A millennial is someone born between 1980 and 1995 and marked by a specific perspective on technology and terrorism (Erikson, 2012). "Their most pressing questions are whether the activities they are doing now are challenging, meaningful, and where possible, enjoyable," said Tara Erikson, writer for the *Royal Society for the Encouragement of Arts* regarding millennials. According to Erikson, this creates a sense of immediacy to capitalize on every moment and live life to its fullest. The group also engages in a collective tech-savviness which leads to an increased interest in social media (Erikson, 2012). In the U.S. alone, there were 76.8 million millennial social media users in 2018 (eMarketer, 2019).

### **Influencer Marketing**

Brands all across the globe have been investing in influencer marketing since the rise of social media in the late 2000s. Influencer marketing is

*like a hybrid of old and new marketing tools, taking the idea of the celebrity endorsement and placing it into a modern-day content-driven marketing campaign. The main difference is that the results of the campaign are usually collaborations between brands and influencers. (The State of Influencer Marketing, 2019)*

With more information about the tactic disseminating, the prevalence of influencer marketing is only growing. There were 190 influencer marketing oriented agencies and platforms in 2015, and the number has grown to 740 as of 2018 (The State of Influencer Marketing, 2019).

Organizations and brands utilize influencer marketing in a myriad of ways—to promote events, product launches, campaigns and more. Research has shown that

Marketers love influencer marketing. A survey by the Association of National Advertisers last year found that 75 percent of marketers are using it, and 43 percent plan to spend more on it. Research estimates on influencer spending swing wildly, but research company Points North Group estimates that marketers spent \$211 million in the second quarter of [2018] alone on influencer marketing. (CleanBreak, 2018)

Influencer marketing takes on many forms. The tactic has taken on a wide meaning with brands reaching out to people ranging from less than 1,000 social followers to millions (Clean Break, 2015). Figure 1 provides a categorization system for influencers and their follower counts. From gas stations to clothing retailers, influencers are promoting a wide array of brands in exchange for product, experience, money or a combination of the three. However, one peculiarity lies in the lack of big-name brands that choose to promote with mega-influencers on the celebrity scale. Amber Fillerup, a lifestyle and fashion blogger with 1.4 million followers, is able to host partnerships with big brands like Tropicana, airlines and department stores. Khloe Kardashian, a

influencers  
influencing  
in social  
media can  
boost  
a # of  
people

Comparison  
of small  
vs large  
celebrities  
based on  
sponsorship

Tiers  
for  
influence  
types

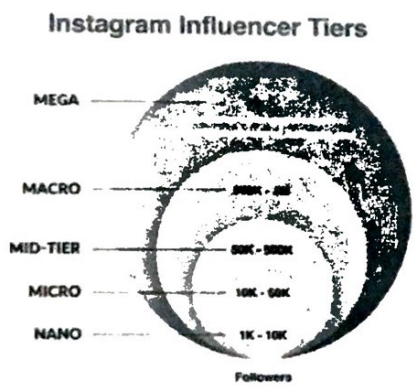


Figure 1

reality TV star with close to 100 million followers, completed a promotion with a small skincare brand that only has 54,000 Instagram followers on its account. The trend of bigger brands teaming up with bigger influencers doesn't match up when the celebrity status is the variable. Some may assume that the bigger

the following an influencer holds, the bigger the brand available for partnership. There could be a disconnect in influencer budgets, reliance on influencer marketing, fear of reputation risk or

any other combination of brand strategies leading to this result, but it is interesting to note that the majority of influencers utilized by Fyre Festival existed in the mega-influencer category

The use of influencer marketing falls under the sphere of advertising, right? Well, maybe. The Federal Trade Commission (FTC) regulates advertising to ensure customers aren't put in danger or misled into purchasing something harmful or falsely advertised. The government hadn't taken much notice to social media marketing until the FTC announced regulations in 2017, just nine days before Fyre Festival began. The FTC's statement included the guideline, "that influencers should clearly and conspicuously disclose their relationships to brands when promoting or endorsing products through social media." (FTC Staff Reminds, 2017). The instructions also state that

*Influencing = advertising*

The FTC's Endorsement Guides provide that if there is a "material connection" between an endorser and an advertiser – in other words, a connection that might affect the weight or credibility that consumers give the endorsement – that connection should be clearly and conspicuously disclosed, unless it is already clear from the context of the communication. A material connection could be a business or family relationship, monetary payment, or the gift of a free product. Importantly, the Endorsement Guides apply to both marketers and endorsers. (FTC Staff Reminds, 2017)

*Warning* →

The caveat, "unless it is already clear from the context of the communication," might provide more freedom to influencers, but the FTC is continuously scouting undisclosed social media advertising in any form. The FTC also requires influencers to include #ad on all social media posts where compensation is being exchanged. The placement of #ad is instructed to be specifically located at the beginning of the post to ensure the viewer isn't required to hit "more" to view the entirety of the caption (FTC Staff Reminds, 2017).

## Introduction to Fyre Festival

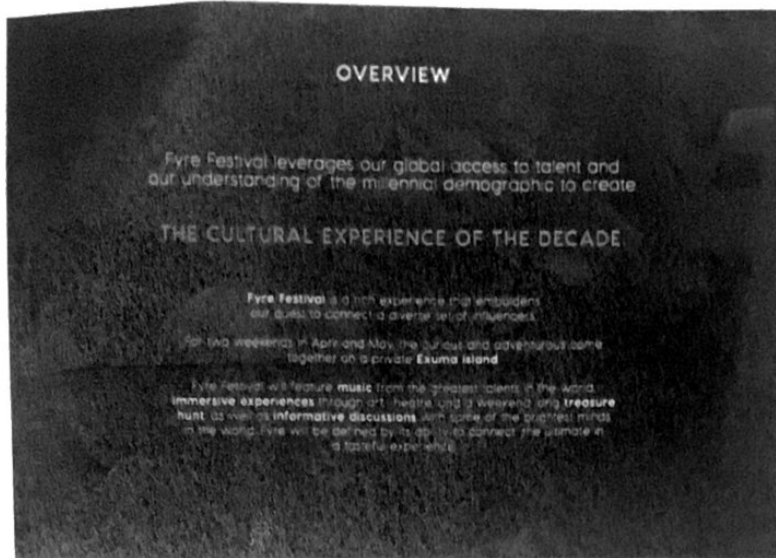


Figure 2

Fyre Festival was a music festival event promoted and hosted by American rapper Ja Rule and entrepreneur Billy McFarland in April 2017. Figure 2, which depicts the overview of the festival as stated by its founders, is a slide from the

pitch deck presented to investors interested in Fyre Festival. The festival was a tactic to meet a strategy established by the cofounders— get more users on the app. "It's hard to remember the whole thing was meant to promote an app. The Fyre software is essentially a mobile-friendly speakers bureau for performers available for appearances at concerts, clubs, and parties for a price," said writers for the *Bloomberg Businessweek* publication (Mosendz, Bhasin, Nasiripour, 2017). The app was created to make the booking process easier for those looking to hire a musical act or public figure to appear at a birthday party or event. During a brainstorming session to create ways to bring more attention to the app, a music festival was suggested (Smith, 2019). The idea was accepted and fundraising for the venture began quickly. The rise and fall of this event can be seen through the lens of social media to observe trends in public relations, influencer marketing, advertising and event management. Public promotion for the event began in December 2016, four months before the event was set to take place. The music festival's primary key appeals included a unique location on a private

~~Fyre Festival~~  
The point of the festival is to promote an app called "Fyre software"

island in the Bahamas, luxury-oriented lodging and involvement of high-profile celebrities. The coordinators used social media as their main promotional technique. Venture capital was used to fund the creation of the festival.

The logistics for the event were more complicated than the organizers had first anticipated. The original island for the festival, promoted as Pablo Escobar's former property, lacked proper infrastructure for electrical, plumbing, construction and more necessities to house the estimated 40,000 guests for the weekend. Collaborators for the event suggested housing attendees on a cruise ship docked outside of the island, but all suggestions for attempting to move the shelter spaces were denied by Ja Rule and McFarland. After legal action was taken against Fyre for promoting the island as Pablo Escobar's, the company sought collaboration from the government of Exumas, Bahamas, to provide a location, support, local information and a connection with physical laborers in exchange for tourism revenue and increased exposure for the island. There is a growing trend for music festival organizers to

partner with local governments to increase likelihood of financial success (Lopez, 2017).

The location change brought more access to electricity and water, but space and resources remained scarce. The event managers were convinced the festival would be cancelled due to unpreparedness, but the

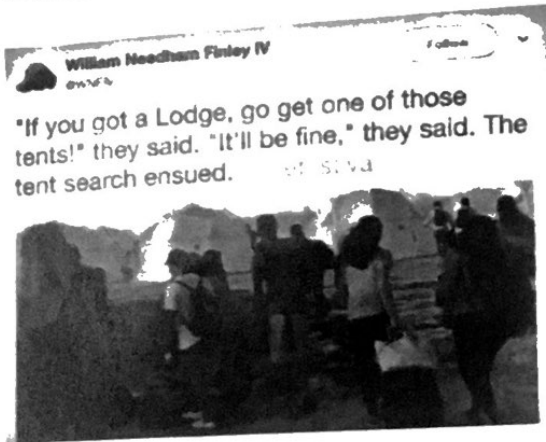


Figure 3

founders persisted. The first weekend of the event took place in late April of 2017. The initial portion of scheduled attendees were to arrive by charter plane via Miami, Florida. Upon arrival,

The Festival lacks resources to house over 40,000 people. In other words, poor service



guests were taken to a local restaurant while the campsite finished setting up. The restaurant



Figure 4

owners were not informed this would be happening and were unprepared for the influx of people waiting at the restaurant expecting food and drink. The guests waited at the restaurant for six hours before getting transportation to the campsite. There was no established baggage check system which caused a physical pileup of guests attempting to claim their

\* Unprepared res

luggage. The villa packages that had originally been sold to attendees were found to be absent from the site, with only tent housing available for all guests. With no formal check in system, guests were left to fend for themselves. This resulted in tents being destroyed, people getting separated from their friends and a general lack of safety. There was a limited amount of food and water, security, electricity and other amenities. Tents, mattresses and bedding had been soaked the previous night due to rain, causing all lodgings to be very damp. The following portion of guests who were slated for a later arrival time were not allowed to leave the Exumas airport. There was no access to food and water at the airport, and attendees were locked in the airport overnight. All musical acts were cancelled as a result of the inability to support the guests on the first night. The events of the night were reported by attendees on their personal social media profiles as shown in figures 3 and 4. The event was set to take place the following weekend but was cancelled (Smith, 2019). In hindsight, this event failure can better be termed a crisis due to the physical danger and irreparable damage done to the Fyre booking app company.

Strategies and Tactics

The strategy behind Fyre Festival promotion was centered on creating the vision of luxury and adventure. The founders' wanted it to be known as the cultural experience of the



Figure 5

decade (Abadi, 2019) and started promoting it as so in December 2016, four months before it was set to take place. The primary form of promotion for Fyre Festival existed in social media, specifically within influencer marketing. The imagery most often used in the event's promotion

was a slow-motion video featuring a pool of well-known models including, Bella Hadid, Hailey Baldwin, Emily Ratajkowski and others. The coordinators also oversaw what they called the



Figure 6

“the best coordinated social influencer campaign ever,” (Chris, 2019). As shown in figure 6, The campaign included synchronized Instagram posts from 400 social media accounts, including Kendall Jenner and models used in the video production, with a

burnt orange tile and the Fyre Festival website link.

These paid promoters were termed ‘Fyre Starters’ by the festival organizers. They reported the posts reached 300 million people in 24 hours. An emphasis was placed on

Celebrity Influence  
of large amount of  
people

celebrity model, Kendall Jenner, with her own slide featured in the pitch deck, as shown in figure 7. They report Jenner's post alone garnered 6 million individual impressions.



Figure 8



Figure 7

This tactic coincides with the idea that smaller brands are spending more of their advertising budget on big-name celebrities rather than focusing on several micro and mid-tier influencers.

Many of the posts did not include "#ad" or any disclosure that they were being paid and provided free travel in exchange for the post.

Apart from the 'Fyre Starters,' the coordinators also hired Jerry Media to run Fyre's own

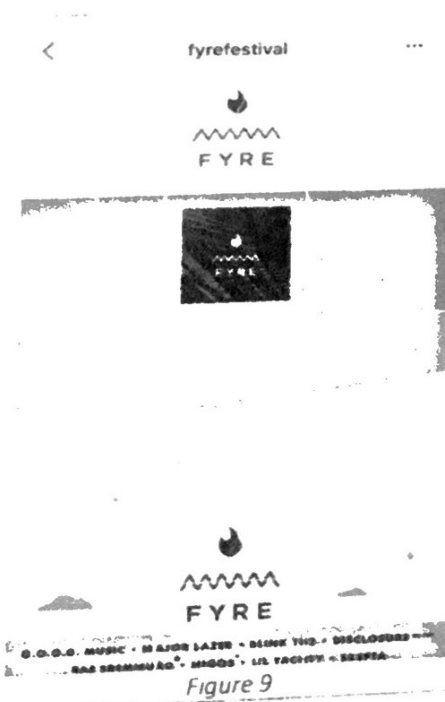


Figure 9

social media account (Madison, 2019). With 45.3K followers on Instagram, @fyrefestival falls into the category of smaller brands that team up with mega-influencers because they don't have much of a reputation to protect. Fyre utilized a posting structure that was relatively unique at the time. As shown in figure 8, the social team created a big picture effect using the entire Instagram feed to create larger-than-normal posts. It also used strong wording to create a visual and emotional effect surrounding the event. Figure 10