Estimating Economic Impact of Sports Tourism: An Improved Method and an Application

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Introduction
Accurately and cost-effectively measuring the economic impact of amateur sports programs is essential to public planning in host communities, yet impact is difficult to measure. Community planners need a practical method of estimating economic impact.

Purpose
To develop an economic impact model:
• Using existing secondary data 
• Not requiring event-by-event surveys 
• Efficient for application to an annual sports program

Methods
• Primary inputs: event type, duration, and number of participants 
• Secondary inputs: 
  • Party size 
  • Nonlocal percentage 
  • Average daily spending 
• Economic impact = #tourists x avg. daily spending x multiplier†


Tourist Daily Spending Averages*

<table>
<thead>
<tr>
<th></th>
<th>Adult events</th>
<th>Youth events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day Trippers</td>
<td>$43</td>
<td>$49</td>
</tr>
<tr>
<td>Overnight Visitors</td>
<td>$47</td>
<td>$113</td>
</tr>
</tbody>
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Application / Results
1. Gathered primary inputs
2. Identified key authoritative peer-reviewed study that:
   ➢ Estimates party size
   ➢ Estimates total nonlocal percentage
   ➢ Segments events into categories
   ➢ Provides baseline average daily spending per category
3. Adjusted expenditures with pricing index
4. Adjusted expenditures with GDP data
5. Calculated adjusted daily spending averages
6. Estimated total direct spending
7. Countervailed multiplier and capture
8. Inferred direct spending estimate is economic impact

Columbus’ 2012 sports program: $17.9 M

We would like to thank the Columbus Visitors’ Center and Columbus Sports Advisory Council for sponsoring this study and providing data for our analysis.

Significance
Our study provides:
• A simple tool for community planners to use, to estimate economic impact consistently and accurately
• An explanation of economic impact
• An application of the method to a small U.S. host community

We plan to submit our completed study to “Tourism & Planning Development,” a journal which publishes peer-reviewed, scholarly articles.