

Are economic impacts the relative equation to success?

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Abstract 485**

College towns are a significant part of American culture. These towns function as regional centers of culture. They have character and personality that are unique and unlike no other. Sport often helps to shape these towns, for sport pilgrimages are often seen as providing economic booms that can leave a permanent imprint on the landscape and local way of life (Gumprecht, 2003). For many the relativity of economic success is of minimal importance, but for some the contributing success or detriment serves as an indicator of the nature and magnitude of the community.

Sport events are a common tool utilized to enhance local and regional economic development (Getz, 1997, Green, 2001). The benefits may contribute to a robust local economy; translate into jobs, increased investments, increased social participation, increased business revenues, greater availability of public funds, and may even offset the tax burden in a given community. However, some believe that the utilization of sport to serve as an economic catalyst continues to be an attractive "metaphor" to many not-so-major sport programs. The naysayer believes that the imbalance that often exists leads these communities, colleges, or universities to imprudently embellish; offering enormous sums in exchange for what, the kitchen sink (Zimbalist, 1998).

In sport management, economic impact studies are often used to estimate the economic benefits of sports events, sports facilities, and sports teams. Economic impact studies are based the theory that a dollar flowing into a local economy from outside of the local economy is a benefit to locality (Agha, 2007). Many studies have focused on measurement of hallmark or mega events but few have focused on the impact of smaller scale repetitive events. The dearth of research contributes to continued debate of the relative value or fiscal liability of these mid-major events.

The objective of this study was to estimate total spending and economic impact of visitors to a repetitive college sporting event on the local economy and then to assess the value of the sport to the community. The Input-Output model was used to measure the economic impact of visitors to college sports events. A visitor surveys were conducted at multiple mid-American collegiate football. Visitors were asked about spending habits in the following categories: groceries, food and beverage, recreational equipment, retail shopping, private auto, lodging, and other expenses. Preliminary investigations procured a total of 312 surveys. These surveys were utilized to estimate economic impact of visitors to the events. Because economic impact is concerned only with new money entering into the community from outside its boundaries, the spending of residents who resided within the county limits were excluded. The economic impact of the visitors' expenditures was calculated by using the IMPLAN Input-Output model for the community. Results revealed that the direct annual expenditures of non-local visitors associated with the college football events was \$1,195,187. We also estimated economic impact on sales, personal income, value-added to community, and employment by using the multipliers of each category (industry). The value for the economic impact on sales with the county was \$1,601,717 and the economic impact of visitors on county residents' income was \$563,943. Another useful measure of economic impact is the value-added to the community. This calculation includes payments made by business to workers, profits, interest, and indirect business taxes (Crompton, Lee, & Hung, 2006). The economic impact of value-added to the community is \$931,029. Finally, the impact of the sports events on employment was 28.6 jobs. This estimate indicates the number of jobs created in the county because of the college football events held in the community. These jobs do not include current employees, but related to additional jobs created from the spending within the community. It is likely that many of the jobs created by the expenditures would be part-time positions.

A complete assessment of the final conclusions and recommendations will be presented and supported by documented statistical data, economic indicators, fiscal analysis, and comparative results. Whenever possible, analytical data will be presented in chart/table and graph format to further clarify the positive or detrimental economic value associated with the event.