

Strategic Sports Events Management

BMSM6006

Lecture 9
Research and Evaluation
2021-22



Teaching Week	Week Commencing	Sessions Details
2	27/09/2021	The Sports Events Industry
3	04/10/2021	Politics, Feasibility and the Bidding Process
4	11/10/2021	The Planning Process
5	18/10/2021	Sports Event Marketing
6	25/10/2021	Sports Event Sponsorship
7	01/11/2021	Financial Planning and Event Implementation
8	08/11/2021	Enterprise Week – No lectures
9	15/11/2021	Impacts and Legacy
10	22/11/2021	Sports Event Tourism
11	29/11/2021	Research and Evaluation
12	06/12/2021	Recap and Case Studies
Christmas Vacation Monday 13th December to Friday 31st December		
	03/01/2022	Revision Lecture – Thursday 6th 2022, 10.00-12.00



Session Plan

- 1. Recap week 8 – Sport Tourism**
- 2. Research and Evaluation**
 - Economic Impact Assessment**
- 3. Case Study Group Exercise**



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“Few forces in contemporary society generate such significant and heterogeneous travel flows as sport,”

Higham (2005, p. 1).



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Factors that Influence the Economic Impact of Sport Travel (Neirotti, 2015).

1. Type of sport e.g. demographics of participants.
2. Format and length of the event.
3. Team qualification and elimination process.
4. Level of competition.
5. Novelty and interest in destination.
6. Location of sport event in relation to business district.
7. Supporting infrastructure e.g. other local attractions.



Recap

Stadiums

- ❑ Part of the tourism infrastructure and appeal of a city.
- ❑ Simply – sports events in stadiums, especially high profile ones, attract tourists.
- ❑ Plus... the “landmark buildings, the ‘cathedrals of sport’, have now become attractions in their own right. Iconic symbols of a city’s vitality,” Stevens (2015, p.206).



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Recap

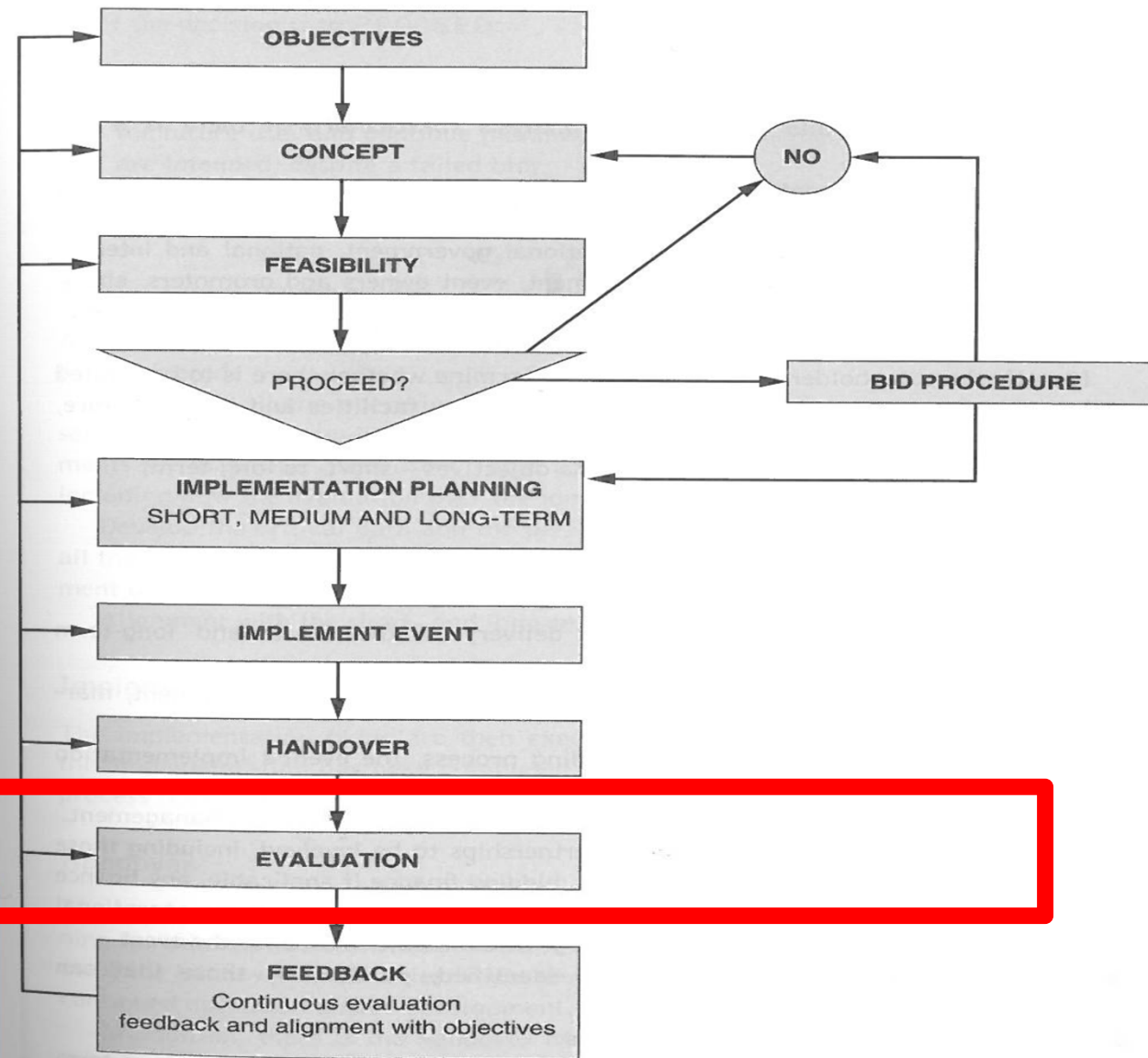
Zip wire plans approved last year for Millennium Stadium



Plans announced yesterday to redevelop Cardiff Arms Park, including hotel, restaurants, bars and apartments.



Sports Event Evaluation



Discuss in Pairs

1. Why is it important to evaluate the impact of major sports events? List the reasons for doing so.
2. What outcomes/impacts is it important to evaluate? Make a list of the main ones.
3. What methods/tools are used to evaluate the impact?

Evaluation Overview

- ❑ An essential part of sports event management – **“a strategic necessity”** (Masterman, 2014, p. 364).
- ❑ Too **often an after thought** – ill conceived, ill prepared and executed.
- ❑ Not just post event evaluation: pre, during and post event.

Event Evaluation

- ❑ Assists an event become more successful and helps to professionalise the industry (Getz, 2005; Hall, 1997; Allen et al, 2002).
- ❑ Methods can be **quantitative and qualitative**.
- ❑ Risk of bias, so vital that several types of research are conducted to provide a comprehensive outcome (Masterman, 2014).

Costs of Evaluation

- ❑ Time and effort.
- ❑ Production of materials.
- ❑ Wages or fees.
 - All need to be included in the event feasibility process.
 - Need to identify who needs the evaluation, when they need it and in what form they will accept it.

Masterman (2014).

Stage 1: Pre-Event Research

- Looks into the opportunities and resources that are available.
- Key is to identify **customer needs**.
- Determines **event feasibility**.
- Methods include situational analysis (SWOT), competitor and stakeholder analysis, and cost-benefit analysis.
- KPIs ensure event can be monitored during the planning phase.

Masterman (2014).

Phase 2: Iterative Evaluation

- Constant feedback and alignment with objectives to ensure event is executed well.
- Requires use of qualitative and quantitative techniques.
- Deadlines are a useful way of monitoring KPIs and progress e.g. sales targets.
- Only effective if feedback results in modification of those aspects that need realigning.

Masterman (2014).



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Phase 3: Post Event Evaluation

- Important for organisers, stakeholders, sponsors, participants, employees, suppliers, partners, investors, local communities and pressure groups.
- Must be done against the original objectives – short and long term.
- Timing: can be done at various points: 6 months, 1 year, 10 years.
- Need to prioritise which stakeholders are key recipients of evaluation reports e.g. the state, sponsors.

Masterman (2014).

Olympic Games Evaluation



- Olympic Games Knowledge Management (OGKM) programme launched in 2001.
- Offers a number of services that can be used by Games organisers.
- OGKM documentation and archives provide insight into the operations used to manage the Games.
- Knowledge compiled via observer programme, visual transfer of knowledge, games debriefing, technical manuals and secondee programme.

What gets evaluated?

For example:

- Sports participation levels
- Tourism impacts
- Economic impacts

SIRC study, sample 7,500 questionnaires at ten major sports events between 2010-2012, found that 57% of spectators felt motivated to participate more than they normally did in sport.

Masterman (2014).



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Evaluation Methods

- Data collection e.g. sales data, participant data, budgets and cash flow.
- Observation e.g. reports from staff, mystery shoppers, photographic and film records.
- Debriefs - one meeting or series of meetings.
- Surveys – questionnaires, interviews.
- Economic Impact analysis.
- Media coverage – press cuttings, broadcast coverage, internet activity.

Individual Task - 20 mins

- Select a major event of your choosing that Wales or the UK has hosted.
- Try to locate some post event evaluation reports of your event and identify the methods used to evaluate its impact.
- Make a note of reports key metrics and findings so you can report back.

Economic Impact Assessment

- EIA is a technique for estimating the economic dimensions to a particular activity e.g. sports events.
- Typically conducted for 3 reasons:
 1. Advocacy – make case for staging an event.
 2. Planning – so we can fully exploit the benefits from staging an event e.g. hotel space.
 3. Finance - help attract funding and investment for events by illustrating the impact.

Individual Task

- Now, revisit your chosen event and try to find if an economic impact assessment has been carried out.
- How has the economic impact been measured?
- What are the main dimensions of the impact?
- Does the report identify any costs or negative impacts?

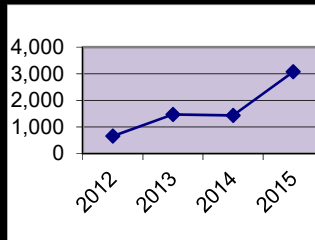
Economic Impact

- ❑ Economic Impact is a measure of the **additional expenditure, income and jobs** created by an activity.
- ❑ It is the extra activity created by an event.
- ❑ There are **3 dimensions: direct impact, indirect impact and induced impact.**

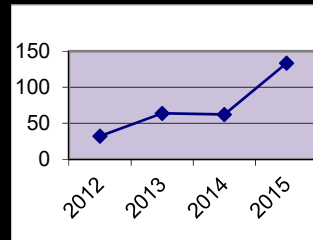
Major Events Strategy 2010-2020

Impact Area	Key Performance Indicators
Economic	• Number of new FTE jobs created in Wales • Number of visitors from outside Wales, and outside peak season • Net additional contribution to the Welsh economy • Other public and private sector investment leveraged • Use of local (Welsh) products and services
Socio-cultural	• Number and diversity of people attending • Number and diversity of participants • Number and diversity of volunteers from Wales recruited/ trained/deployed • Provision of core activities in Welsh. Performances in Welsh. Use of bilingual promotional materials, ticketing, signage etc • Outreach programmes and linked mass participation events
Environmental	• Carbon dioxide emissions • Amount of waste produced, amount of waste recycled • Environmental awareness raised • Achieves accreditation under BS 8901 • Environmental impact assessment
Media	• National and international TV coverage • National and international print media coverage • National and international internet coverage

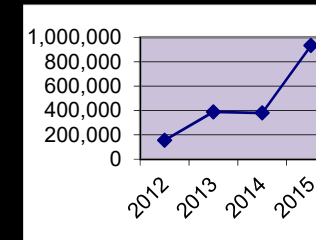
2015 Outputs



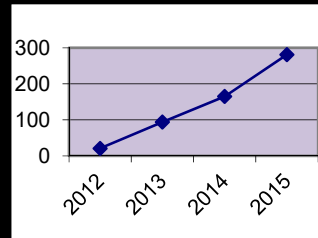
**Jobs Created /
Supported 3,000+**



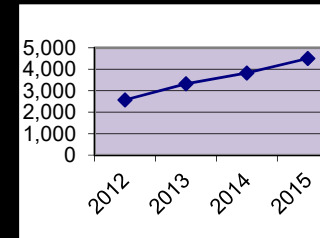
**£132 million
economic
impact (£80m
RWC)**



**Non Wales
Visitors
900,000**



**Placements
300**



**Volunteers
4,500+**



Llywodraeth Cymru
Welsh Government

Economic Impact

1. **Direct impact** is the expenditure, income and jobs created at the site of the event and by the visitors to the event in the local economy.
2. **Indirect impact** is the exp, local income and local jobs created in the supplying industries for the event site and other places where the visitors spend money.
3. **Induced impact** is the exp., local income and local jobs created in the local economy in general, as a result of higher spending in 1 and 2.
4. Taken together 2 & 3 are known as the **“multiplier.”**
5. The size of the multiplier is dependent on the flow of **“leakages”** from the economy – money “lost” in savings, taxation and imports.

London Aquatics Centre



Steel roof fabricated by Rowecord of Newport



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Economic Impact is.....

- **A limited technique** – so critical evaluation is necessary.
- **Is not a complete picture** – it only estimates expenditure, income and jobs.
- **Does not present a comprehensive assessment of all the costs** – it does not take account of environmental costs e.g. congestion, crime and noise.

EIA Methods

- A) Secondary sources e.g. census of employment.
- B) Primary Research, either full or partial.

Full = Visitor survey + Visitor census + Business survey

Partial = Visitor survey and census as above.

Often, due to the cost of the business survey, a short cut is to borrow a multiplier from another study.

Key Principles of EIA

Crompton (2000) highlights 5 principles crucial to the integrity of economic impact analysis:

1. Exclusion of local residents – “deadweights”.
2. Exclusion of “time switchers” and casuals.
3. Use of income rather than sales output measures of economic impact.

4. **Careful interpretation of employment measures**, caveats:

- Estimates don't distinguish between FT and PT jobs.
- Does not identify the number of hours worked in each job, or the proportion of FT and PT jobs.
- The employment estimates assume that all the existing employees are fully occupied.
- They imply that all the new jobs will be filled by local residents.

5. Use of multiplier coefficients rather than multipliers, because the multiplier is only a measure of internal leakage, to multiply it by visitor expenditures is meaningless. Whereas, multiplying the **personal income** coefficients by visitor expenditures generates a more meaningful number for policy makers.

Typology of Events

Gratton *et al.*'s (2000) EIA research identified a typology:

Type A	Irregular, one-off, major international spectator events, generating significant economic activity and media interest	Olympics World Cup Euro Football
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Type B

**Major spectator events,
generating significant
economic activity,
media interest and part
of an annual domestic
cycle of sports events**

**FA Cup
Six Nations
Test Match
Cricket
Open Golf
Wimbledon**



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Type C

**Irregular, one-off,
major international
spectator/competitor
events generating
limited economic
activity**

**European
Junior Boxing
Champs
World
Badminton
Champs
IAAF Grand Prix**



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Type D

Major competitor events generating limited economic activity and part of an annual cycle of sports events

National champs in most sports.



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Economic Impact Examples

- Evidence collected for Sydney, Athens and Beijing Olympic Games pointed to only a limited economic impact, possibly because some people would rather avoid the Games.
- Short-term economic impact of London 2012 Games was also disappointing, with tourism revenues for 2012 down on previous years.
- Economic legacies are likely to reach fruition only in the long term; some economists argue not until 15-20 years after the event.
- Rose and Spiegel (2011) found that winning countries experience up to 20% growth in their national trade.

Criticisms of EIA

- Borrowed multipliers are inaccurate.
- Ignores efficiency e.g. wasteful expenditure with little returns is seen as a benefit.
- Ignores opportunity cost of resources used.
- Little account taken of distribution of economic impact.
- Too short run.
- Deadweight expenditures – local residents expenditure not included.
- Displacement effect – displaces activity that would have occurred elsewhere in the region.

Benefits

- Enables diffuse or concealed benefits to be revealed.
- Provides a clear lead for infrastructure investment and planning.
- Justified public investment with evidence, not just rhetoric.
- It is better than nothing!



Therefore, on balance a useful tool but need to be aware of weaknesses.



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Big spend but no return..

“The failure of London 2012 and Glasgow 2014 to create and inspire a nation to get active is not really surprising. For more than 40 years, community sports policy in Britain has been plagued by failings to meet physical activity performance indicators set by governments..... In the end, we have to face a difficult truth: governments continue to invest in costly elite sport and big extravagant sporting events that come at the expense of community sport” Challis (2018, no page).

INDEPENDENT STUDY TASK:

Critical evaluation of the economic case for hosting the 2026 Commonwealth Games in Wales



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Locate the Welsh Government's Feasibility Study for hosting the Commonwealth Games in Moodle (in WEEK 6 Reading Resources folder)

Read the Economic Case for bidding/staging the Games - pages 21-45.

Does the feasibility study succeed in identifying the potential costs and benefits of staging the Games?

What were the main decisive factors?

What did the study conclude about the economic case?

Useful Resources for Task

Wales

<http://www.bbc.co.uk/news/uk-wales-39881638>

<http://llyw.cymru/topics/culture-tourism-sport/major-events/summary-commonwealth-games-feasibility-study/?lang=en>

<https://hansard.parliament.uk/Commons/2016-03-16/debates/16031648000002/CommonwealthGamesWales>

Glasgow 2014

<http://www.gov.scot/Topics/ArtsCultureSport/Sport/MajorEvents/Glasgow-2014/Commonwealth-games/Indicators/Publications-Reviews>

<http://www.legacy2014.co.uk/>

Birmingham 2022

<https://www.2022birmingham.co.uk/>

<https://www.birmingham.gov.uk/Birmingham2022>

<https://www.gov.uk/government/news/government-confirms-birmingham-bid-for-the-commonwealth-games-2022>

London 2012

<https://www.uksport.gov.uk/news/2018/07/27/london-2012-legacy-continues-to-provide-a-positive-economic-impact-six-years-on>

Others:

<https://www.sportengland.org/research/benefits-of-sport/the-value-of-sport-monitor/economic-impact/>

<http://sportcal.com/>

<https://www.shu.ac.uk/research/specialisms/sport-industry-research-centre>



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Recommended reading: see reading folder on Moodle.