

Niagara Community Observatory
Centre for Sport Capacity

MORE THAN MONEY: Leveraging the Benefits of Sport Hosting in Niagara

Tourism in the Niagara region is the largest driving factor for economic activity and represents the largest employment sector within the local economy. In Canada, sport tourism is reported as the fastest growing segment of the tourism industry (Canadian Sport Tourism Alliance, 2016), accounting for approximately \$6.5 billion of economic spending as a direct result of sporting tournaments, events, and conferences. The scale of these events ranges from the community level (for example, a minor hockey tournament) to large international multi-sport undertakings such as the Pan American/Parapan American Games.

Most commonly, analyses of sport events focus on major Games or mega-events such as the Olympics and FIFA World Cup, or professional sports, such as the NFL Super Bowl (Baade & Matheson, 2004; Maennig & Zimbalist, 2012; Porter & Fletcher, 2008; Tien, Lo & Lin, 2011; Li, Blake & Thomas, 2013; Ahlert, 2006; Wassmer, Ong & Propheter, 2016). These types of events are high-profile, and receive significant media exposure. In turn, one of the main policy goals of the host city is to harness this exposure in order to improve its public image and international profile (McManus, 1999).

Such large-scale sporting events often require significant public subsidies for expenses such as operations, infrastructure, bid fees, and other costs which can total in the billions of dollars as seen in

recent Olympic events (Jennings, 2012; Muller, 2014). There is ongoing debate among academics regarding whether sport events generate positive or negative economic impacts for host cities. Many economic-impact studies are criticized for emphasizing only the benefits of the event without considering specific costs that are incurred as a direct result of hosting.

The Niagara region has a long-standing history of hosting sport events, including the 2017 Scotties Tournament of Hearts national women's curling championship, the rowing and canoe/kayak competitions at the 2015 Pan Am/Parapan Am Games, the 2016 U18 Women's World Hockey Championship, the 2012 FINA Open Water Swim Championships, the 1995 Ontario Winter Games, and the annual Royal Canadian Henley Regatta. While many of these events were successful and generated some positive effect, whether monetary or other, regional and municipal governments have lacked an ability to track the collective impact of their support either directly to the event hosts or to the organizations that aid in supporting sport tourism. Acknowledging that many event rights-holders, such as Hockey Canada or Curling Canada, require financial guarantees including ticket sales, facility costs, or direct investments, municipal and regional leaders must find ways to justify the support for an event and demonstrate to taxpayers that the public funds were spent in a responsible manner.

Hence, the purpose of this policy brief is twofold: first, to examine the impact of sport events in Niagara and generate strategies for future sport event hosting in the region; and second, to begin a discussion on identifying a methodology to evaluate the impact of sport events in Niagara. Without a defined regional/municipal sport-tourism strategy, and framework to measure sport event outcomes, councillors are often left to make decisions based on information presented by the event rights-holders themselves. This inevitably creates the potential for biased economic-impact reports, participation rates, and other “selling features”.

Historically, economic impact has been the primary selling feature presented to councils as a way to justify public support. Table 1 outlines a series of events from 2012-2017 that were hosted in the Niagara area and the estimated economic impact of each event upon the region.

While economic-impact studies can be considered a valuable tool for evaluating the overall potential of an event, this policy brief argues that it should not be a leading determinant in the overall decision-making process. With a trend towards ensuring positive social impacts in a community and limited negative environmental impacts, it is increasingly important for those responsible for deciding on event support to add more evaluation tools to their “toolbox”.

There is growing debate among academics and practitioners regarding the overall value of events beyond their economic merits. Many studies have started to examine the social impacts of an event - the perceived image of the host city which may open it to increased tourism and business development, the enhanced sense of community pride, and an increase in both social capital manifest in stronger community bonds, and human capital, such as skills sets, knowledge and general ‘know-how’. As a result, some researchers have suggested smaller events that fit within existing resource capacities (physical, human,

and capital) may in fact have a greater overall impact when compared to large-scale events. In order for these types of comparisons to be made locally, however, municipal/regional governments and event organizers must evaluate the overall value of events hosted in Niagara.

In light of this need for improved sport event data collection and measurement, communities have started to adopt a more business-like evaluation of sporting events. It is common business practice to assess performance based on a triple-bottom-line approach which consists of economic, social, and environmental indicators. Our case study of the 2017 Scotties Tournament of Hearts presents a potential methodology for evaluating the overall impact or performance of an event which may aid the Niagara community in its ongoing efforts to attract and host sport competitions.



Table 1 – Summary of the Economic Impact of Niagara Region Sport Events

Name of Event	Year	Event Scale	Frequency	Participants	Total Room Nights	GDP - Niagara	Total Wages and Salaries - Niagara	Total Employment - Niagara	Total Municipal Taxes - Niagara	Total EI - Niagara	Total EI - Ontario
2013 Niagara Brazilian JiuJitsu Open	2013	Local	Annual	350	75	\$21,495.00	\$14,510.00	0.5	\$693.00	\$36,698.00	\$57,365.00
2015 Niagara Winter Games	2015	Local	Annual	750	100	\$74,675.00	\$50,333.00	1	\$740.00	\$125,748.00	\$184,520.00
2012 Ontario Fencing Provincials	2012	Provincial	One-time	400	25	\$35,330.00	\$26,637.00	0.5	\$1,247.00	\$63,214.00	\$99,141.00
2017 Ontario Cup (Basketball)*	2017	Provincial	Annual	1700	1090	\$596,460.00	\$353,203.00	9	\$145,109.00	\$1,094,772.00	\$1,382,456.00
2015 Royal Canadian Henley Regatta	2015	National	Annual	4500	3500	\$1,683,342.00	\$1,102,305.00	25	\$7,500.00	\$2,793,147.00	\$4,008,298.00
2017 Scotties Tournament of Hearts	2017	National	One-time	24	1000	\$4,125,222.00	\$2,587,277.00	57	\$93,614.00	\$6,806,113.00	\$11,193,736.00
2017 Canoe/Kayak Nationals	2017	National	One-time	1200	2000	\$258,995.00	\$175,279.00	4.5	\$11,375.00	\$445,649.00	\$772,656.00
2017 National Dragon Boat Championships	2017	National	One-time	2000	2800	\$617,672.00	\$416,177.00	10.5	\$27,394.00	\$1,061,243.00	\$1,880,881.00
2016 IIHF U18 Women's World Hockey	2016	International	One-time	200	3000	\$5,470,623.00	\$3,512,764.00	92	\$18,150.00	\$9,001,537.00	\$12,853,528.00
			TOTALS	11,124	13590	\$12,883,814.00	\$8,238,485.00	198	\$305,822.00	\$21,428,121.00	\$32,432,581.00

Note: Data on events were provided by the Niagara Sport Commission; *Ontario Cup Tournaments are a collection of three events occurring over a three-weekend period: Economic impact assessment conducted using TREIM.

CASE STUDY: 2017 SCOTTIES TOURNAMENT OF HEARTS, ST. CATHARINES

From February 16-26, 2017, the City of St. Catharines hosted the 2017 Scotties Tournament of Hearts in a city-owned venue, the Meridian Centre. This event, the national women’s curling championship, is owned and operated by Curling Canada and featured 24 athletes, attracted more than 60,000 spectators, and garnered almost 100 hours of national television coverage through TSN (The Sports Network).

Hoping that the event would provide significant economic benefits for the community, the City of St. Catharines councillors agreed to cover the venue rental fee, a \$140,000 cost savings for Curling Canada and the local event host, to use the Meridian Centre. Table 1 illustrates the economic impact of the event using specific indicators. It is the intent of this case study to examine the perceived event impacts of attendees as a means to identify new ways to evaluate an event’s overall value to a community.

Methodology

Utilizing previous social event-impact research, a modified scale, called the Scale of Perceived Social Impacts (SPSI) was developed. The scale identified

both positive and negative impact assessments for economic, social, and environmental factors. In addition, demographic information was collected to better understand who attended the event. Knowing that demographic factors can determine tourism and spending-based decisions, it was important to collect this information for comparative purposes. Finally, survey questions identified which attendees were spectators, the distance they traveled, and the amount of money they spent while in the community in order to provide greater insights into the overall value of the event.

In total, 251 people responded to the survey. Quick facts are highlighted below.

Perceived Impacts of the Event

On a seven-point Likert scale, attendees were asked to evaluate the positive or negative statements related to the event with ‘1’ being “completely disagree” and ‘7’ being “completely agree”. In total, 22 positive and 18 negative statements were evaluated. A full list of the questions and their rankings can be found in Appendix A.

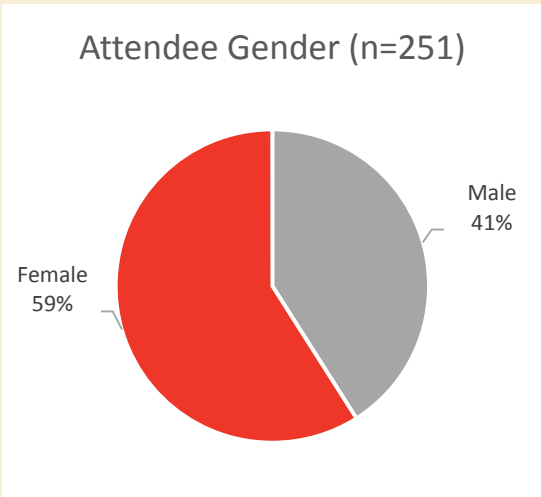


Figure 1

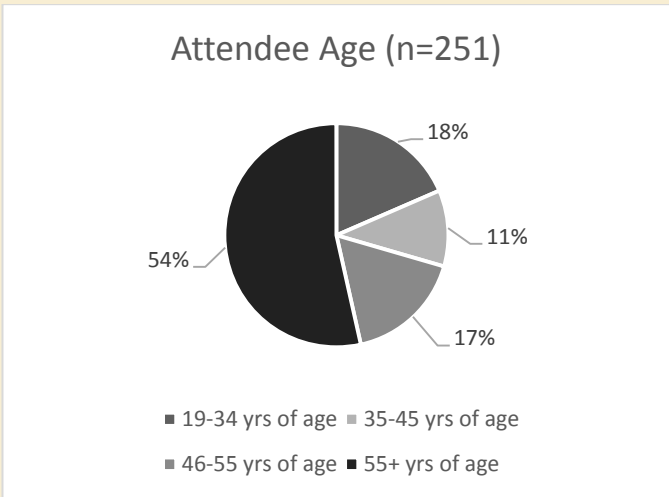
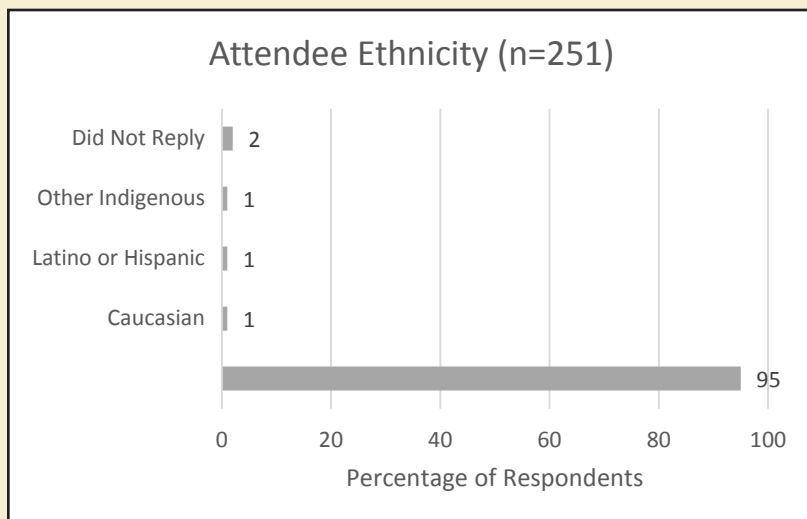


Figure 2



Attendance of Non-curlers

- 25 per cent of respondents had never participated in curling
- 28 per cent of respondents were attending their first-ever curling event

Figure 3

Tourism-Based Results

- Average length of stay = 4 nights;
- Average group size = 2.5 travelers;
- 97 per cent of travelers attended specifically for the Scotties event;
- Group spending for the trip averaged \$735.

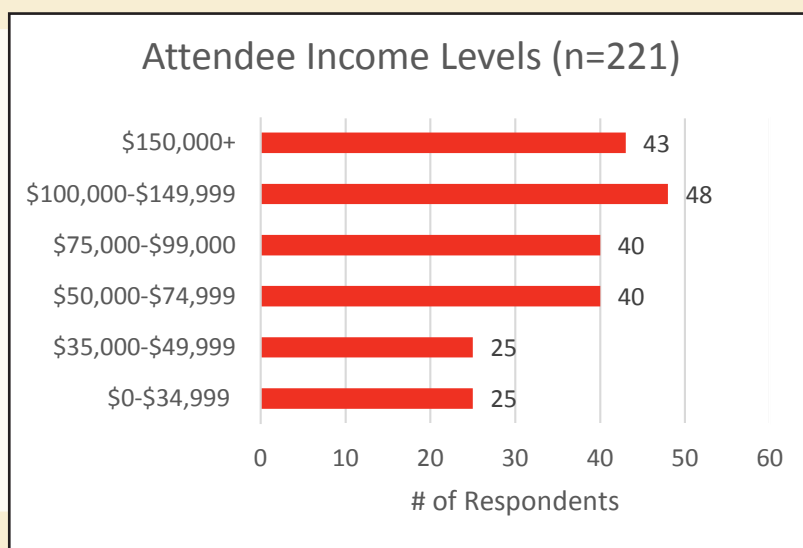


Figure 4

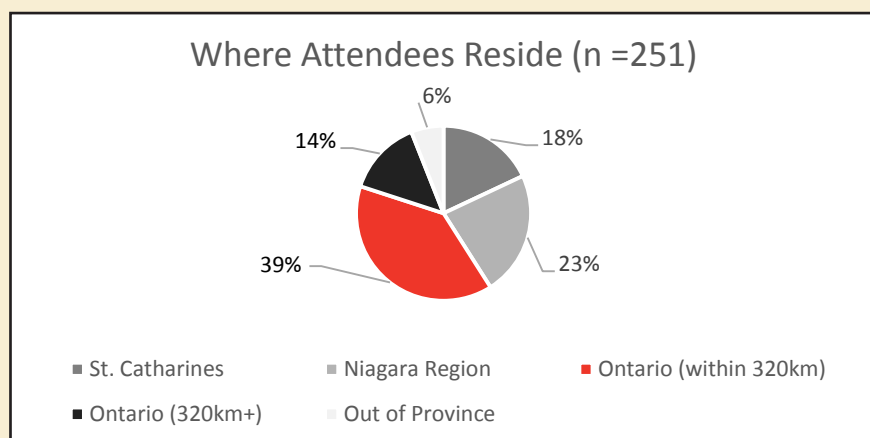
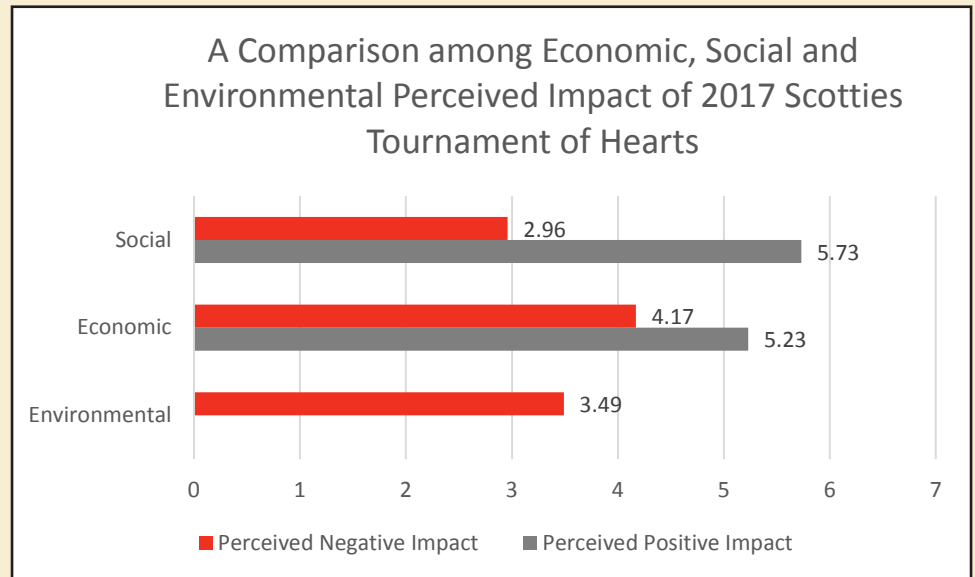


Figure 5

A summary of mean scores for economic, social, and environmental perceived event impact, and for positive and negative perceived event impact is seen in Figures 6 and 7. Figure 6 indicates social factors were highest for perceived positive event impact whereas economic factors were highest for perceived negative event impact. Further, Figure 7 shows the average for positive event impact was greater than the average for negative event impact.



**Note: The perceived event impact tool did not include any positive environmental impact questions.*

Figure 6

Discussion

More than 60,000 spectators purchased tickets and the event resulted in an estimated overall economic impact of \$11.1 million (calculated using TREIM). The event was attended by primarily (self-identified) Caucasians with more than 70 per cent of survey respondents being over the age of 45 years. Almost 60 per cent of respondents resided outside of the Niagara region suggesting that the event was a large tourist draw. Interestingly, about a quarter of respondents had no previous interaction with curling (participating or attending) which suggests that the event also provided perceived entertainment and social value for attendees. Finally, based on the positive and negative statements that were assessed, respondents perceived that the event had an overall positive impact on the community.

The 2017 Scotties Tournament of Hearts case study highlights important insights both for city officials and event organizers. Table 1 gave a snapshot of previous events and the results indicated a return on

investment in sport tourism. However, the data collection method utilized by the event host often relied on estimates from hotel groups and event organizers to determine educated predictions of total numbers and collective impact. While a traditional economic impact assessment is informative, this case study provides new, alternative data that can be collected in order to better understand the impact of a sport event through a triple-bottom-line lens. Unique to the case study was the perceived impact of the event's attendees, whose perceptions are important for politicians and other decision-makers. Local residents who believe that an event will boost the image of their city, provide more cultural opportunities, increase interaction among citizens, or promote healthier living will often be more inclined to support investments into the attraction of sport events.¹

¹ There are limitations to this case study. **Event Attendee Perceptions:** Our study only addressed the perceptions of event attendees. Inherently, attendees may have a more positive perception of the event given an interest in curling, volunteering, sports, or the potential to interact with fellow citizens. Future research could explore the perceptions of non-event attendees. In addition, the largest contribution that the City made was the financial support to Curling Canada. While this support was made public both through meeting minutes of city council and local media outlets, it was not widely publicized or known by those who responded to the survey. **Number of Respondents:** In total, 251 survey responses were collected. Due to the length of the survey and resources of the research team, this was a limitation in amassing a large sample size. With more than 35,000 unique ticket purchasers, these responses are representative of a very small portion of the overall attendee pool

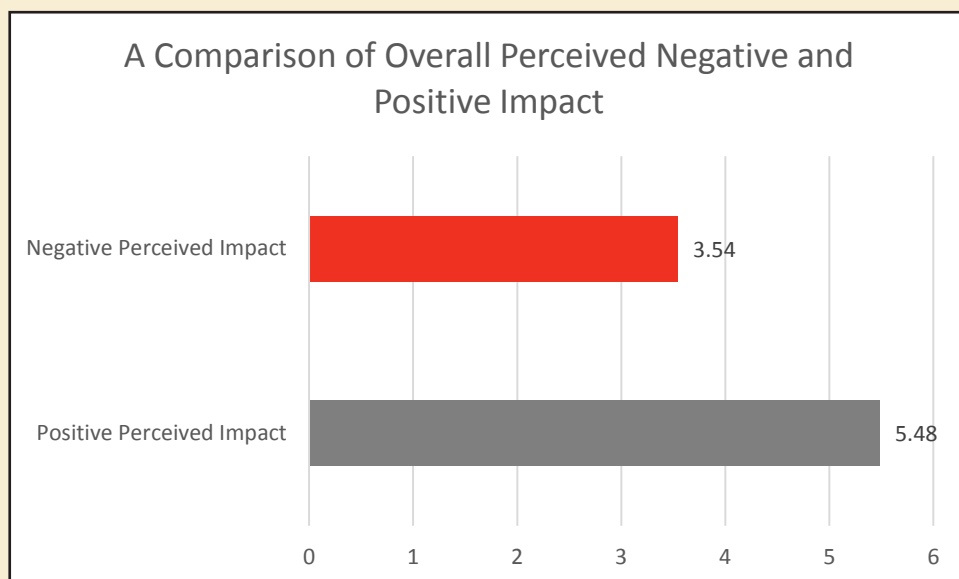


Figure 7

IMPLICATIONS

Currently the Niagara region and its municipalities lack a focused and collaborative strategy for attracting sport events to the area. Positive steps have been taken, including the creation of a regional facility inventory database, event sponsorships available through the Regional Tourism Organization (whose mandate is to support and grow tourism across Niagara), and a successful unified bid for the 2021 Canada Summer Games. While each of these demonstrate some progress, event rights-holders who own or control sport competitions that can generate the greatest overall impact often require facilities and a participant/spectator footprint that spans across more than one municipality. This presents a unique challenge in a two-tier regional environment with 12 municipalities as fragmented funding policies and strategic priorities can turn event organizers away.

As such, it is imperative that individual municipalities in Niagara identify what, if any, role they will have in sport tourism going forward. At a regional level, a coordinating body or group must be prepared to drive an agenda to develop a regional sport-hosting strategy. Tourism literature suggests a “portfolio” approach whereby a community concentrates on

developing and/or attracting a varying scale of events with a focus on those that are suitable for its existing physical, capital, and human-resource infrastructure. As the evidence in Table 1 reveals, a large number of small-scale events can generate many positive impacts while at the same time fit into existing physical infrastructure. Support for Niagara sport stakeholders, such as local sport clubs and associations that already have human resources and technical expertise, is just as, if not more important,

than making large financial outlays to bid upon, and host, national and international events.

To develop an event-hosting strategy, regional sport-tourism stakeholders will need to collectively define and effectively track sport event outcomes. Traditional economic impact measures, such as those identified in Table 1, are helpful; however, based on the case study presented, new measures may be required. Across the country, cities that are sport-tourism leaders often have an arms-length organization or committee that evaluates and presents recommendations for funding based on pre-determined criteria to ensure that a body, independent of the event organizer, can evaluate the potential for positive impact on the community.

By identifying the role that a community will play in sport tourism - and its success metrics - the municipality will be better positioned to define the resources it will allocate to sport tourism on an annual basis. In turn, event organizers at the local, provincial, national, and international levels will better understand what resources are available and determine if the Niagara region is a good fit for its property. Furthermore, the creation of these strategies

will enable the region and/or municipalities to weigh its investments in sport tourism. As demonstrated in Table 1, there are economic benefits to larger-scale events. However, supporting local organizers with existing events or creating a collection of new ones can also have a significant overall impact on the community at large.

Beyond attracting events to the area, regional sport-tourism stakeholders should also consider unified and collaborative policies and programs that will support event rights-holders after they have chosen Niagara as a host destination. While municipal budgets may vary, similar funding and facility allocation policies can assist organizers in implementing their events. With unified funding and allocation policies, applications for funding or field time can be streamlined for all parties involved. In addition, municipalities should consider exploring internal opportunities that they can exploit to support event organizers (e.g. posting on events calendars, digital welcome boards, advertising or welcome signs in hotels or facilities) and coordinate with their municipal counterparts to ensure that other communities can offer the same services. These types of support services ensure that athletes and event organizers feel welcomed when they arrive and ensure an enjoyable experience.

Finally, it is suggested that a coordinated effort be initiated to evaluate the overall impact of sport tourism in the Niagara region. With both regional and municipal councils having invested in sport-related events, it is important that data is continually sought from event organizers in collaboration with tourism stakeholders such as hotels, restaurants, and attractions. For example, by considering services or technology that can be used to centralize purchases, referrals or bookings, data collection may be streamlined to ensure its accuracy and catchment of all attendee types (participants, spectators, and media/VIP).

RECOMMENDATIONS – A CALL FOR ACTION

Beyond strategizing to maximize “events won” and potential economic benefit, what benefits would come

from coordinated planning and delivery within Niagara? Could different municipal functions be involved in event planning and delivery to extract value or mitigate negative impacts? For example, some events require police to close a road, or need signage to notify drivers about road access and detours. But, how could more pro-active approaches be taken to minimize traffic disruption and related negative social and environmental effects?

Further, could recreation departments do more to re-program regional facility use in advance, rather than just closing affected facilities for the duration of an event? Could public health use the opportunity to provide positive health messaging connected with the event, or take advantage of the attraction of spectators to promote healthy behaviour to them? On the non-profit side, could sport organizations do more to organize “try it” events to engage the public and/or attract new participants? These are questions that Niagara needs to address within a collaborative platform. The results of such deliberations could provide compelling reasons for leveraging our pooled assets as a region.

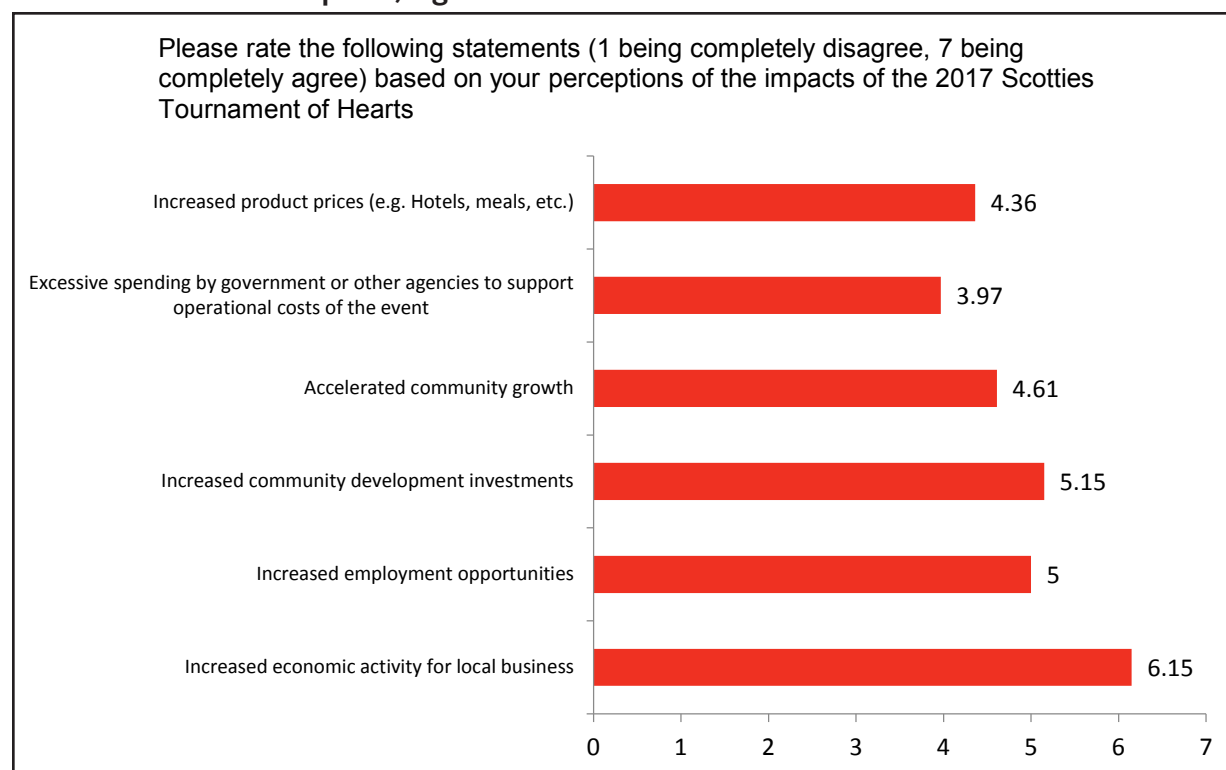
There is tremendous potential to a regional, coordinated, sport event-hosting plan as advocated above. A successful strategy involves more than a “win more events for Niagara” mentality – rather it involves a triple-bottom-line approach that considers how to maximize (or mitigate) economic, social, and environmental impacts.

CONCLUSION

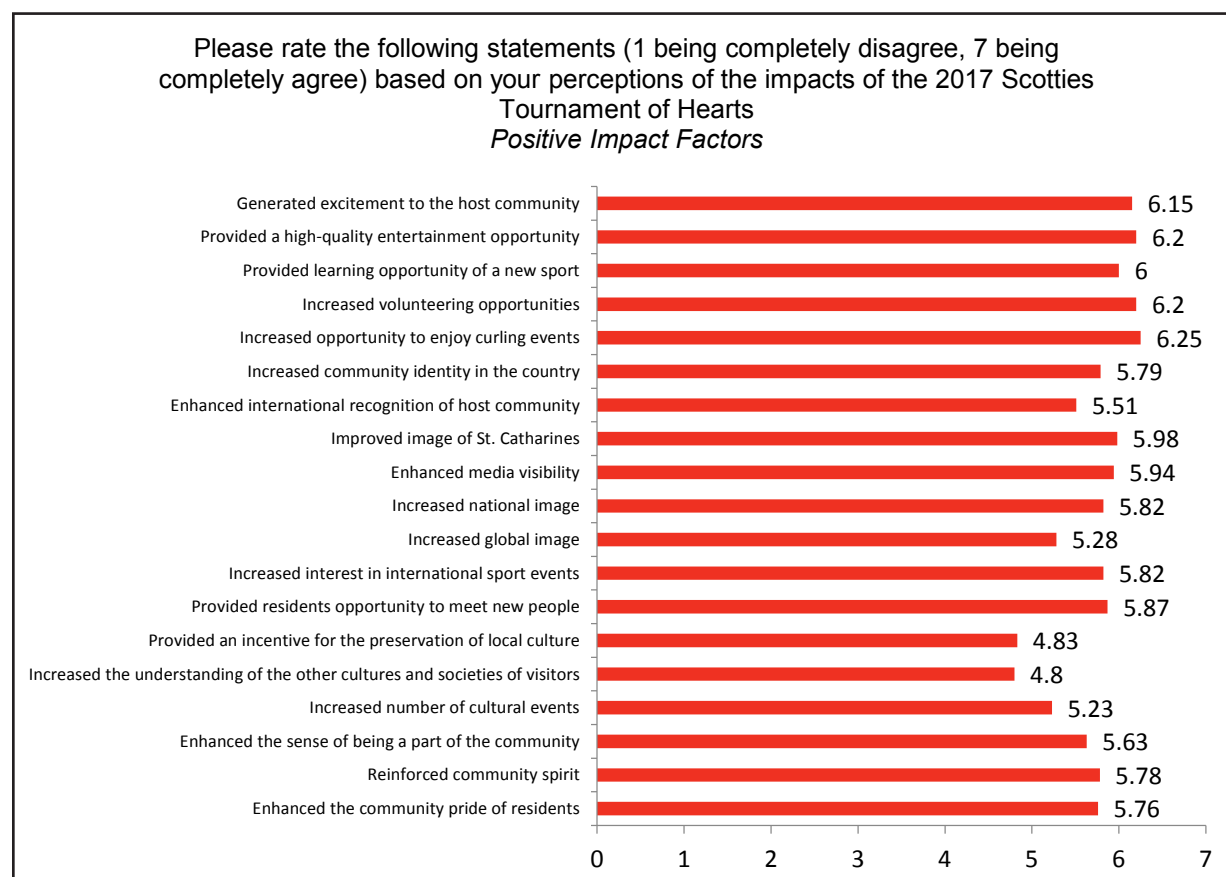
The Niagara region is a well-known international tourism destination. As such, it is uniquely positioned to capitalize on Canada’s fastest-growing tourism segment: sport tourism. The research and case study presented herein provide insights into the value of sport tourism through a triple-bottom-line approach. Specifically, it examines both traditional economic assessment as well as a novel perceived economic, social, and environmental impact framework. Whatever approach is utilized, there must be a more comprehensive process that decision-makers follow to support and evaluate event outcomes. Only through such ongoing strategic action will Niagara become a successful sport event destination.

APPENDIX A: PERCEIVED IMPACTS OF THE 2017 SCOTTIES TOURNAMENT OF HEARTS

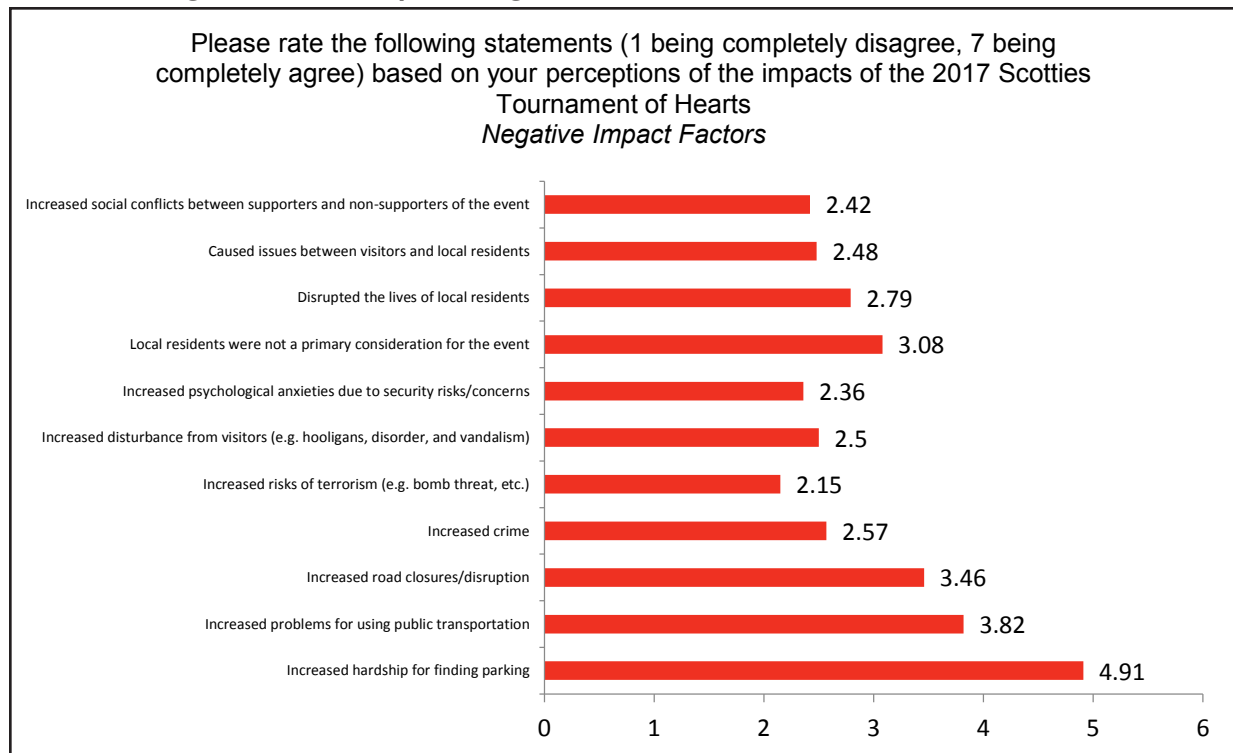
Perceived Economic Impacts, Figure 8



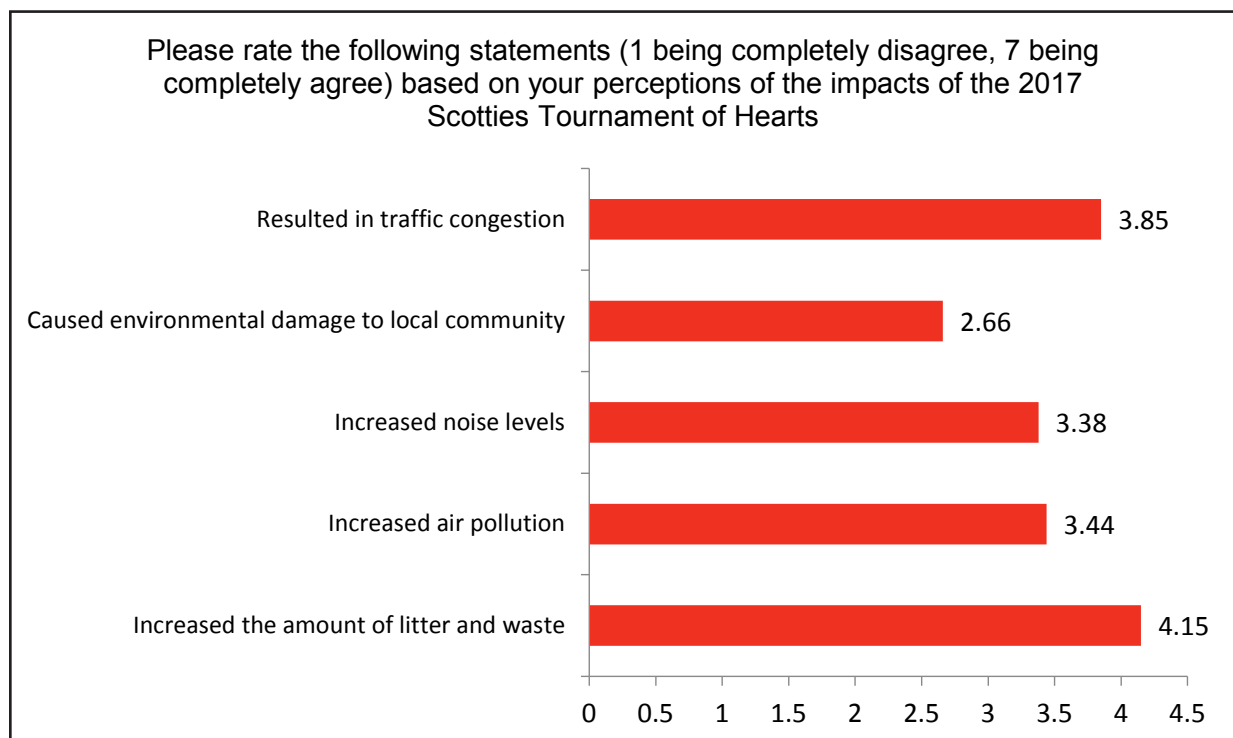
Perceived Positive Social Impacts, Figure 9



Perceived Negative Social Impacts, Figure 10



Perceived Environmental Impacts, Figure 11



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The Niagara Community Observatory is a local public policy think-tank at Brock University in St. Catharines, ON.

The Centre for Sport Capacity at Brock University is a hub for sport management research, student experiential learning, and practical support to sport organizations in the Niagara region and across Canada. For more information, please contact Julie Stevens at jstevens@brocku.ca

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