

# Economic Impact

## *Measuring and Merchandising the Impact of Your Festival or Event*



**CHANDLER**THINKS

5/15/2023

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# Conducted economic impact studies for:

Mudbug Madness Festival

Red River Revel Arts Festival

Louisiana State Fair

Independence Bowl

Bass Master Classic

Shreveport - Bossier 4th of July Celebration

Let the Good Times Roll Festival

Rendezvous of the Red

Saint Charles Christmas Traditions

Saint Charles Festival of the Little Hills

Saint Charles 4th of July Celebration

Saint Charles Oktoberfest

Suwanee Fest

Franklin Main Street Festival

Horseshoe Riverbend Festival

Taste of Country Festival

Sugar Land New Year's Eve Celebration

Sugar Land Wine & Food Affair

BBQ, Boogie & Blues Festival

Johns Creek Arts Festival

Saint Charles Legends & Lanterns

Pilgrimage Music & Cultural Festival

Mule Days

Franklin Rodeo



# Why Do an Economic Impact Study?



# Why do an Economic Impact Study?

It shows return on investment.

ROI





# Why do an Economic Impact Study?

It shows effective use and management of  
public resources.

Police/Fire

Public Works & Waste Management

Public Space



# Why do an Economic Impact Study?

It's an effective method for attracting sponsors.

\$\$\$ = SPONSORS



# Why do an Economic Impact Study?

## SPONSORS



## OUR CORPORATE SPONSORS



# Why do an Economic Impact Study?

## Sponsorship Key Performance Indicators (KPIs)

- Attendance
- Demographics
- Return on Investment (ROI) or Return on Objectives (ROO)





If you want to stand out from the crowd, give people a reason not to forget you

— *Richard Branson* —

AZ QUOTES

# Why do an Economic Impact Study?

It engages existing partners and businesses and shows them the overall benefit of getting involved.

“Events do not help my business”  
Yeah Right!



# Why do an Economic Impact Study?

Gain knowledge of your event customers for event improvements and future marketing.



# Why do an Economic Impact Study?

It provides benchmarking for tracking event year-to-year success and growth.





# How to Report?

## The Classic Debate



# How to report?

## The Classic Debate

**Indirect Spending**

**vs.**

**Direct Spending**



# How to report?

## The Classic Debate

**Indirect Spending reports the “ripple effect”**



# How to report?

## The Classic Debate

**Direct spending measures reported or  
projected spending by festival & event goers.**

**THAT'S IT!**

Hotel	\$348,547.60
Meals	\$1,201,464.08
Transportation	\$475,664.96
Entertainment	\$164,022.40
Shopping	\$1,910,860.96
<b>Est. Economic Impact</b>	<b>\$4,100,560.00</b>



# Additional Reporting Non-Profits

Report additional \$\$\$'s raised for Non-Profits





# **The Fundamentals of an Economic Impact Study**



# The Fundamentals of an Economic Impact Study

## Key Questions to Ask

- Party Size
- Past attendance
- Place of origin
- Overnight stay
- Intent to shop and dine
- Spending
- Demographics

# The Fundamentals of an Economic Impact Study

## Questionnaire Design

- Keep it SIMPLE - Think Aunt Bethany





# The Fundamentals of an Economic Impact Study

## Questionnaire Design

- Use closed-ended questions
- Limit the number of open-ended questions

**THURSDAY** 2014 Horseshoe Riverbend Festival – Economic Impact Survey

Hello, my name is \_\_\_\_\_ with Chandlerthinks and today we are conducting a study for the 2014 Horseshoe Riverbend Festival. The survey takes less than 5 minutes.

.....

1. First, including yourself, how many people are in your group today? \_\_\_\_\_ (Insert exact number)

2. Is this your first time to attend the Horseshoe Riverbend Festival?

☐ Yes ☐ No (ASK Q4a)

4a. [IF NO] How many times in the past have attended the Horseshoe Riverbend Festival?

\_\_\_\_ times (Insert exact number)

3. How did you hear about the Horseshoe Riverbend Festival?

☐ Radio ☐ Newspaper Insert ☐ Word of Mouth

☐ Television ☐ Website search ☐ Family/Friends

☐ Facebook ☐ Print Advertisement ☐ Was driving through and noticed the event

☐ Other \_\_\_\_\_ (Specify)

4. Where is your place of residence? ☐ Wayne County ☐ Lawrence County

☐ Perry County ☐ Other (City\_\_\_\_\_, State\_\_\_\_\_, Zip\_\_\_\_\_)

☐ Hardin County

☐ Decatur County

5. Did you stay or do you plan to stay overnight in a hotel or motel during your visit to the Clifton area?

☐ Yes [ASK Q8 & Q9] ☐ No [SKIP TO Q10]

6. [IF YES IN Q5] On this particular trip to Clifton, Tennessee, how many nights do you plan on staying?

☐ 1 night ☐ 2 nights ☐ 3 nights ☐ 4 or more nights

# The Fundamentals of an Economic Impact Study

**Key questions to ask yourself:**

**Who's going to administer the survey's**

- Volunteer or Paid?
- Electronic or Paper?

**Who are we interviewing?**

- Random sampling of attendees

# The Fundamentals of an Economic Impact Study

## Where are the interviews taking place?

- **NOT** next to stages
- High traffic areas
- Areas where people are waiting and/or sitting

## Incentives or no incentives?

- Depends on the survey length

# The Fundamentals of an Economic Impact Study

## Collection

- What's the right number of completes?



# The Fundamentals of an Economic Impact Study

Attendance numbers are  
**CRITICAL**  
to determining economic impact



# A Simple Formula



## The Simple Formula:

Determine the estimated overall reported spending (\$35,000)

divided by

Determine the total number in the respondents party (750)

=

Average Per Person Spending (\$46.66 pp)



## The Simple Formula:

Average Per Person Spending (\$46.66) x Estimated Attendees (25,000)

=

Estimated Economic Impact (\$1.16 million)

(Daytrippers vs. Overnight Visitors)



# Merchandising your results









## Report examines Main Street Festival's economic impact

Posted: Tuesday, July 8, 2014 10:55 am

In its 32nd year, downtown Franklin's Main Street Festival attracted 125,000 attendees and generated nearly \$3 million in economic impact, according to a study conducted during the event in late April and planned for release this week.

The free street festival, produced by the non-profit Heritage Foundation of Franklin & Williamson County, has long been recognized as a favorite in the Southeast.

A survey of 432 respondents indicated that while the majority of attendees reside in Williamson, Davidson and Rutherford counties, approximately 28 percent came from outside the area, including states such as Alabama, Arizona, Colorado, Florida, Georgia, New York and Pennsylvania. A reported 12 percent stayed overnight while visiting the Franklin area, with 50 percent of those staying three nights or more.

"We wanted to gauge the impact of what this festival means to Franklin and Williamson County, and this study has provided some important insight," said Mary Pearce, executive director of the Heritage Foundation. "We're very pleased by the findings, but not necessarily surprised – people from all over look forward to the Main Street Festival each year, and we're focused on continually enhancing the experience."



Questions?



Thank You!



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