

Visitor composition and event-related spending: The case of a medium sized international sporting event

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Abstract 237**

Economic impact studies of sporting events are derived, among others, from consumption patterns of visitors during the event and increased event tourism. Sports events generate significant redistribution across and within a local community (Putsis, 1998). Events attract different type of event attendees, whose consumption and spending behaviour can vary and affect the local economy in different ways. A review of the existing literature indicates a lack of knowledge on consumption patterns of different type of visitors and their effect on the local economy (e.g., Preuss, 2005).

Sport tourism literature distinguishes different types of event attendees. Robinson & Gamon (2004), for instance, distinguish 'sport tourist' (i.e., primary visitors) and 'tourism sport' (i.e., casual visitors), based on the consumer's motivation. Other authors differentiate between 'active' and 'passive' sport tourists, based on the consumer's behaviour (e.g., Gibson, 1998; Ritchie et al. 2002; Standevan & De Knop, 1999). Economic impact studies make a distinction between 'local' and 'non-local visitors' (e.g., Crompton, 1999), while Preuss (2005) suggests 11 different types of event affected persons, i.e. residents, home stayers, runaways, changers, casuals, time switchers, avoiders/cancellers, avoiders/ pre-, post switchers, extensioners, and event visitors. Some of these types of event attendees bring new money into the host region, potentially creating a positive economic impact, while other types of affected persons create crowding-out effects by leaking money out of the local economy and thus inducing a negative economic effect. Moreover, spending within the local economy can differ according to visitor type, and thus affect local businesses in a different way.

Different types of events generate different economic impacts and attract different groups of consumers (e.g., Gratton & Taylor, 2000). Mega events (e.g., Olympic Games, WC Soccer), for instance, are classified as major 'spectator' events, because they proportionally attract more spectators compared to participants. Other 'medium' sized events, such as international youth sporting events, are considered 'spectator/competitor' sports event, because the number of competitors and/or participants balances the number of spectators. The current paper analyzes the expenditure patterns of different types of event attendees at a medium sized international youth sporting event. It is assumed that different types of event attendees have different spending patterns, and that costs and benefits are not shared proportionally by various players in the local economy (Putsis, 1998). The purpose of the study is to analyze visitor composition and event-related spending in order to determine which sectors in the local economy benefit most from each type of event attendee.

Data on visitor spending were collected from responses to a written questionnaire administered during the four day event. The survey instrument included a section on: place of residence; purpose of the visit (primary, casual); daily spending during the visit (transportation, food, lodging, shopping, entertainment, other); length of stay; and the number of people in the party. Different questionnaires were developed for each category of event attendees (i.e., spectators and participants). The questionnaire was available in English and Spanish. Of the 2829 questionnaires that were distributed to the spectators and participants, 1564 were returned (i.e., response rate of 55.28%), of which 1379 were usable. For the purpose of this study, only the expenditures of non-local event attendees (N=428 responses) are taken into account. The following five groups are distinguished: (a) spectators (n=217); (b) athletes (n=123); (c) coaches (n=32); (d) officials (n=38); and, (e) other participants (n=18). These response numbers align with attendance estimates. 'Non-locals' are defined as visitors living outside the County region under investigation. Cross-sector distribution is estimated by calculating the actual amount spent by each group of event attendees in nine different economic sectors: (a) private transportation rental; (b) private transportation operation; (c) local transportation; (d) hospitality; (e) food and beverage at grocery stores; (f) food and beverage at restaurants, bars and concessions; (g) entertainment and recreation; (h) retail and merchandise; and, (i) other retail. First, daily expenditures between groups are compared for each economic sector using ANOVA. Second, actual expenditure estimates are calculated using number of nights spent, and population estimates. Third, regression analyses are used to identify the factors that lead to increased spending in each expenditure category.

As expected, the group of non local spectators shows the highest average of daily expenditures (\$326), followed by the coaches

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(\$270), the other participants (\$265), the officials (\$163), and finally the athletes (\$107) ($F = 8.006, p < .001$). Significant differences between groups appear for all economic sectors, except for 'food and beverages in groceries', and 'entertainment'. The hospitality sector (accommodation, and food and beverages at restaurants, bars and concessions), as well as car rental and local transportation operations were boosted by the non local spectators. Retail and merchandise, on the other hand, as well as local transportation thrived on expenditures by the coaches. The non-local spectators made up 71% of the non-local visitors, and spent approximately 68% of the total foreign money coming in (average daily expenditure * number of nights * population estimate); the participant group (i.e., athletes, coaches, officials, and 'others') brought 32% of new money into the local community. R-squares from the regression analyses indicated that the variables in the models predicted between 4% and 11% of the variance of the expenditures in the different economic sectors. Age and gender never appeared as significant determinants, while for most sectors, a significant negative coefficient appeared for the athletes, coaches, officials and 'other participant' groups compared to the non-local spectators; except for retail and merchandise where the coaches projected a positive coefficient.

The findings confirm that this type of medium sized international sporting event is a 'spectator/competitor' event as defined by Gratton & Taylor (2000), where the competitors or participants are responsible for a fairly large portion of the economic impact. The non-local spectators boost the hospitality and transportation sector in the local economy, as expected. Since accommodation and meals are offered to the 'participant group' it is obvious that these sectors do not highly benefit from this category of event attendees. However, coaches and 'other participants' do spend their disposable money on retail and merchandise items, as well as local transportation and to some extent restaurants. The young athletes in this event limit their expenditures, and so do the officials. Measuring the incremental economic impact of medium sized sporting events is an important component of the marketing activities of event organizers and hosting cities. Understanding economic redistribution and individual expenditures by category can aid future event organizers in shaping event attributes based on visitors spending.