

Ethical Scenario: Fyre Festival...What Went Wrong?

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### **Introduction**

Music festivals have been around for decades. They bring diverse crowds, delicious yet overpriced food, and hundreds of artists from each music genre all into one tightly packed location—and that’s just some of the appeal. There is no age limit to who can enjoy music; families and friends alike are all welcome and encouraged to attend. The evolution of music festivals appears to extend from Woodstock (at least for Americans), a notable and historic event in the 1970s, but it goes even farther back than that. The earliest “music festival” to date occurred in the 18<sup>th</sup> century when “the Three Choirs Festival brought throngs of Rossini, Mozart, and Beethoven fans to cathedrals in England” (Brozic, 2018). Although this is quite a different style of music than the ones that we see and hear currently, it was a festival nonetheless. Nowadays, the most common musical weekend events we think of are perhaps Lollapalooza and Coachella, easily two of the largest and most well-known festivals of this century. Both were founded in the 1990s but have continued the spectacle and excitement through the annual event.

In 2017, a new festival garnered public interest by displaying celebrities sipping drinks on the beach and relaxing in the sand. Just about five thousand people attended this new event—Fyre Festival. They were promised “the best in food, art, music and adventure,” but they received the complete opposite (Baggs, 2019). People spent thousands of dollars flying out to the islands as well as on festival tickets and packages. But when the festival attendees arrived at the Bahamas, they were given soggy mattresses, bread with cheese slices, and their belongings were mishandled. This became the subject of severe public criticism because of the event’s high-profile celebrity endorsements and promises of only the best luxury accommodations.

### **Ethical Issues and Conflicts**

The man behind this disastrous event was Billy McFarland. He is now serving a six-year prison sentence and has become known as a “fraudster,” a term that definitely suits him for his numerous scams. That’s right—Fyre Festival was not his first con ordeal. He first created Magnises, a credit card that allowed its holders to attend exclusive events and businesses. His next scam was the Fyre app which created a way to communicate with and book celebrities for events (Prentice, 2019). Ultimately, McFarland lied to the attendees as well as the promoters and is now paying for his actions. In the Hulu documentary, he stated, “It’s on me,” which means he technically did take responsibility, although plenty of other people were involved in the creation of the ill-fated event (Egkofopoulou, 2019). This is a really great example of when a promoted event goes south. At the end of the day, lying was a huge factor at the conclusion of the festival. There was also a severe lack of communication. Workers were still setting up when attendees arrived. Notebooks with scribbles and hardly any real plans were laying on the ground, open, for people to see, whether it was a mistake or not (Baggs, 2019). Pictures and videos were tweeted and streamed for viewers at home, leading them, as well as the attendees who were seeing it firsthand, to believe that there was also a lack of planning of the actual festival.

### **Internal and External Factors that Influenced the Decision**

#### **Internal Factors**

**Lack of Resources:** When attendees first arrived at the festival, they were met with unwelcoming conditions and workers that were hastily trying to set up. Notebooks lay open on the muddy ground with “...a list of things the organizers wanted to order and it’s things like 6,000 Skittles sweets and 9,000 glow-lollipops” (Baggs, 2019). To provide these luxury accommodations, building permits, proper sewage, transportation, and cooking and electrical

equipment would have all been necessary. The only thing provided to the attendees were rain-soaked mattresses and cold cheese sandwiches. And perhaps there were resources unmet to the eye, but at the end of the day, the bare minimum was given to guests.

**Money:** Perhaps one of the biggest factors that influenced Billy McFarland's decision to give the go-ahead for the event was money. As I said in the above paragraph, this was not his first-time scamming people out of money in order to benefit himself. Tickets for Fyre Fest ranged from \$500 to \$1,500 while festival packages cost up to \$12,000. While McFarland perhaps got away with his first big con, Magnises, Fyre Festival did not leave him as unscathed. His net worth is now a cool, negative \$5 million (Pasarow, 2019).

**Time:** In 2016, Billy McFarland and Ja Rule, the two primary creators of Fyre Festival flew to the Bahamas and created a plot that launched a website, sold tickets, and persuaded celebrities to endorse the Festival. In December of the same year, those influencers began posting about their time spent on the island and showcased how fun the festival would be. At the beginning of the new year, 2017, event organizers began to release the headliners of the festival and in April, the event was set to start (Kaufman, 2017; Kaufman, 2017; Kaufman, 2017; Kaufman, 2017). Given that timeline of five months, the glamorous event should have already been seen as ill-fated.

### **External Factors**

**Competition:** Coachella and Lollapalooza are both high-profile music festivals. The headliners are world famous and perhaps they may even be taking a break to perform. Fyre Festival promised luxury accommodations that were far more glamorous than those at either of the two. Most attendees stay at Holiday Inns or Hiltons as opposed to tree-top bungalows with silk sheets and plush mattresses. In this day and age, people love to say that "you're nothing if

you're not someone" which ultimately translates to, "you have no real influence or power if people don't know who you are." Fyre Festival, on the outside, looked like it was a grand event that allowed the wealthy and the ordinary, to put it in light terms, to interact. People did know what it was and people were creating conversation around it. But starting out as a brand-new item when festivals like Lollapalooza and Coachella have been around since the 1990s is no easy thing to do. The reality came down hard.

**Natural Disasters:** The rain-soaked mattresses provided to guests were a large media focus after the disastrous event. Of course, that's not to be put entirely on McFarland. Tropical weather can be as unpredictable as Michigan weather: rainy one day, bright and sunny the next. And who can predict the patterns of sharks in the Bahamas? Certainly not McFarland. Chloe Gordon, a talent producer, landed six weeks before the set start date of the event and noted "Flying in, the water looked beautiful—but I was almost immediately warned not to go near because of a rampant shark problem" (Kaufman, 2017). Sharks and stormy weather were definitely bad omens of the festival.

**Promoters:** The probability that celebrities would be attending the event that they promoted on social media most probably encouraged people to buy tickets, in the hopes that they could snag a selfie with their favorite influencer. But there were no celebrities to be seen when attendees flew into the Bahamas. The appeal of being in breathing distance of someone as high-profile as Kendall Jenner or Bella Hadid furthered the want to be at Fyre Fest. In December of 2016, celebrities such as those were posting all over their social media, exhibiting what was in store for those "lucky" enough to get their hands on overpriced tickets.

### **Key Values that Apply**

**Honesty and Transparency:** To put it plain and simple, Billy McFarland was not at all honest with the target audience, which included influencers with money to spare to ordinary people who wanted a luxurious vacation. Celebrities were paid to promote the event which already puts non-disclosure on the board as an issue. In order to “advance the interests of those we represent in communicating with the public,” informing the publics that paying-to-post would have been a great idea (Ethical Principles, 2019). At the start of the event, attendees arrived to unwelcoming conditions of which they were not aware would be awaiting them upon arrival.

**Responsibility:** Although McFarland is now serving time in a federal prison, he is not the only one to blame for the event’s misfortune. Ja Rule, a rapper, was also a creator of the event but managed to avoid arrest and potential lawsuits by throwing McFarland under the bus. He claimed that “I too was hustled, scammed, bamboozled, hood winked, lead astray!!!” in a Tweet (Rule, 2019). Rather than accept that he too was also responsible, he defended what he did.

### **Publics Affected by Decisions**

**Airlines:** When attendees became stranded at the island, several airlines received complaints and demands from the angry guests. Bahamian officials canceled inbound flights, leaving customers stranded at the Exuma airport, while others were left stranded at other airports (Gaca, 2017).

**Festival Attendees:** Many of the attendees spent thousands of dollars on airfare and tickets only to receive nothing in return. Although some influencers that have money to spare may have easily brushed off the loss of money, others were not as lucky, stating that, “...over the past two years they have not been able to secure a refund for the tickets they purchased”

(Huddleston Jr., 2019). Tickets ranged from \$500 upwards while VIP packages cost up to \$12,000, both of which are not small numbers.

**Festival Creators:** Billy McFarland and Ja Rule were the two primarily responsible for the event, although McFarland was the only one charged. His bank account, or lack thereof, now sits in the high negatives—\$5 million to be exact. When he does get out of prison, his credibility will have already been lost to him. Ja Rule's credibility, even if he wasn't charged or arrested, has also decreased since his involvement within the event.

**Music Artists:** Even though attendees of Fyre Festival had absolutely no music, the artists were still involved within this scam. Such artists include: Pusha-T, Migos, Lil Yachty, and Blink-182 (Espinoza, 2019). Several artists pulled out of the festival before it even happened, but it is fair to assume that many attendees purchased tickets in order to see their favorite artists perform. Many of these singers and rappers were sued for damages and faced lawsuits.

**Promoters:** The promoters of the event, which included the likes of Kendall Jenner and Bella Hadid, were issued subpoenas and would legally, before a court, have to reveal how much they were paid for their endorsements and promotions (Pasquini & Michaud, 2019). This ultimately had little effect on them, especially compared to McFarland, but the damage was already done. At the end of the day, they still had their millions of dollars and their fame.

**Stakeholders and Employees:** Fyre Media Inc. and money lenders were key stakeholders in this catastrophe. Stakeholders essentially help to power companies and even though the guests were paying thousands of dollars to attend the festival, their money was being spent by McFarland. As a result, reputations decreased drastically for some and Fyre Media Inc. went bankrupt. Employees of Fyre Media Inc. were also "warned not to leave Miami because

the festival site wasn't ready, and the company is said to be having 'financial issues'" (Gaca, 2017).

### **Ethical Principles that Apply**

**Disclosure of Information:** Because the promoters of Fyre Festival were paid (up to \$250,000 for some) for their promotion of the event, disclosure of information applies to this ethical scenario. This information was unknown to the public, and even though the promoters couldn't have possibly known the outcome of what was going to happen, they were subpoenaed by federal court. Disclosure provides a certain element of trust between the business/professional and the client and from the get-go, this lack of trust was already present.

**Enhancing the Profession:** Along with disclosure of information, enhancing the profession also strengthens the level of trust. Because of McFarland's previous scams, his reputation gained nothing from Fyre Fest and his credibility and public trust decreased. His previous cons could have been telltale signs of the outcomes of Fyre Fest, but the allure of partying with celebrities in the Bahamas and living luxuriously overshadowed doubts.

**Free Flow of Information:** Information should be readily accessible to the public, especially considering what a large scale event this was supposed to be. There were only pictures on the websites of what was to be expected, and very few news articles that actually told guests what was happening at the site beforehand. McFarland chose not to release information about how building and planning was going; rather, he pushed for the promotion of celebrities to garner attention. Again, this ethical principle largely correlates with trust between the business or professional and the publics.

**Individualism:** Using this concept, a company (Fyre Media Inc.) is required to do what's best for its stakeholders and for itself while also ethically making a profit. As the head of the



company, McFarland forced the company into bankruptcy—the complete opposite of making a profit. Investors and other stakeholders were conned out of their money, and very few were able to see that money returned to them.

**Utilitarianism:** Utilitarianism, a branch of teleology, emphasizes the importance of the greatest good for the greatest number of people. Rather than ensure that the guests of Fyre Festival were happy and receiving what they were initially promised, McFarland was spending their money to fuel his lifestyle, including a penthouse, private air travel, and partying with the wealthy and famous. Rather than try to push that money into creating an actual event with actual music artists and five-star catered meals, he did the greatest good for himself.

### **Recommendation**

If I were in a professional's shoes, I would have put more time and thought into what exactly this event would entail. This was a huge crisis that left many attendees stranded for days as well as leaving others strapped for cash. Ultimately, planning a festival in a five-month time period is simply not plausible. Both the promotion of the event and the event itself were unethical, but there are a multitude of ways that McFarland could have prevented such a crisis and actually put on a music festival that was worth the money. Ethically, the disclosure of information was of the utmost importance, especially considering how much the celebrities were paid to promote the event—because \$250,000 is no small sum. Although many attendees may have felt comfortable with the promises that McFarland was handing out, from the professional standpoint (even though I am not currently a professional), it would have been ideal to release that promoter information and discuss the ethical ways of first publishing the website—without any real plans—and how the continuous release of information would affect the consumers, the music artists involved, and the promoters, as well as many other publics. In order to ethically

promote and put on the festival, research should have been the first step. Taking the time to make sure that McFarland was making good on his promises of luxury would have at least helped build more trust between him and the other publics.

In order to persuade my colleagues and management executives that more research on McFarland's promises and ethical statement releases would have helped the event be a success, I would reference the PRSA Code of Ethics. The PRSA is what ultimately guides a public relations professional to make ethical decisions, and it was clear that McFarland threw his ethics out the window and instead focused his attention on creating a profit for himself. I would also remind them that much of the planning was not given a second thought and would essentially leave attendees without food, plumbing, and transportation which would have a negative effect on both public trust and overall wellbeing. I would also suggest that disclosure of information would instill a higher level of public trust between consumers and Fyre Media Inc. because the consumers have the right to know that promoters are being paid to advertise the event. These suggestions would benefit the professionals by reminding them that public interests must be taken into account and the work that they provide to the world has a significant impact on ourselves and our publics.

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