

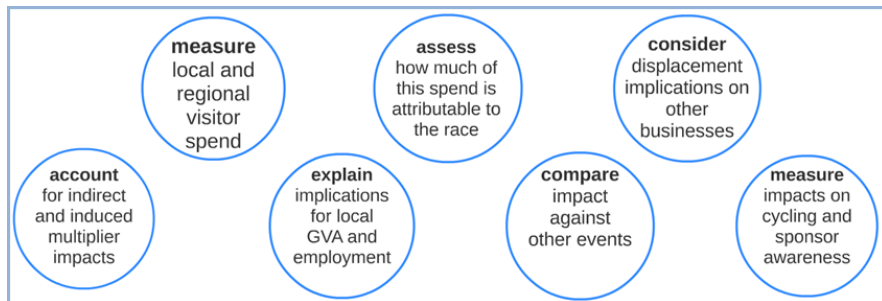
The Tour of Britain 2016 Economic Impact Report



Stage 2: Carlisle to Kendal

1 Introduction

Welcome to Frontline's economic impact assessment of the Tour of Britain 2016. This economic impact assessment is based upon the findings from a web-based survey of 2,906 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 Carlisle to Kendal on 5th September 2016. 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:

175,000
visitors attended
the race

60%
came from outside
Cumbria

34% of visitors
stayed overnight

average spend
per day by day
only visitors:
£38.94 per group

54%
came with their
families

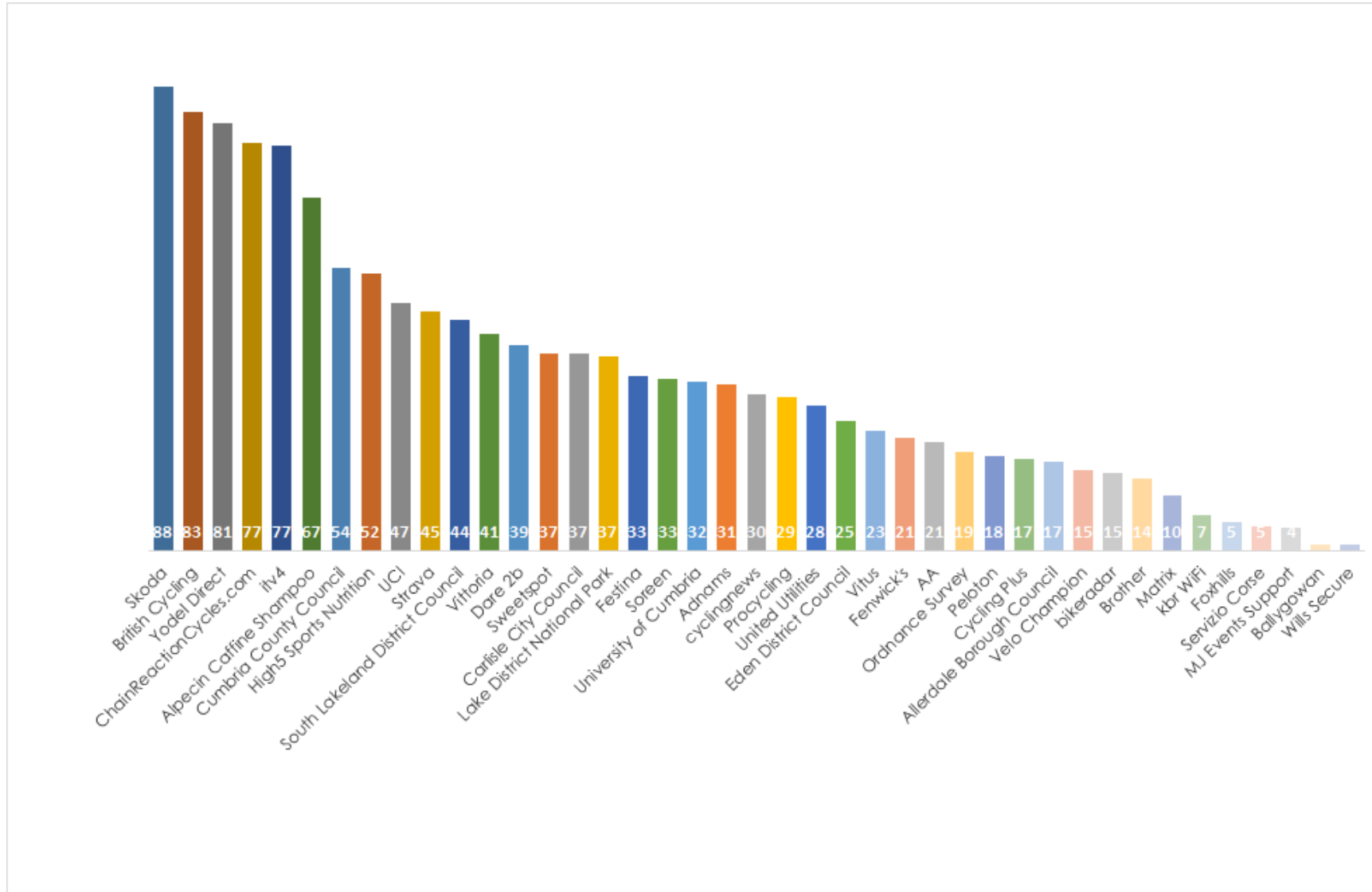
89%
described race
as "very
enjoyable"

Average spend
per 24 hours by
overnight visitors:
£98.01 per group

58%
inspired to cycle
more often

Average rating
on a scale of 1-5
4.7

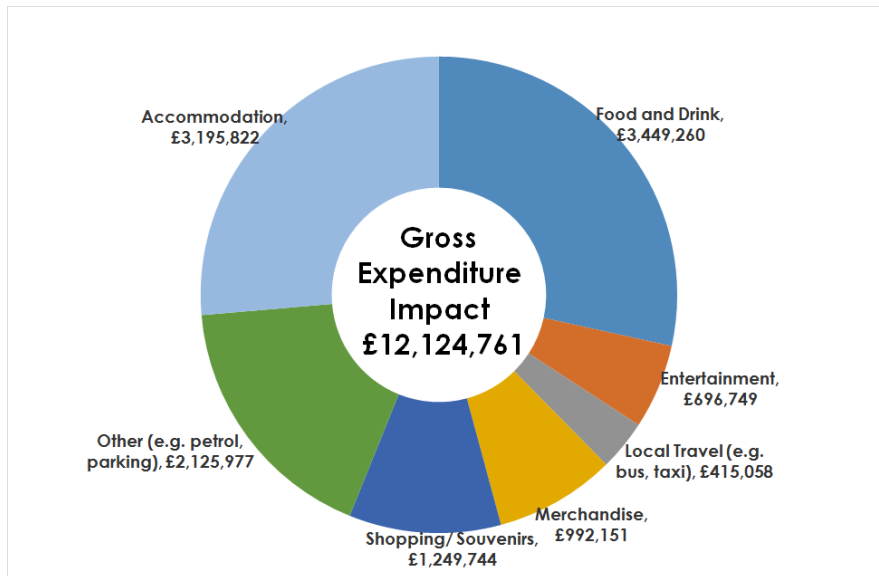
The following chart shows the % of visitors who associate each of the following sponsors with the race:



3 Economic impacts

3.1 Economic Impact – UK

The total gross expenditure at the event was £12,124,761. This can be broken down as follows:



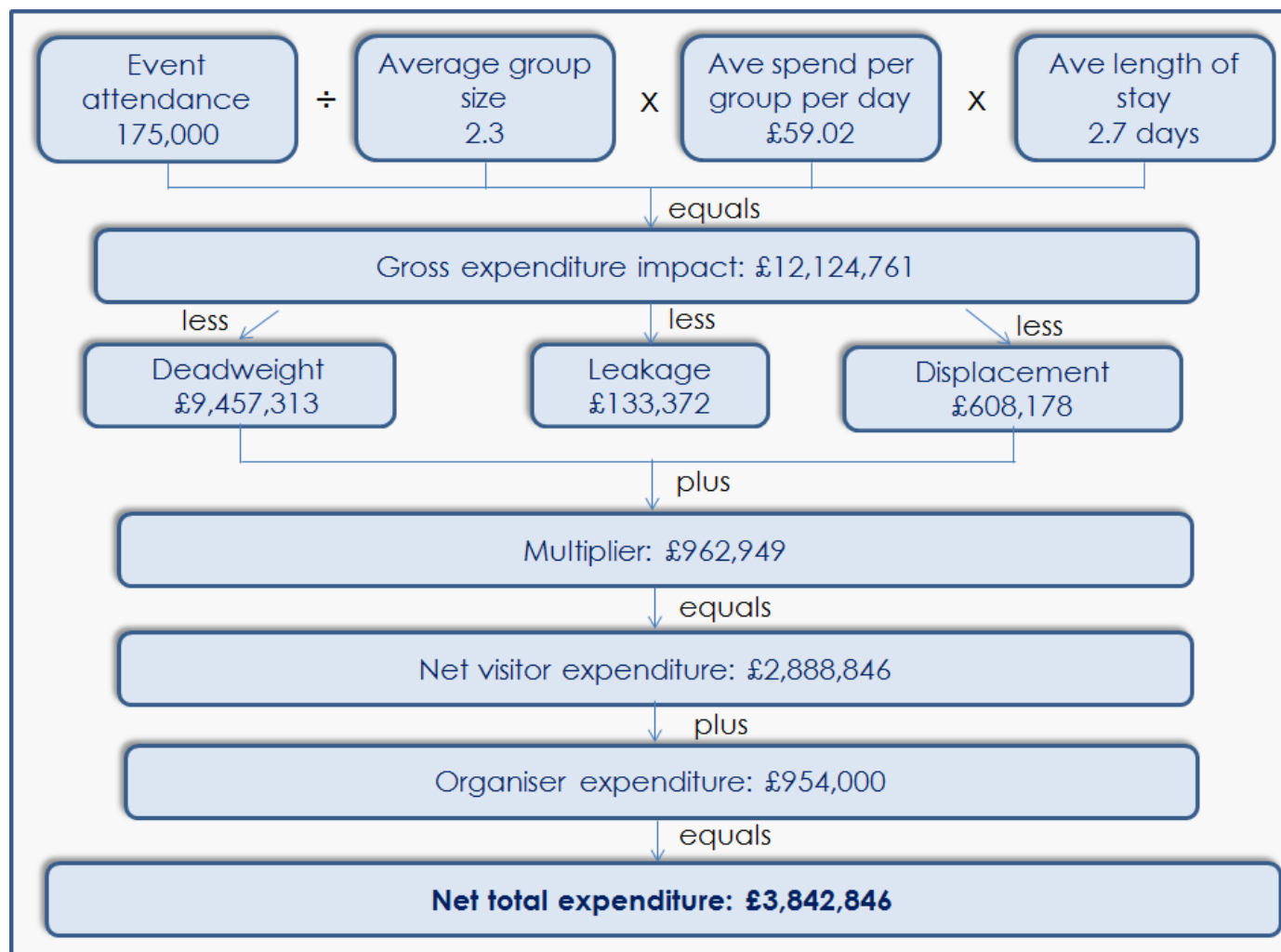
To calculate the net visitor expenditure, GVA and employment impacts we applied the following adjustments to this figure:

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.

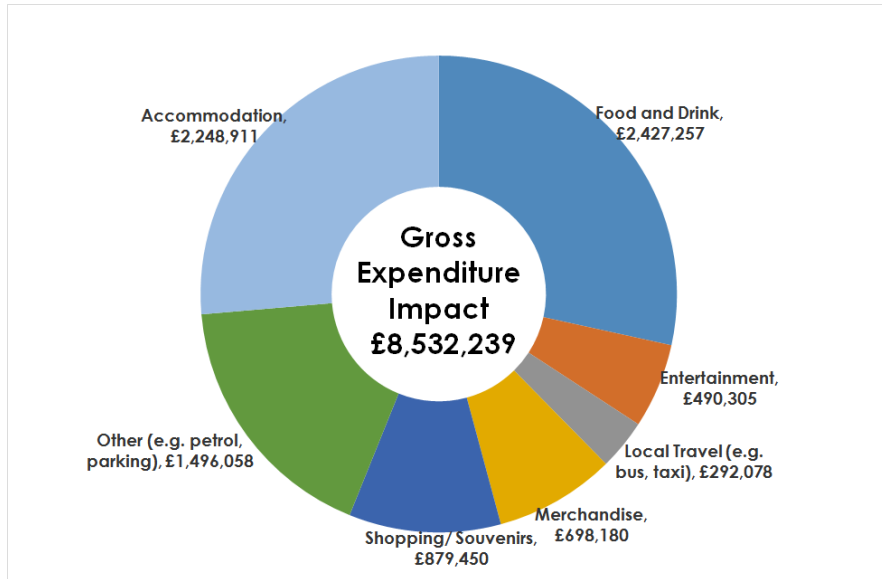


The figure below shows the net visitor expenditure of the event on the UK economy.

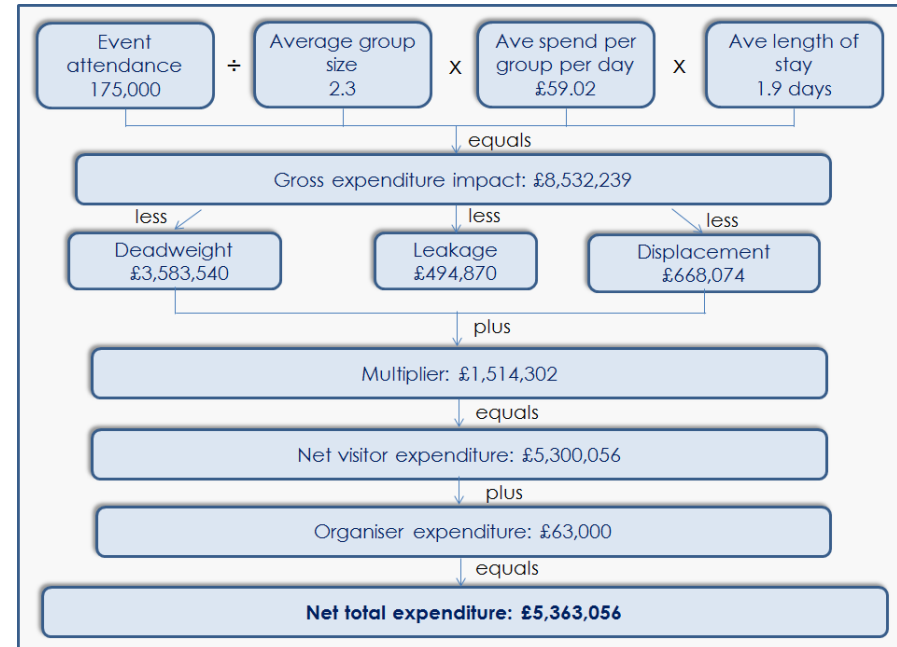


3.2 Economic impact - Cumbria

The total gross visitor expenditure at the event was £8,532,239. This can be broken down as follows

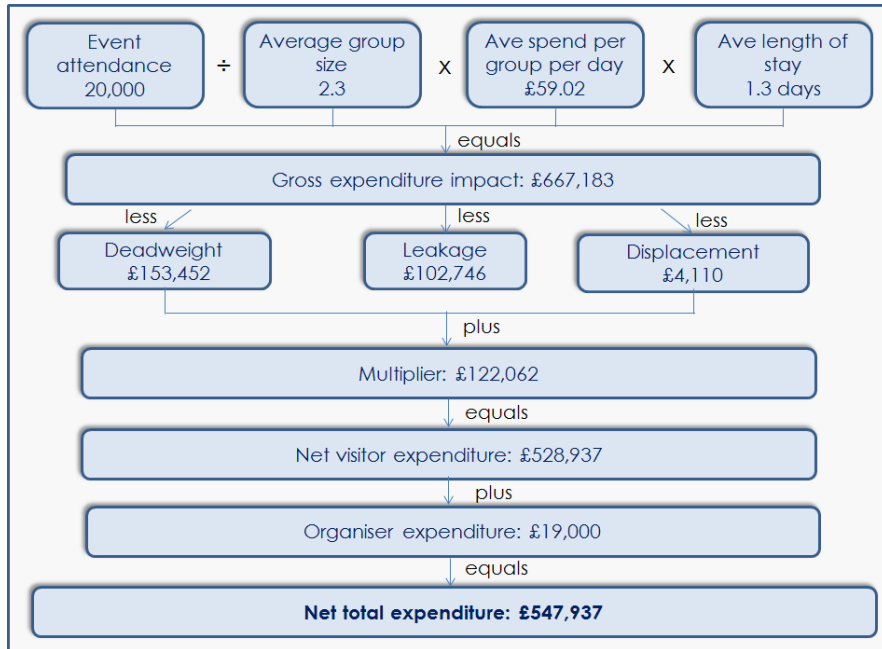


The figure below shows the net visitor expenditure of the event on the **Cumbria** economy.



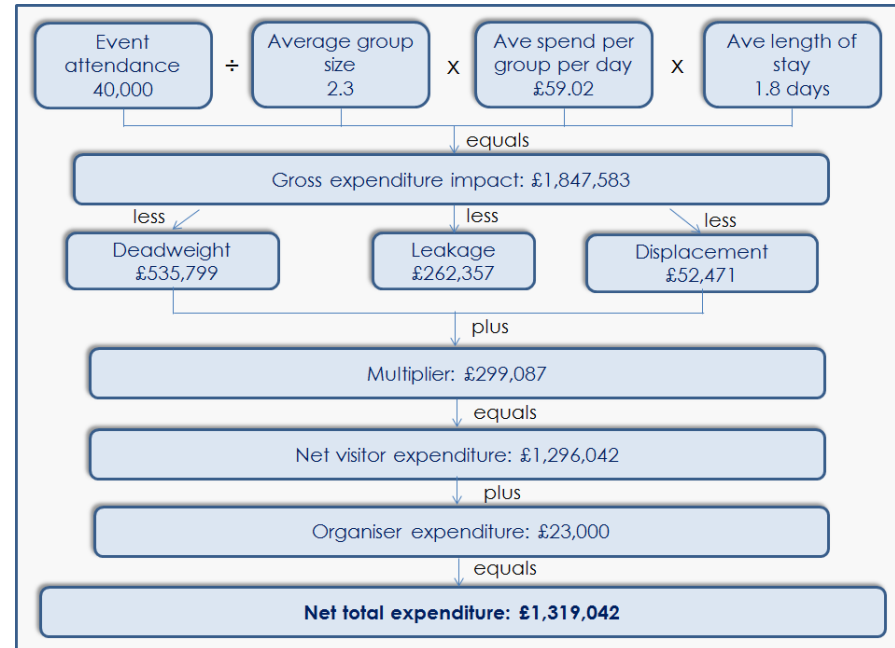
3.1 Economic impact – Carlisle

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



3.2 Economic impact – South Lakeland

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



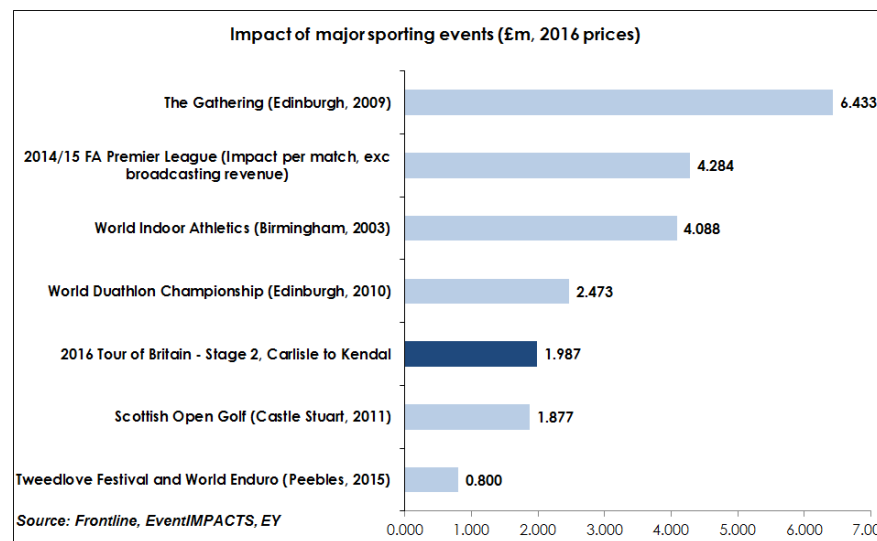
We have added the total sponsor, commercial, PR and technical expenditure associated with each stage in the figure below.

We summarise the net expenditure, net employment and net GVA impacts, including this organiser expenditure, in the table below, which includes both visitor and organiser expenditure aggregated together.

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)

Expenditure	Carlisle	South Lakeland	Cumbria	UK
Net visitor spend	£528,937	£1,296,042	£5,300,056	£2,888,846
Net organiser spend	£19,000	£23,000	£63,000	£954,000
Total net spend	£547,937	£1,319,042	£5,363,056	£3,842,846
GVA	£283,283	£681,945	£2,772,700	£1,986,751
FTE Employment	7.3	17.5	71.1	50.9

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

Gender	Sample	Region	Sample
Male	64%	North West England	60%
Female	36%	Yorkshire and Humber	11%
Age group	Sample	North East England	10%
16-24	5%	Scotland	5%
25-34	8%	East Midlands	3%
35-44	28%	South West England	3%
45-54	29%	London	2%
55-64	22%	West Midlands	2%
65+	9%	South East England	2%
		East of England	1%
		Outside the UK	1%

Appendix 3: Breakdown of gross visitor spend by day and overnight visitors

Type	Gross visitor spend
Day	£8,928,939
Overnight	£3,195,822
Total	£12,124,761

Appendix 4: Viewpoints and overnight accommodation

Viewpoint	% of responses	% staying in hotel/guesthouse	% staying with friends/family	% day only visitors
Carlisle	19%	30%	7%	63%
Kendal Town	32%	12%	7%	80%
Other	49%	30%	12%	58%