

The Aviva Tour of Britain 2015

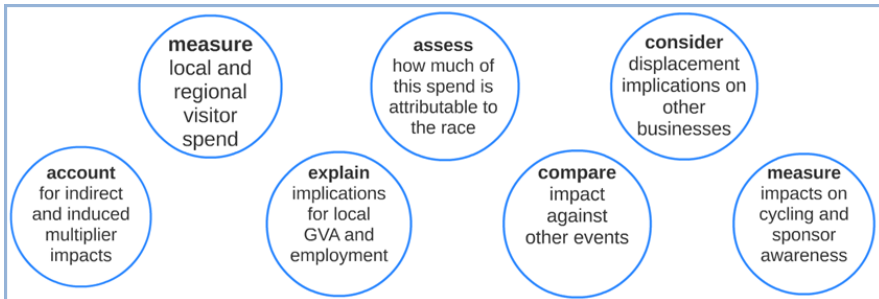
Economic Impact Report



Stage 2: Clitheroe to Colne

1 Introduction

Welcome to Frontline's economic impact assessment of the Aviva Tour of Britain 2015. This economic impact assessment is based upon the findings from a web-based survey of 2,051 Tour spectators and follows the principles set out in HM Treasury's 'Green Book' Appraisal and Evaluation Guidance and the EventIMPACT guidance. This paper explains the impacts resulting from stage two of the race, held between Clitheroe and Colne on 07th September 2015. The objectives of the research are to:



The remainder of the paper is structured as follows:

Section 2: The event and the visitors

Section 3: Economic impact assessment



2 The event and its visitors

We show some of the key statistics for the race below:

180,000
visitors attended
the race

25%
came from
outside of the
North West

11% of visitors
stayed overnight

average spend
per day by day
only visitors:
£45.66 per group

38%
came with their
families

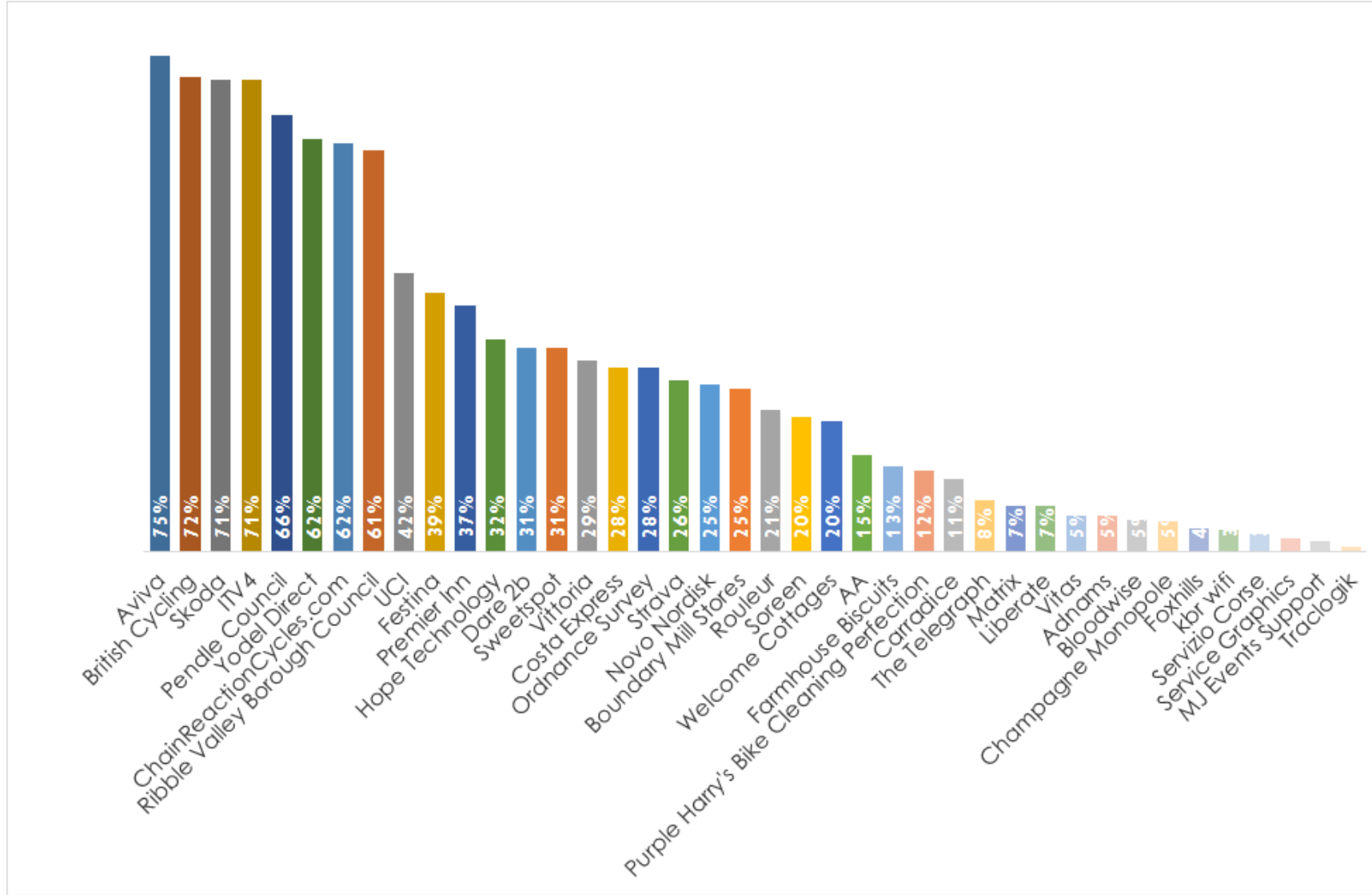
91%
described race
as "very
enjoyable"

Average spend
per 24 hours by
overnight visitors:
£72.24 per group

67%
inspired to cycle
more often

Average rating
on a scale of 1-5
4.5

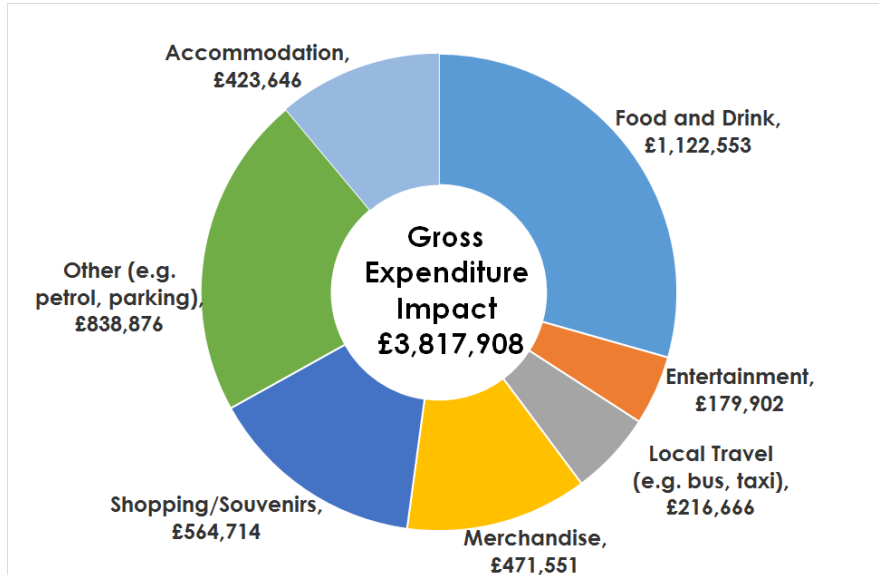
The following chart shows the % of visitors who associate each of the following sponsors with the race:



3 Economic impacts

While the race is likely to have brought about a number of different types of economic impacts, including impacts related to race staffing, and impacts associated with procurement expenditure by the event organisers, the impacts related to visitor expenditure are likely to significantly out-weigh these. For example, research into the 2008 Tour of Britain found that visitor expenditure accounted for 92% of the total net impact of this event. This research has therefore chosen to focus exclusively on visitor expenditure related benefits.

The total gross expenditure at the event was £3,817,908. This can be broken down as follows:



To calculate the net visitor expenditure, GVA and employment impacts we applied the following adjustments to this figure:

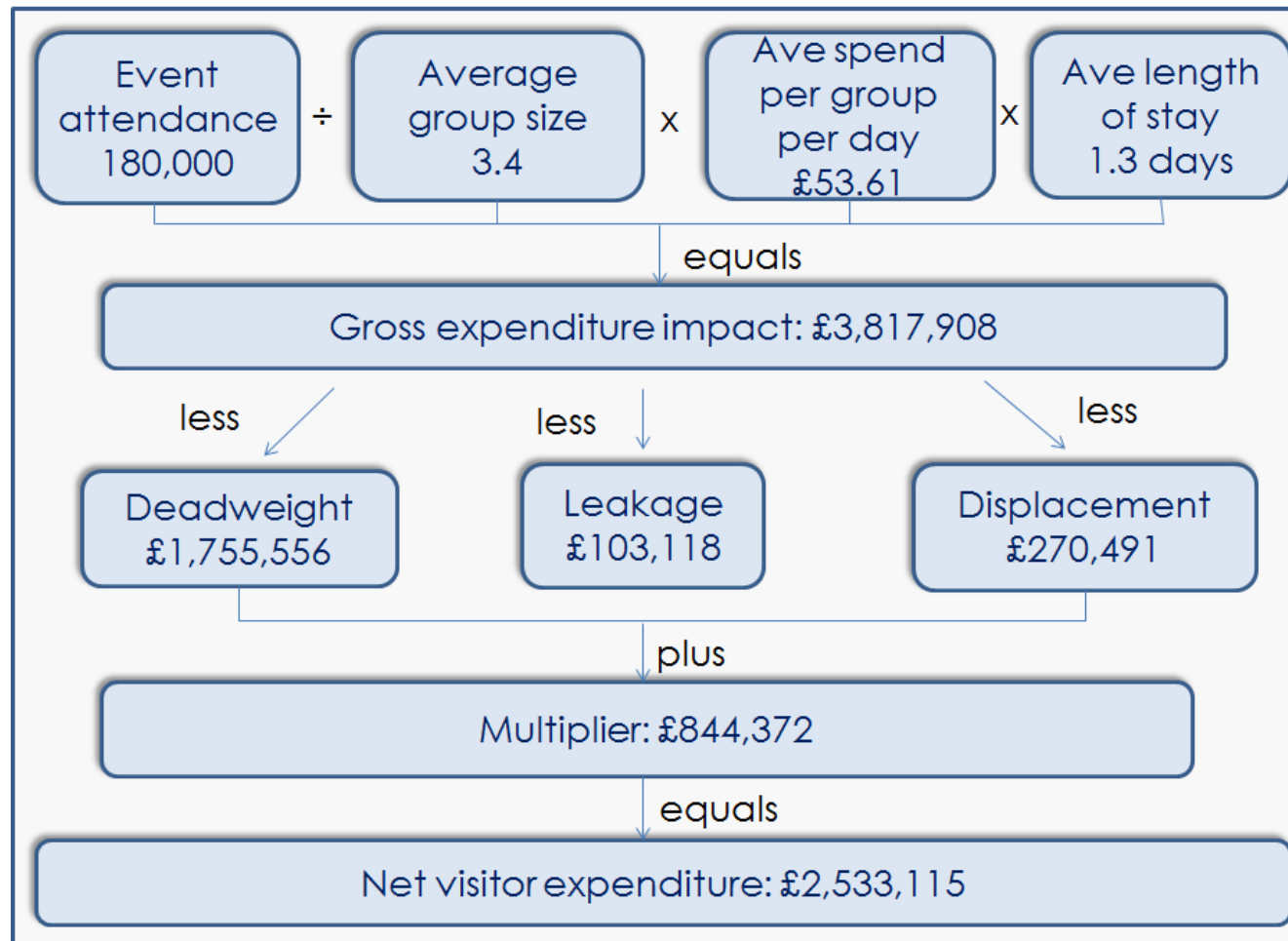
Deadweight	Money that would have been spent in the area anyway, even if the race hadn't taken place. E.g. spend by spectators for whom the event was not the sole reason for their attendance.
Displacement	Money that would otherwise have gone to another business in the local area. E.g. spend by visitors who would have otherwise visited another local attraction.
Leakage	Expenditure that took place outside of the local area. E.g. purchases of travel tickets or petrol at the start of the journey.
Multiplier Effects	Knock-on benefits resulting from further local supply chain purchases by the businesses that receive the visitor spend (indirect multipliers), or the personal expenditure of their staff (induced multipliers)

We provide full details of our methodological approach in Appendix 1.



Summary of economic impacts – UK

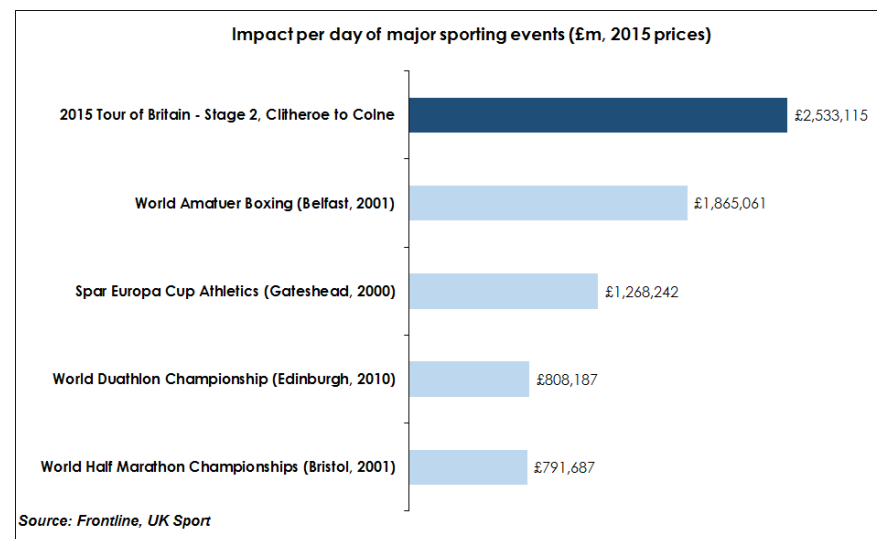
The figure below shows the net visitor expenditure of the event on the UK economy. We present our findings for other areas in Appendix 2.



We summarise the net expenditure, net employment and net GVA impacts in the table below. We have assumed that GVA impacts will equal 51.7% of business turnover, based on an analysis of turnover and GVA figures for the retail and hospitality sectors, as reported in the most recent Office for National Statistics (ONS) Input-Output tables. We also assume a UK average productivity rate of £39,000 per full time equivalent (FTE) worker (based on figures in the ONS Blue Book)

Area	Visitor Characteristic		
	Net expenditure impact	Net GVA impact	FTE employment impact
Ribble Valley	£1,157,396	£598,373	15
Pendle	£993,633	£513,708	13
Lancashire	£2,112,203	£1,092,009	28
UK	£2,533,115	£1,309,620	34

These impacts compare favourably with the net total expenditure impacts of other, similarly sized events, which have taken place in the UK over the past few years:



Appendix 1: Tour Series, Tour of Britain and Women's Tour of Britain economic impact assessment methodology

The gross visitor spend figures have been calculated based on the aggregate visitor expenditure of the visitor survey respondents, scaled up to the total number of visitors. This was then converted to a net economic impact figure based on the following approach:

Deadweight

We accounted for deadweight by asking the question "why did you come here today". Options included:

- Watching the race/stage was my sole reason for visiting
- Watching the race/stage was part of my reason for visiting
- Watching the race/stage was not part of my reason for visiting
- I live locally
- I work locally

We assumed that any spectator that comes to the location solely to watch the race should be classified as 0% deadweight; that any spectator for whom watching the Tour was part of their reason for attending should be classed as 50% deadweight, and that all other spectators should be classed as 100% deadweight.

Leakage

Based on experience from previous research studies, we assumed leakage of 20% at a town level, 10% at a county/local authority level and 5% at a UK level.

Displacement

We measured displacement by asking the question "if the Tour of Britain/Tour Series had not been on, what would you have done instead of your visit?".

Options included:

- visited another event or place in the host local authority areas
- visited another event or place elsewhere in the host region
- visited another event or place elsewhere in the UK
- visited another event or place outside of the UK
- stayed at home or gone to work

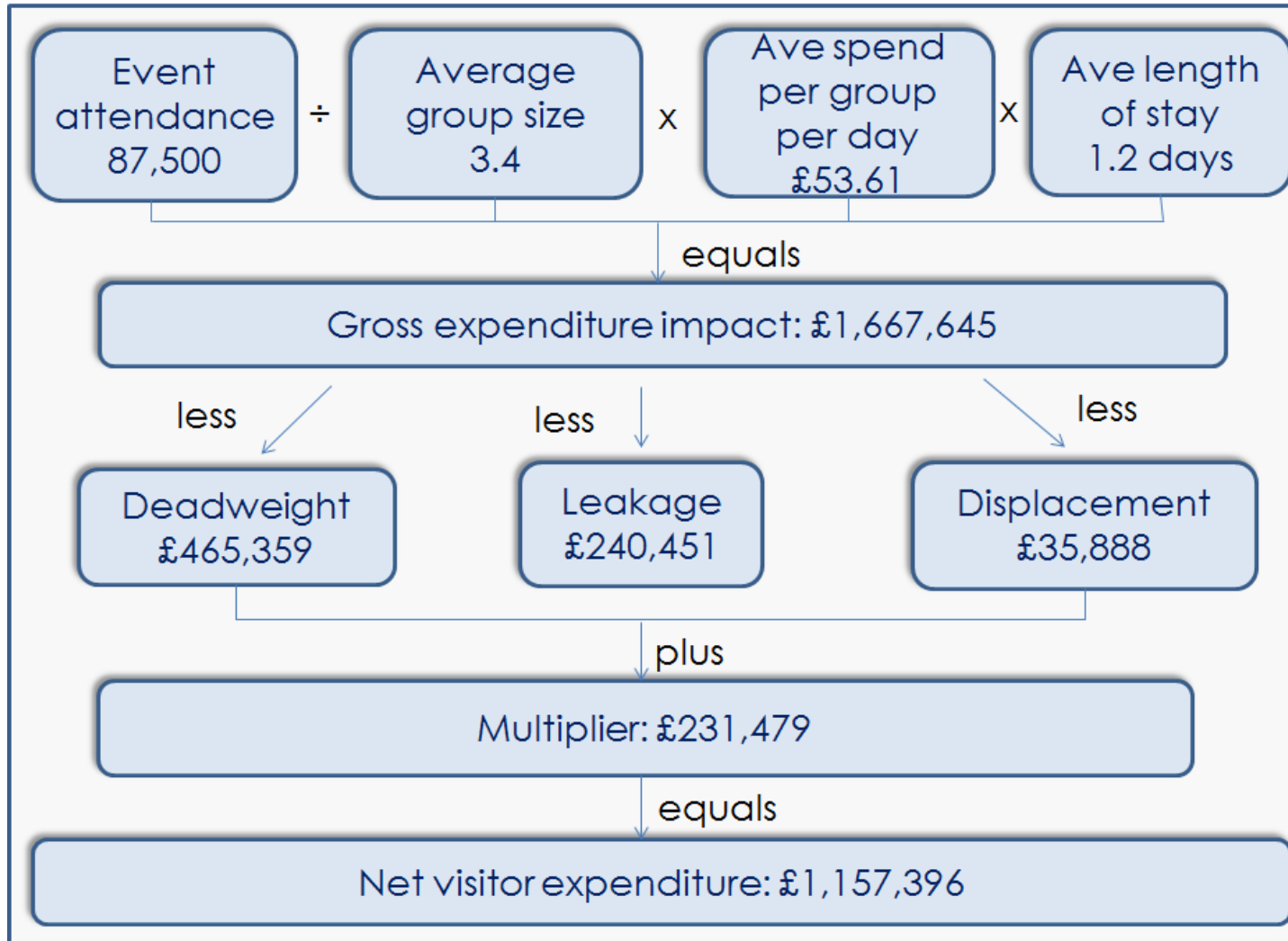
We classified any expenditure by visitors who would otherwise have visited somewhere else in the study geography as displaced expenditure.

The multiplier effect

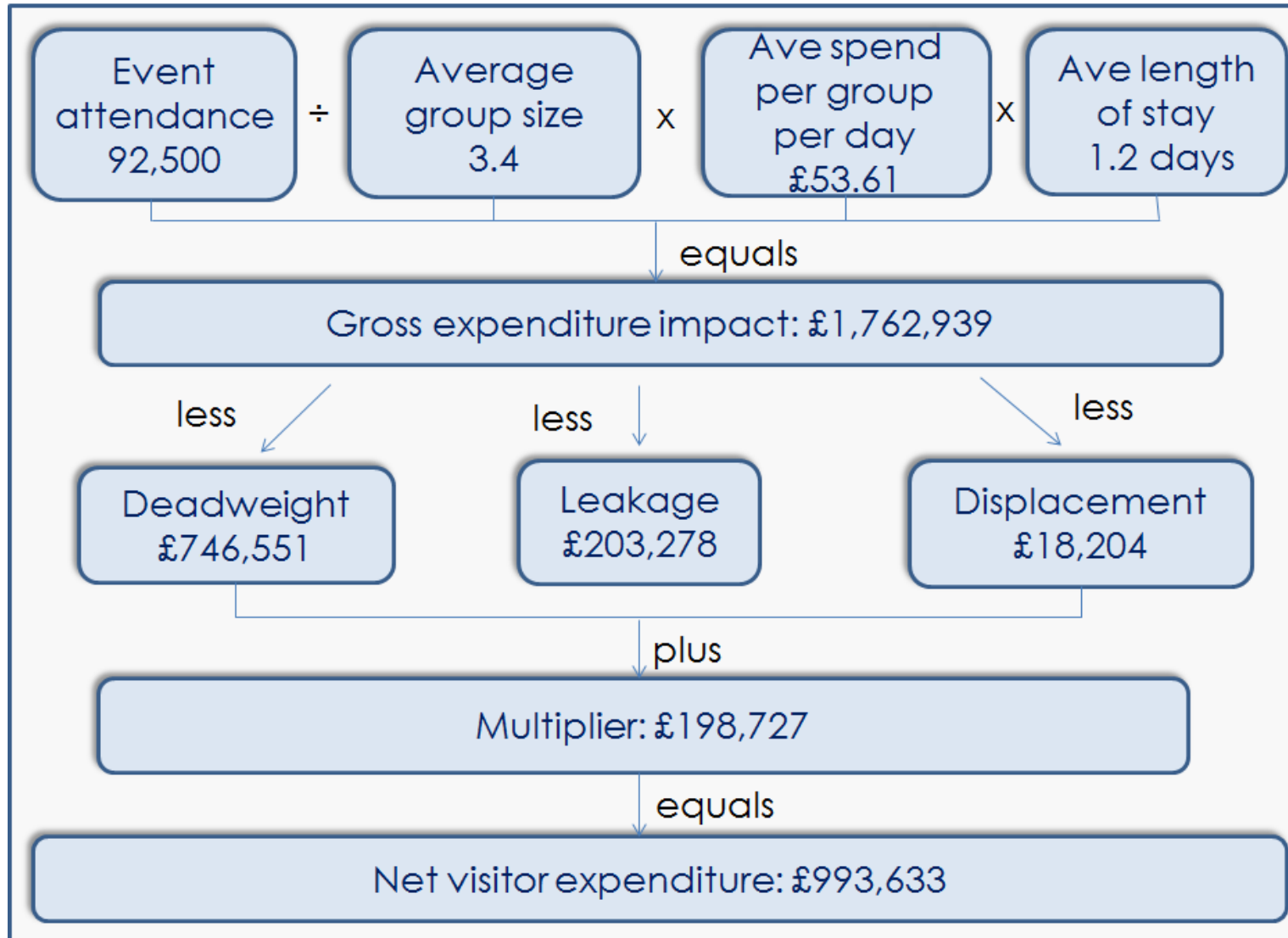
We estimated the impact of the multiplier effect based on evidence from previous published research, including reports published on the UK Sport Impact research database. In previous years we have taken an average from other sporting events, including the World Half Marathon Championships and the Rugby Super League Grand Final.

Appendix 2: Local area economic impacts

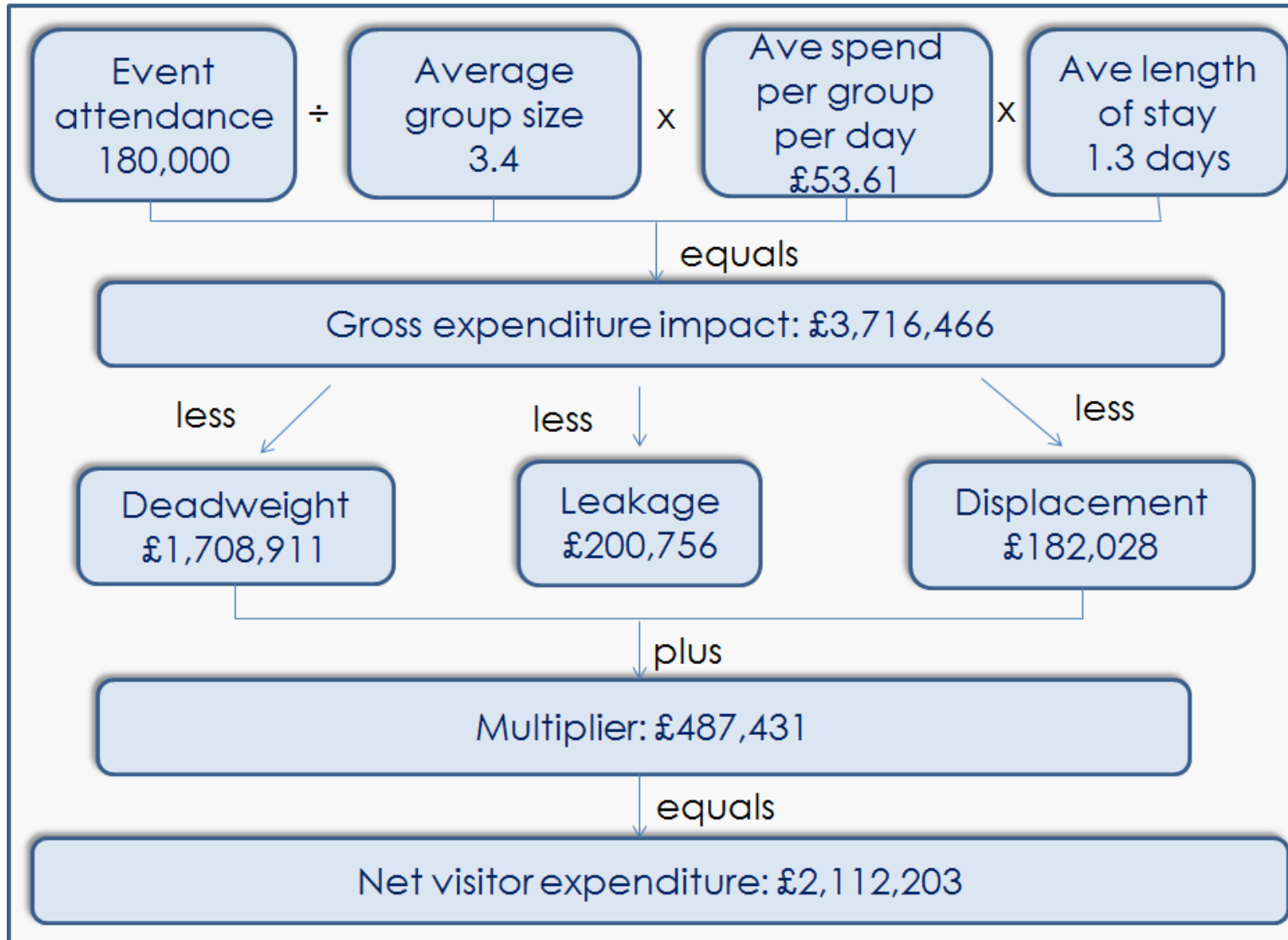
The figure below shows the net visitor expenditure of the event on the **Ribble Valley** economy.



The figure below shows the net visitor expenditure of the event on the **Pendle** economy.



The figure below shows the net visitor expenditure of the event on the **Lancashire** economy.



Appendix 3: Breakdown of visitors by area of origin, age and gender

Gender	% of sample	Region	% of sample
Male	69%	North West England	75%
Female	31%	Yorkshire and Humber	15%
Age group	% of sample	East of England	2%
16-24	4%	West Midlands	2%
25-34	9%	South West England	2%
35-44	24%	Wales	1%
45-54	30%	Northern Ireland	1%
55-64	26%	East Midlands	1%
65+	6%	South East England	1%
		Scotland	1%