



Etape Caledonia Economic Impact Assessment 2009

Report for Perth and Kinross Council

June 2009

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1. Introduction

1.1 Background and Context

EKOS undertook the economic impact assessment of the two previous Etape Caledonia events held in 2007 and 2008.

The event was held for the third year on the 17th May 2009, starting and finishing in the town of Pitlochry, Perthshire. The race is over a course measuring 130km (81 miles), which had a total ascent of 1,949m.

The event was open to all fit individuals aged between 18 and 80 (subject to them being able to complete the route in an average speed of 13-14 mph) and takes place on closed roads. This is the same requirement as last year.

This year, as was the case last year, a number of events were also developed on or around the 17th of May to provide activities for participants and spectators and to encourage individuals into different parts of the local area.

1.2 Objectives

The aim of the study was to assess the economic impact of the event on the Perth and Kinross economy. It should be noted that an assessment of the social impacts of the event on the local population fell outwith the study remit. Specific objectives were to:

- provide a profile of visitors and participants that attended the event;
- examine length of stay and average spend figures;

- assess the extent of negative impacts on local businesses;
and
- consider a number of key factors pertinent to the economic impact assessment such as the level of additionality, displacement and multipliers.

1.3 Method

The study was undertaken in four stages as follows:

- Stage 1: Study Set-up;
- Stage 2: Access data from the event organisers and input to participant survey;
- Stage 3: Fieldwork – spectator, participant and business surveys; and
- Stage 4: Analysis and Reporting.

1.4 Structure of the Report

The remainder of this report is structured as follows:

- **Chapter 2** presents a description of the event;
- **Chapter 3** presents the results of the participant and spectator surveys;
- **Chapter 4** presents the results from the survey of local businesses;
- **Chapter 5** provides the economic impact assessment of the event; and
- **Chapter 6** provides a summary and conclusions of the findings.

2. Etape Caledonia

2.1 Introduction

The third Etape Caledonia cycling event was held on the 17th of May 2009. The event started and finished in the town of Pitlochry and offered the opportunity for all cyclists between the ages of 18 and 80 the chance to take part in an event with experienced racers. The course included Loch Tummel, Rannoch, the base of Schiehallion, Breadalbane district and the River Tay.

2.2 Participants and Event Course

Etape Caledonia attracted 3,535 entrants of which 2,920 (83%) actually participated in the event. This equates to a 72% increase on the 2008 total of 1,702 participants. The event comprised one course (the same course as that provided in 2008) of 81 miles (130 km) with almost 2,000m of climbing. Cost of entry was £54 (an increase of 10% from 2008).

2.3 Funding

The event was developed by the Quintus Group, the parent company of the London Triathlon (the world's largest triathlon event) and Challenger World.

Perth and Kinross Council provided £7,000 towards the costs of staging the event. The remainder of the event costs were funded through ticket sales and private investment from the Quintus Group and EventScotland.

2.4 Other Activities

As was the case last year, a number of other activities were developed on and around the race day to enhance the event for participants and spectators. A number of the activities were also designed to encourage visitors into other parts of the local area outwith Pitlochry (the start and finish point for the race). Examples of the activities included:

- From Wheels to Wheels – an illustrated talk;
- Perthshire Cycle Festival;
- 14k Bridge to Bridge Run;
- The Courtyard Barbecue; and
- Finish Line entertainment.

Perth & Kinross Council provided funding support to some of the other activities that took place.

2.5 Race Disruption

Unfortunately this year the Etape Caledonia event had to be temporarily stopped due to carpet tacks being spread across approximately 20km of road, including on downhill sections. After many riders experienced punctures, the organisers decided to stop the race on safety grounds. The race stopped for an hour, during which the roads were cleared of tacks, before restarting.

2.6

3. Participant and Spectator Survey

3.1 Introduction

This Chapter presents the findings of the participant survey carried out by the event organisers and the results of the spectator survey conducted by IBP Strategy and Research.

3.2 Participant Study

A post event questionnaire was completed by 413 participants of the Etape Caledonia event (representing 14% of those that took part). The results from this survey are discussed below; some of the responses are reported later as part of the economic impact assessment (see **Chapter 5**).

3.2.1 Rating of the Event

Table 3.1 provides an overview of the best aspects of the Etape Caledonia event as identified by participants.

Table 3.1: Best aspects of the Etape Caledonia Event

	Number	%
Closed roads	145	35%
Event organisation and marshalling	93	23%
Route	73	18%
Location/scenery	69	17%
Friendliness of locals/support along the route	66	16%
Event atmosphere	47	11%
Camaraderie between participants	40	10%
Large number of participants/being able	20	5%

to cycle in groups		
Other aspects	20	5%

Note: multiple responses possible

The fact that the race was on closed roads was most commonly identified as the best aspect of the event (as was the case in 2008) by 35%, down from the 65% reported last year. The next most common responses were the event organisation and marshalling (23%, compared to 16% last year) and the route (18%, compared to 12% last year).

The best aspects identified under the “other” category included:

- the finishing line, creating a sense of achievement/satisfaction (7 respondents);
- the weather (5 respondents); and
- the overall challenge of the event (4 respondents).

Participants were also asked to comment on the worst aspects of the event and **Table 3.2** provides an overview of these.

Table 3.2: Worst aspects of the Etape Caledonia Event

	Number	%
Tacks/sabotage of event/Delays/Punctures	319	78%
The weather	22	5%
Lack of toilets	10	2%
Chaotic start/finish to race	8	2%
Not being able to finish race due to incident	7	2%
Lack of food/drink facilities	7	2%
Registering the day before the event	6	1%
Start time too early	5	1%
Other	15	4%

Note: multiple responses possible

The worst aspect most commonly identified was the tacks/sabotage of the event. The worst aspect most commonly cited in 2008 had been the lack of food/drink facilities at 11%.

“Other aspects” referred to a wide range of other factors, with three respondents stating that litter on the route was the worst aspect and two respondents citing the event registration cost as the worst aspect.

Participants were also asked to rate a number of different aspects of the event and **Table 3.3**, over shows the responses.

Table 3.3: How would you rate the following aspects of the event?

	Excellent	Good	Average	Poor	Very poor
Registration	56%	39%	4%	1%	1%
Course	76%	21%	2%	0%	0%
Website	34%	49%	14%	3%	0%
Event info and news	41%	47%	11%	1%	0%
Feed stations on the route	24%	45%	23%	6%	1%
Our pre-event communication	47%	44%	7%	1%	0%
The contingency plans implemented	47%	39%	9%	3%	1%

Overall, all aspects of the event were rated relatively highly, with the event course, registration and pre-event communication recording the highest proportions of excellent/good ratings (97%, 95% and 91%, respectively).

To gain further insight into the participants rating of the event they were asked if they would be likely to recommend it to a friend based on a scale of extremely likely to extremely unlikely. Their responses are detailed in **Table 3.4**.

Table 3.4: Likelihood of Recommending the Event to a Friend

Sliding Scale	Number	%
10 – Extremely Likely	216	53%
9	37	9%
8	55	14%
7	27	7%
6	17	4%
5	20	5%
4	5	1%
3	10	2%
2	4	1%
1 – Extremely unlikely	15	4%
Total	406	100%

Note: seven respondents did not provide a response to this question

Over half of the sample (53%) rated the likelihood of recommending the event to a friend as extremely likely (10). This is down on the 78% that gave it this rating last year. Only 13% gave it a rating of 5 or below.

Over two thirds of respondents (68%) stated that their likelihood of recommending the event to a friend had not been affected by the sabotage of the course.

3.2.2 Previous Visits

Participants were asked if they took part in the Etape Caledonia event in 2007/2008. For the majority of respondents, 292 (71%), this year was the first year that they took part in the event, whilst a fifth had taken part last year and 10% took part in 2007. Only a small proportion had participated in both of the previous events, 8%.

The majority of respondents (86%) stated that they had spent at least one night away from home as a result of the Etape event. This is greater than the 81% reported in 2008.

In terms of the location of overnight stay, as shown in **Table 3.5** more than half of the respondents stayed within Pitlochry, which was also the starting and finishing point of the race. Pitlochry was also the main location for visitors in 2008, however this year a slightly smaller proportion are staying there (54% compared to 62% in 2008).

The next most common locations were Perth and Aberfeldy. Aberfeldy has increased from last year (up from 5% to 8%). A small proportion stayed in places outwith Perth & Kinross e.g. Glasgow, Dunblane and Edinburgh.

Table 3.5: Overnight Accommodation Location

	Number	%
Pitlochry	184	54%

Perth	31	9%
Aberfeldy	27	8%
Birnam & Dunkeld	19	6%
Blair Atholl/Killiecrankie	16	5%
Faskally	15	4%
Tummel Bridge	9	3%
Other (Perth & Kinross)	29	8%
Other (outside Perth & Kinross)	12	4%
Total	342	100%

3.2.3 Repeat Visits and Suggested Improvements

Table 3.6 outlines the responses made by participants in terms of whether they intend to take part in the Etape Caledonia 2010 event and whether they would return to Highland Perthshire for a holiday.

Table 3.6: Likely to take part in Etape 2010/return to Highland Perthshire for a holiday

Take part in Etape 2010			Return to Highland Perthshire for a holiday		
	Number	%		Number	%
Yes	343	88%	Yes	358	92%
No	45	12%	No	30	8%
Total	388	100%	Total	388	100%

The majority of respondents (88%) stated that they intend to take part in Etape 2010 and a slightly higher proportion (92%) cited that they would return to Highland Perthshire for a holiday.

Suggested improvements that participants would like to see added for future events were identified as:

- more food and drink stations: (14%);
- more toilets: (12%);
- no tacks/sabotage: (11%);
- more activities before/after event: (10%);
- changes to registration: (6%);
- later start time: (4%); and
- more challenging route: (4%).

3.2.4 Awareness of Homecoming

Most respondents (64%) are aware of the Homecoming Scotland Celebrations that are taking place throughout 2009.

Participants from outwith Perth and Kinross/Scotland were asked how important the Homecoming Scotland Celebration was in

their decision to visit Perth and Kinross/Scotland. **Table 3.7**, over illustrates responses.

Table 3.7: Importance of Homecoming in decision to visit Perth and Kinross and Scotland

	Perth & Kinross		Scotland	
	Number	%	Number	%
Very important	1	0%	1	1%
Important	2	1%	2	2%
Minor importance	10	4%	1	1%
Not a factor	263	95%	111	97%
Total Respondents ¹	276	100%	115 ²	100%

Note: (1) excludes Perth & Kinross residents
 (2) participants from outwith Scotland only

The survey results suggest that the Homecoming Celebration had limited influence on participants' decisions to visit Perth & Kinross and Scotland. The majority of participants from outwith Perth and Kinross (95%) agreed that the Homecoming Scotland activity had no influence on their decision to visit the area, and a higher proportion from outwith Scotland (97%) also agreed that it had no impact on their decision to visit Scotland.

3.2.5 Participant Survey Overview

From the participant survey it is evident that holding the race on closed roads was viewed as a key aspect of the Etape cycling event, together with the event organisation and marshalling. In terms of negative aspects, the tacks/sabotage of the event was the most commonly reported (60%).

The majority of participants (86%) surveyed had spent at least one night away from home as a result of taking part in the event. A total of 54% stayed within Pitlochry – the starting and finishing location of the race. Other areas on the Etape cycle route attained a much lower proportion of overnight visitors, although there was an increase for some areas such as Aberfeldy.

Support for the event amongst participants tended to be high. Over half of the sample commented that they would be extremely likely to recommend the event to a friend.

Participants rated all aspects of the Etape relatively highly, with 97% giving the event course an excellent/good rating. A total of 88% of respondents stated that they intend to take part in the Etape 2010 event and a slightly higher proportion (92%) would return to Highland Perthshire for a holiday.

Suggested improvements to the event included: more food and drink stations, more toilets and no tacks/sabotage.

Most respondents (64%) were aware of the Homecoming Scotland Celebrations that are taking place throughout 2009. However, the majority of participants commented that it had no influence on their decision to visit Perth and Kinross/Scotland.

3.3 Spectator Survey

A total of 214 spectators were surveyed on a random sample basis by IBP on the day of the Etape Caledonia event – Sunday the 17th of May. The following section provides a summary of the responses made by spectators.

3.3.1 Spectator Profile

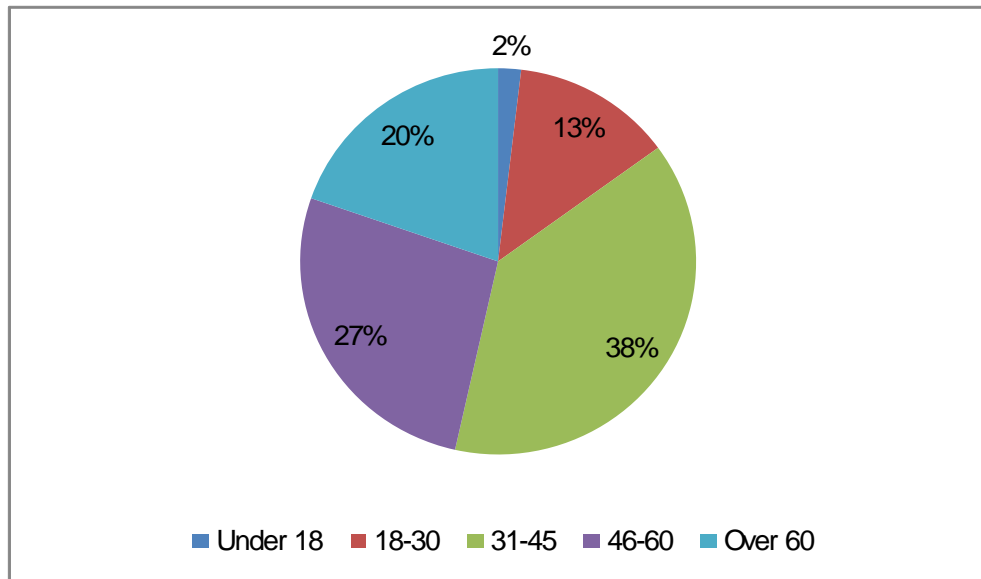
There was a higher proportion of female spectators (62%) compared to males which is slightly more than in 2008 when females made up 59% of the sample.

As **Figure 3.1**, over shows, over a third (38%) of the survey sample was aged between 31 and 45 years with just over a quarter (27%) aged between 46 and 60 years. Less than a fifth of the

sample were under 30 years of age¹. Some 30% came with children.

¹ Participants on the survey had to be over 16.

Figure 3.1: Age Profile



N=213, 1 did not provide a response

The majority of respondents from outwith Perth and Kinross (84%) had visited the local region previously. This is slightly higher than the 81% of respondents from outwith Perth and Kinross who said they had previously visited the local region in 2008.

Table 3.8 details the working status of the spectators.

Table 3.8: Working Status

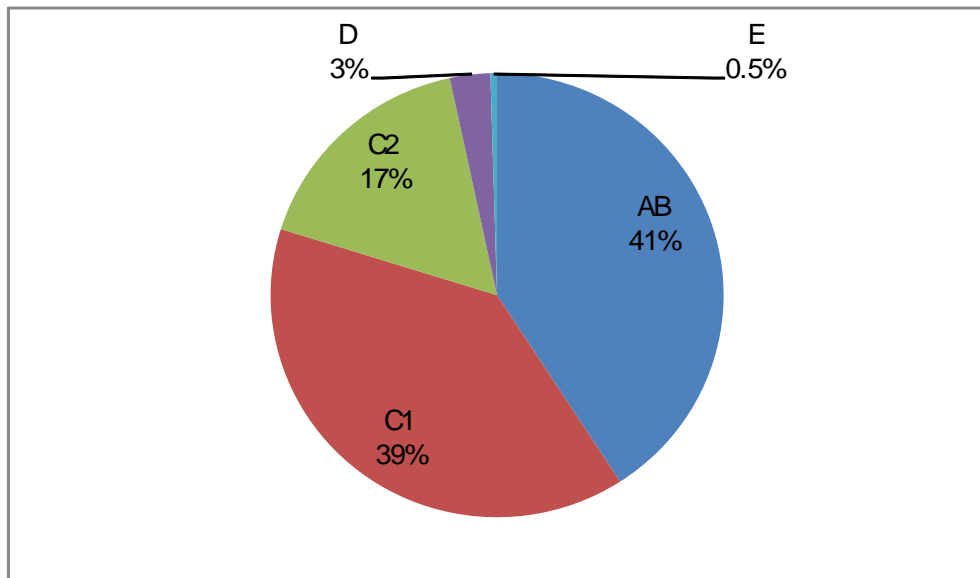
	Number	%
Full-time	123	58%
Retired	39	18%
Part-time	30	14%
Housewife	14	7%
Full-time education	5	2%
Other	1	<1%
Unemployed	1	<1%
Total	213	100%

Note: 1 did not provide a response

The majority of spectators are in employment 72% (full-time or part-time). This is higher than in 2008 when 66% were in employment. This is followed by those who are retired (18%). Over a third (36%) had attended last year's event, 6% attended the 2007 event and 3% attended both of the previous events. More than half (55%) of the spectators had not attended any of the previous events.

Figure 3.2 details the social class of the spectators.

Figure 3.2: Social Class



N=208, 6 did not provide a response

Most spectators were from the AB social class, with 39% in C1 and 17% in C2².

² AB is defined as upper middle/middle class (higher managerial, administrative or professional/intermediate managerial, administrative or professional)
C1 is defined as lower middle class (supervisory or clerical, junior managerial, administrative or professional)
C2 is defined as skilled working class (skilled manual workers)
D is defined as working class (semi and unskilled manual workers)

3.3.2 Awareness of the Event

Table 3.9 summarises the responses provided in terms of the “pull” of the cycling event in a respondents’ decision to visit the area.

E is defined as those who are unemployed/on benefits

Table 3.9: Importance of event in decision to visit Perth and Kinross

	Number	%
Only reason for visiting Perth & Kinross	131	76%
One of the main reasons for visiting Perth & Kinross	14	8%
One of several reasons for visiting Perth & Kinross	5	3%
Not a factor in decision to visit Perth & Kinross	23	13%
Total	173	100%

N= 173, excludes Perth and Kinross residents

The pull of Etape Caledonia for spectators to visit the area is evident from the results in **Table 3.2**, where 76% (higher than the 72% in 2008) of the sample identified it as the only reason for their visit and a further 8% (similar to the 2008 figure, 7%) considered it to be one of the main reasons for their visit.

Figure 3.3 shows how the spectators became aware of the event.

Figure 3.3: Awareness of Event



N=214

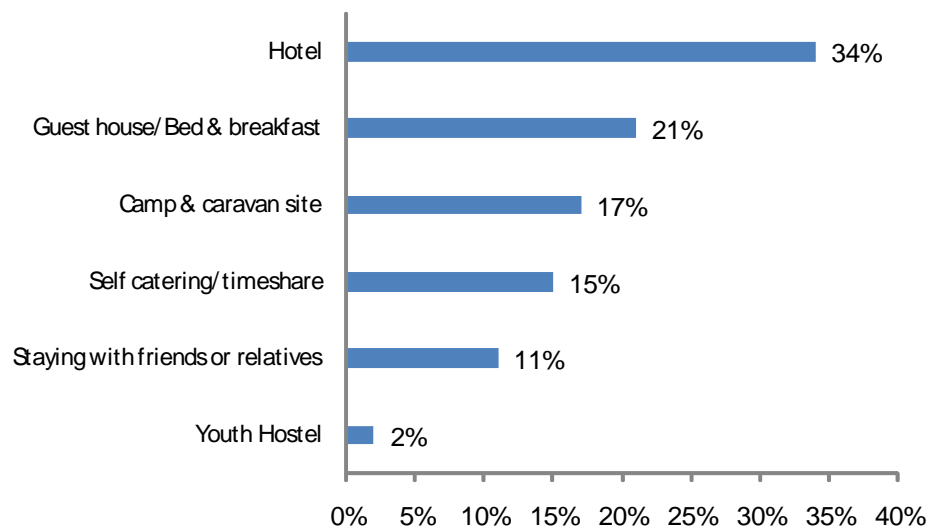
The most common way in which spectators became aware of the event was through a friend or relative taking part in the race (62%). A further 10% became aware through a newspaper/magazine. The most common newspapers and magazines identified were the Cycling magazine and Newsround North.

3.3.3 Accommodation

Over half (58%) of the spectators were spending at least one night away from home as a result of the race (lower than the 2008 proportion of 63%).

As **Figure 3.4** shows, the most popular type of accommodation for spectators staying overnight was a hotel (34%), with a fifth staying in a guest house or bed and breakfast.

Figure 3.4: Types of Accommodation



N=124

The majority of spectators (92%) stayed in Perth and Kinross, with the remaining 8% staying elsewhere in Scotland.

3.3.4 Areas Visited and Activities Attended

Table 3.10 shows the various areas (where applicable) visited by spectators whilst at the Etape event.

Table 3.10: Other Areas Visited whilst at the Etape Caledonia Event

	Number	%
Blair Atholl	33	15%
Loch Tummel area	33	15%
Killiecrankie	32	15%
Aberfeldy	24	11%
Loch Rannoch area	24	11%
Loch Tay area	17	8%
Other	11	5%
None	142	66%

Note: multiple responses allowed

Two thirds of spectators had not visited any other areas. Although this is the same proportion as last year, there were a larger number of spectators this year, therefore, a larger number of people visited other parts of the local area this year. For the third that had visited other areas, Blair Atholl, the Loch Tummel area, and Killiecrankie were the three most popular.

Spectators were also asked if they had visited any attractions as part of their trip to the Etape Caledonia Event. Only 15% of the sample reported that they had (lower than the 2008 proportion of 18%), with the most popular attractions being:

- House of Bruar (6);
- Pitlochry Fish Ladder (5);
- Famous Grouse Distillery (5);
- Killiecrankie Visitor Centre (2); and

- Pitlochry Theatre (2).

For the 2009 event (as was the case for the 2008 event) a number of activities took place before, during and after the event. Spectators were asked which of these activities they attended and **Table 3.11**, over provides details.

Table 3.11: Activities Attended Before, During and After the Race

	Yes		No	
	Number	%	Number	%
From Wheels to Wheels – illustrated talk	2	1%	212	99%
Perthshire Cycle Festival	12	6%	202	94%
14k Bridge to Bridge Run	1	<1%	213	99%
The Courtyard Barbecue	10	5%	204	95%
Finish Line Entertainment	110	51%	104	49%

N=214

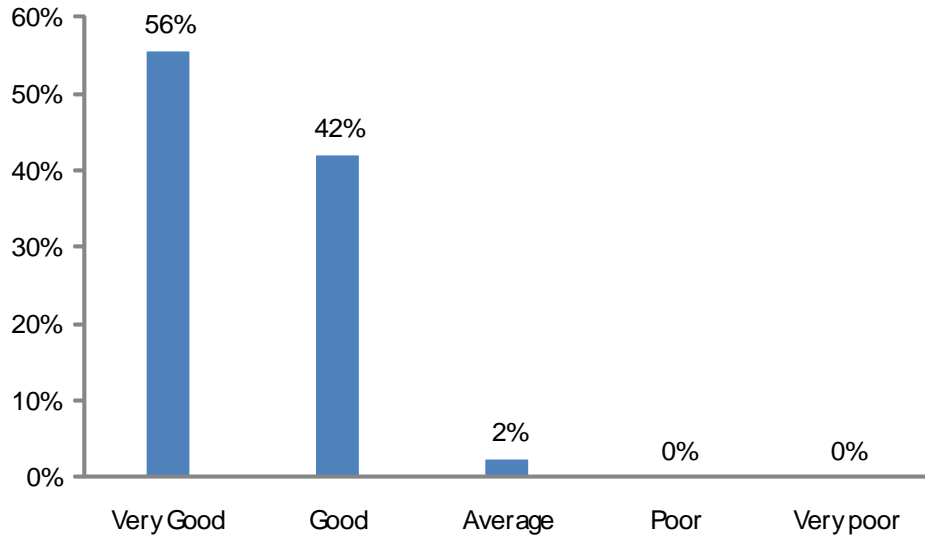
The most popular event attended was the Finish Line Entertainment which attracted just over half of the spectators (lower than the 2008 proportion of 68%). The Perthshire Cycle Festival and The Courtyard Barbecue were the next most popular activities, although small proportions of spectators attended (6% and 5%, respectively).

Overall, 59% of spectators rated the activities on offer before, during and after the race as very good or good - lower than the 69% who rated the activities on offer in 2008 as very good or good. However, only 2% rated the activities as poor or very poor (lower than the 2008 proportion of 8%).

3.3.5 Quality of Visit and Repeat Visits

Spectators were asked to rate the quality of their visitor experience to Perth and Kinross (excludes Perth and Kinross residents) and **Figure 3.5**, over details the responses.

Figure 3.5: Quality of Visitor Experience in Perth and Kinross

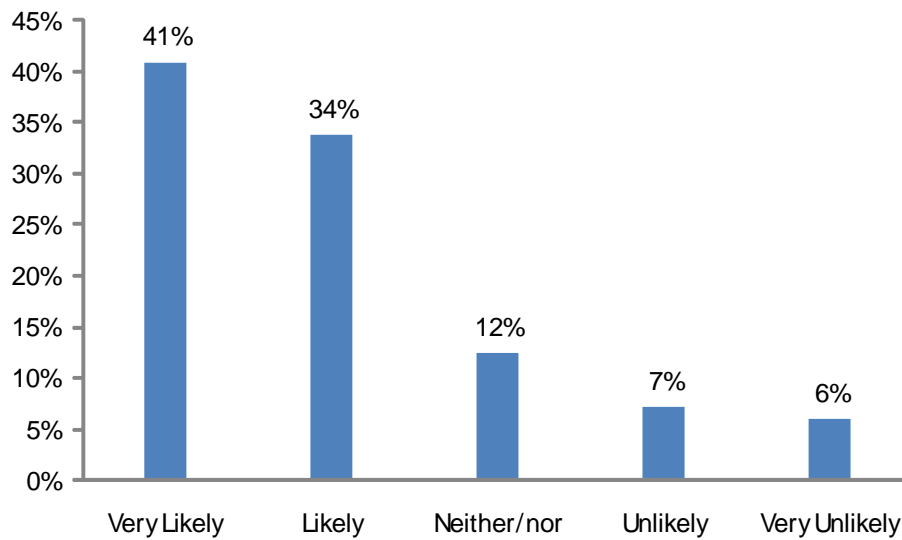


N=169 (excludes Perth and Kinross residents)

Overall, spectators rated the quality of their visit to Perth and Kinross positively, with the vast majority rating it as very good or good (98%).

Figure 3.6, over shows how likely spectators are to return to Perth and Kinross for a holiday in the next three years (excludes Perth and Kinross residents), excluding a return visit to Etape Caledonia.

Figure 3.6: Likelihood of Returning to Perth & Kinross for a Holiday in the Next Three Years



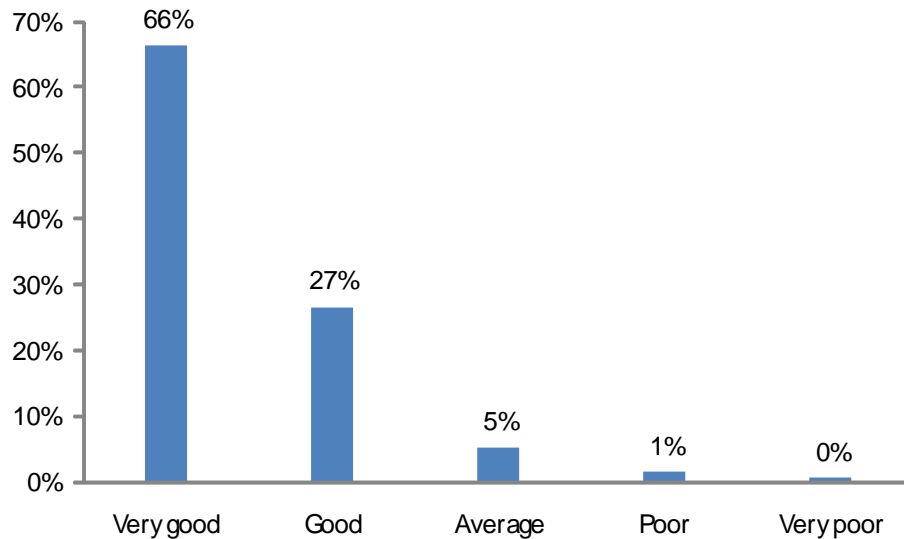
N=169 (excludes Perth and Kinross residents)

Overall, high numbers of spectators agreed that they would be very likely/likely to return to Perth and Kinross for a holiday in the next three years (75%).

3.3.6 Rating of the Event and Suggested Improvements

Spectators were asked to rate the quality of the Etape Caledonia event and **Figure 3.7** shows the responses.

Figure 3.7: Rating of Quality of Etape event



N=214

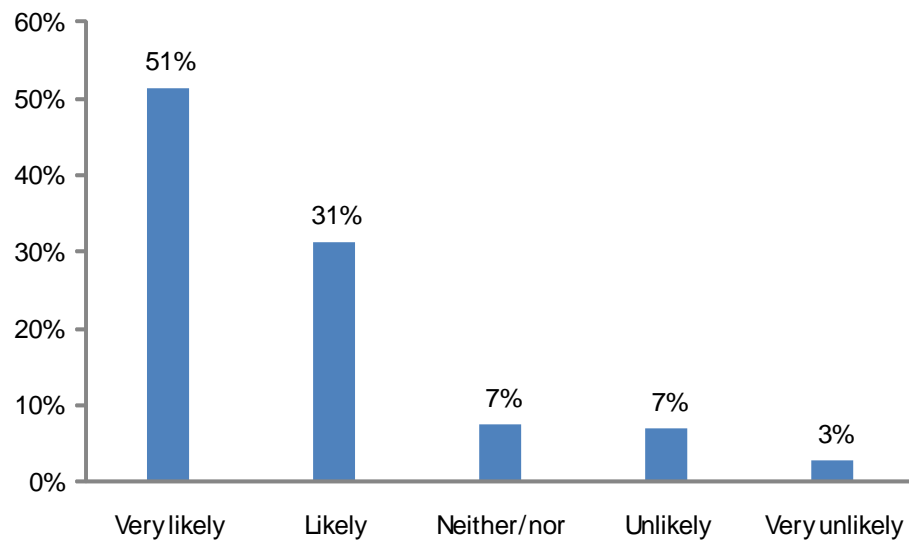
Overall, spectators rated the quality of the Etape Caledonia event very highly, with 93% rating it as very good or good. More importantly, only 1% of the spectators surveyed gave the event a poor rating.

Respondents were asked to provide reasons for these ratings and the most commonly cited responses included:

- well run/organised event: (37%);
- good atmosphere: (19%);
- exciting and enjoyable/good event: (16%);
- good for tourism and the local area: (4%);
- apart from the sabotage and tacks on the road, the event was good: (3%); and
- friendly people (2%).

Figure 3.8 shows how likely the spectators would be to visit the Etape Caledonia event next year.

Figure 3.8: Likelihood of visiting Etape Caledonia event next year



Overall, high numbers of spectators said that they would be very likely/likely to visit the Etape Caledonia event next year (82%).

Reasons given by respondents for visiting the event next year included:

- family/friends participating in it: (21%);
- enjoyable/great event/good day out: (20%);
- good atmosphere: (3%);
- live locally: (3%); and
- support local events: (2%).

Respondents also gave reasons why they are unlikely to attend the event next year and the most commonly cited responses were:

- depends if family/friends participate: (4%);
- wont be in Scotland: (3%); and
- depends on the outcome of the incident: (2%).

In total, 93 respondents said that improvements were needed to the event and these included:

- stop the sabotage: (24%);
- more/better facilities for spectators (e.g. seating, toilets, stalls, changing facilities, etc): (11%);
- better/more advertising and marketing about the other activities: (9%);
- improve security/policing: (8%);
- better car parking: (7%);
- shops open earlier: (4%);
- a party/reception for participants after the event: (3%);
- better weather: (3%); and
- more activities for children: (2%).

3.3.7 Awareness of Homecoming

Most respondents (61%) are aware of the Homecoming Scotland Celebrations that are taking place throughout 2009.

Visitors from outwith Perth and Kinross/Scotland were asked how important the Homecoming Scotland Celebration was in their decision to visit Perth and Kinross/Scotland. **Table 3.12** illustrates responses.

Table 3.12: Importance of Homecoming in decision to visit Perth and Kinross and Scotland

	Perth & Kinross		Scotland	
	Number	%	Number	%
Very important	1	1%	0	0%
Important	3	2%	1	2%
Minor importance	6	4%	4	8%
Not a factor	140	93%	45	90%
Total Respondents	150 ¹	100%	50 ²	100%

Note: (1) excludes Perth & Kinross residents

(2) visitors from outwith Scotland only

The survey results suggest that the Homecoming Celebration had limited influence on spectators' decisions to visit Perth & Kinross and Scotland. The majority of spectators from outwith Perth and Kinross (93%) agreed that the Homecoming Scotland activity had no influence on their decision to visit the area, and the majority of visitors from outwith Scotland (90%) also agreed that it had no impact on their decision to visit Scotland.

3.3.8 Other Comments

Just under half (45%) of the respondents provided additional comments and the most commonly cited responses included:

- better/more toilets: (11%);
- stop the saboteurs: (10%);
- good/enjoyable event: (9%);
- tacks on the road dangerous: (7%);
- well organised: (6%);
- the council need to do something about the incident: (6%);
- more activities for children: (2%); and
- more advertising: (2%).

3.3.9 Spectator Survey Overview

The spectator sample included a high proportion of people that had visited Perth and Kinross prior to the Etape Caledonia event (84%) and over a third (36%) attended last year's event. Two thirds were aged between 31 and 60 years old and the majority (72%) were in employment.

The pull of Etape Caledonia for spectators to visit the area is evident from the fact that, for non Perth & Kinross residents, 76% of the sample identified this as the only reason and a further 8% as the main reason for their visit. The most common way in which spectators became aware of the event was through a friend or relative taking part in the race.

Over half (58%) of the spectator sample identified that they were spending at least one night away from home as a result of

the race. Hotel and guest house/bed and breakfast were the most popular types of accommodation used. The majority of spectators (92%) stayed in Perth and Kinross.

A third of the spectators surveyed visited other areas within Perth and Kinross as part of their trip to the Etape event, with Blair Atholl, the Loch Tummel area and Killiecrankie identified as the most common places to visit. A total of 15% had visited attractions in the region.

Spectators rated the overall quality of their visit to Perth and Kinross very highly, with 98% rating it as very good/good. The majority of spectators (75%) said that they would be very likely/likely to return to Perth and Kinross for a holiday in the next three years.

Spectators generally rated the quality of the Etape Caledonia race positively - with 93% giving a very good/good rating. A total of 82% of respondents commented that they would be very likely/likely to visit the Etape Caledonia event next year.

Suggested future improvements to the event by spectators included stopping the sabotage, more/better facilities for spectators and better/more advertising and marketing about the other activities.

Most respondents (61%) were aware of the Homecoming Scotland Celebrations that are taking place throughout 2009. However, the majority of spectators commented that it had no influence on their decision to visit Perth and Kinross/Scotland.

4. Business Survey

4.1 Introduction

For economic impact assessments of events we would not normally conduct business surveys as they cannot provide a robust assessment. Previous experience has shown that attempting to assess the impact using a business survey results in limited responses and poor quality data. Businesses find it difficult to respond to questions about impacts as they are unable to distinguish between the expenditure of event attendees and non-event attendees. Therefore, the most robust way to assess the impact of an event is through surveys of the participants/spectators.

However, in the case of this event there was concern that some of the businesses would experience negative impacts. Therefore, a business survey was undertaken in order to attempt to provide a scale for the businesses negatively affected.

The businesses were surveyed through postal surveys (with an option to complete the survey online).

A total of 102 businesses responded from a total sample of 366 providing a response rate of 28% (similar to last year when 101 businesses responded). A total of 16 businesses reported a negative impact on the day (compared with 28 in 2008) and 10 on the days before and/or after the event (compared with 14 in 2008). The total number of different companies negatively affected was 18 (compared with 29 in 2008), 5% of those contacted.

A total of 28 businesses reported a positive impact on the day and on the days before and/or after the event. The total number of different companies positively affected was 44

(compared with 33 in 2008). In total 35 businesses reported no impact on the day and 40 on the days before and/or after the event. The total number of different businesses that reported no impact was 40 (compared with 39 in 2008).

It is interesting to note that one of the businesses reporting a negative impact on the day of the event reported a positive impact on the days before/after the event. Whilst the negative impact still outweighed the positive, the impacts before/after the event had helped to partially offset the negative impacts.

The survey was split between businesses and self catering accommodation providers although there was some crossover between the two. A number of questions were identical on both surveys and these are analysed together where appropriate.

The positive impacts are already captured through the participant/spectator survey: these are not reported here to avoid double-counting of the positive impacts. Those that said that it had no impact are excluded as the impact is neutral. We thus focus the analysis on those that had a negative impact to understand why and whether there are changes that could be made to the event to mitigate against these. The scale of the negative impact is reported in **Chapter 5**.

4.2 Survey Analysis

4.2.1 Survey Sample Profile

The type of businesses that were negatively affected is shown in **Table 4.1**.

Table 4.1: Business Type

	Number	%
Retail	10	56%

Accommodation	4	22%
Visitor attraction	3	17%
Other	1	6%
Total	18	100%

Over half of the businesses that were negatively affected were retailers.

4.2.2 Impacts on the Day of the Event

The businesses were asked about the impact of the event on the day it took place and then separately for the days before/after the event. The exception to this is the self catering establishments. They are likely to rent out their accommodation on a weekly basis so the impact on them is considered separately in **Section 4.2.4**. A total of 16 businesses identified that the Etape Caledonia event had a negative impact on the sales and/or income of their business on the day of the event.

The businesses were asked if they thought the Etape Caledonia event discouraged local residents and/or visitors to the area.

Table 4.2: Did the Etape Caledonia Event discourage local people or visitors to the area from using your business?

	Number	%
Discouraged visitors to the area	1	6%
Discouraged both local residents and visitors	15	94%

For those businesses that felt that the event discouraged customers from using their business, 94% judged this to be a combination of local residents and visitors to the area. When asked for a percentage breakdown for how much expenditure each group would account for this gave an average of 75% for visitors and 25% for locals.

4.2.3 Impacts on Days Before and After Event

Businesses were asked what impact, if any, the event had on the days before/after it took place. A total of 10 businesses stated that it had a negative impact.

Table 4.3 shows that 4 businesses had bookings cancelled and 3 had bookings changed as a result of the Etape Caledonia Event.

Table 4.3: Did anyone cancel/change bookings with your business as a result of the Etape Caledonia Event?

	Number
Yes, cancelled bookings	4
Yes, changed their booking to a different date	3

4.2.4 Impacts on Self Catering Accommodation

Self catering accommodation is often booked for a minimum of one week, and, therefore, the impact for the week of the event is considered below.

In total, 59 self catering properties were available across the 23 providers. From the information provided a total of 45 out of the 59 properties were occupied during the Etape Caledonian event providing an occupancy rate of 76%.

For those with unoccupied space the providers were asked if anyone had made an enquiry but did not proceed or cancelled due to the event taking place. **Table 4.4** shows the responses.

Table 4.4: Did anyone make an enquiry but not proceed/cancel due to the event taking place?

	Number
Yes, made enquiry but did not proceed due	1

to event	
Yes, cancelled a booking because event was taking place	0
No	7
Total with unoccupied units	8

Only one provider identified an enquiry as not proceeding due to the event taking place.

4.2.5 Views on Event

Businesses were asked if any of their customers provided any feedback on the Etape Caledonia event. Over half of all businesses (56%) received some form of feedback.

Businesses were asked if they could provide further detail on whether customer's feedback was positive or negative. The most common positive comments are listed in **Table 4.5**.

Table 4.5: Positive Feedback?

	Number
Good for local area	18
Event was enjoyable/exciting	16
Event was well organised	6
Beautiful scenery/great location	5
Good route	3

The main positive comments were that the event was good for the local area, it was enjoyable/exciting and it was well organised. Comparing these results to last year, a slightly smaller number of businesses have reported positive feedback (40 compared with 42 in 2008).

Table 4.6 shows the most common negative feedback comments.

Table 4.6: Negative Feedback?

	Number
Tacks on the route/sabotage of the event	15
Road closures causing mobility/access problems	13
General inconvenience	2
Disruptions to journeys/plans for the day	2

Unsurprisingly, the main reason for negative feedback was the tacks on the route/sabotage of the event. In a number of cases customers referred to this causing further problems such as punctures and the roads having to stay closed longer due to the disruption. This is followed by the road closures causing mobility/access problems. Despite the tacks incident, fewer businesses reported negative feedback compared to last year (29 compared to 34 in 2008).

4.2.6 Changes Undertaken

Businesses were asked if there were any changes undertaken this year (either by their business or other organisations) that helped to increase the positive impacts or reduce the negative impacts on their business. **Table 4.7** details the responses.

Table 4.7: Changes Undertaken

	Number	%
Cycling Festival	7	26%
More associated events/activities in Aberfeldy	3	11%
Better pre-event publicity/good early communication	2	7%
Business advertised on Cycling in Perthshire	2	7%

website		
More people talking about the event in a positive manner	2	7%
Later start time	1	4%
Event sponsored by MacMillan Cancer Relief	1	4%
Other	9	33%

The main change identified was the Cycling Festival and more associated events/activities which took place in Aberfeldy. Compared to last year, fewer businesses were aware of changes that had taken place (27 compared to 43 in 2008).

4.2.7 Suggested Improvements

Businesses were asked what improvements could be made in the future to increase the positive impact or to reduce the negative impacts. **Table 4.8** shows the responses.

Table 4.8: Suggested Improvements

	Number	%
Better community consultation	9	17%
Change the start/finish point of the race	7	13%
Stop the sabotage/tacks on the road	5	9%
Change the season/timing of event	4	7%
No road closures	4	7%
Reduce road closure time	4	7%
Make the organisers give money to charity/more promotion of the MacMillan cancer fund	4	7%
More financial support for local businesses	3	6%
More associated events/activities like the cycling festival	3	6%
Keep making it better	3	6%
Make the event smaller	2	4%
Other	15	28%

The main improvements put forward to reduce the negative impacts of the event are better community consultation, change the start/finish point of the race and stop the sabotage/tacks on the road. In comparison to last year, the main improvements suggested are different (with the exception of better community consultation). This seems to link to the incident that occurred this year which was identified by a number of businesses as a negative aspect of the event.

Although better community consultation is still an issue for local businesses, in comparison to last year, a slightly smaller number of businesses are suggesting this (9 compared to 11 in 2008).

In comparison to last year, a smaller number of businesses are suggesting no road closures (4 compared to 13 in 2008) and changing the season/timing of the event (4 compared to 8 in 2008). One improvement suggested last year by seven businesses was better signage and this is something that was not suggested by any of the businesses this year. Also, last year seven businesses suggested there was a need for better/advance marketing of the event to tourists and locals and this was not suggested by any of the businesses this year.

4.3 Overview

The number of businesses negatively affected is lower than last year (18 compared with 29 in 2008). For those negatively affected (5% of businesses contacted), a larger number of companies recorded a negative impact on the day of the event than in the period before and after. The negative impact was judged primarily to have discouraged visitors to the area although some expenditure from local people was also affected. The negative impact seemed to extend less to self catering businesses who recorded little negative impact (although some businesses affected also had self catering accommodation). The negative feedback from customers focused on the tacks on the road/sabotage of the event and road closures. However, despite the incident this year a smaller number of businesses reported negative feedback compared to 2008.

Some changes undertaken this year were identified as having helped improve the positive/reduce the negative impacts on businesses. These included the cycling festival, more associated events/activities in Aberfeldy and better pre-event publicity/good early communication.

Improvements suggested for the event included better community consultation, changing the start/finish point of the race and stopping the sabotage. These improvements are different to last year, although better community consultation is still an issue for businesses.

5. Economic Impact

5.1 Introduction

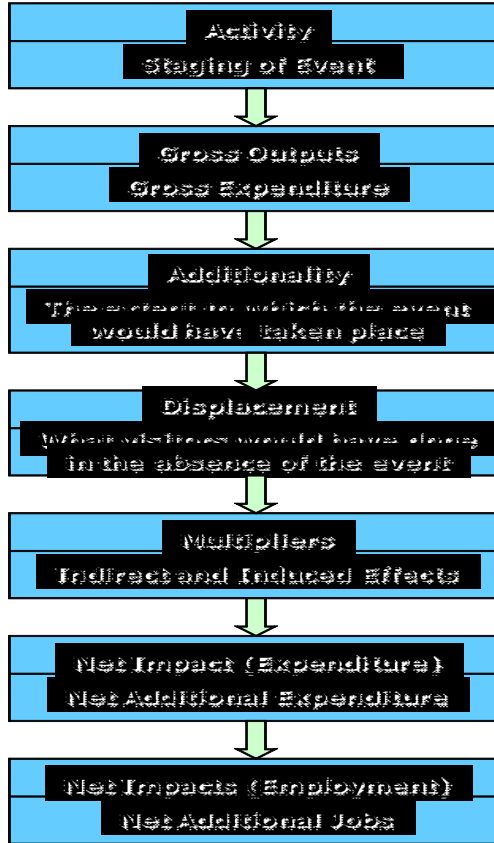
This chapter provides an assessment of the economic impact of the event utilising data from the survey work and the event organisers.

5.2 Economic Impact Assessment Method

Our approach to the economic impact assessment is given in **Figure 5.1**, over and is consistent with the Post Event Economic Impact Assessment Framework developed for EventScotland *et al* by EKOS³.

³ EKOS (2005) *Post Event Economic Impact Assessment Framework*
The framework was developed for a client group including EventScotland, VisitScotland, the Scottish Executive, Scottish Enterprise, Highlands and Islands Enterprise and representation from the Local Authorities.

Figure 5.3: Economic Impact Assessment Method



5.3 Gross Impacts

5.3.1 Visitor Numbers and Origin

Table 5.1: Number of Visitors

Type of Visitor	Number	%
Participant	2,920	38
Spectator (friend or relative)	3,649	47
Spectator (other)	1,204	15
Total	7,773	100

A total of 7,773⁴ people took part in the Etape Caledonia event. It has been estimated from the survey analysis that 3,649 friends and relatives of participants came to see them take part. A further 1,203 spectators that did not have a friend or relative taking part also came to watch the event.

The origin of visitors split by participant plus spectators (friends/relatives) and spectator (other) are given in **Table 5.2**.

Table 5.2: Visitor Origin (%)

	Participant	Spectator	Total
Perth & Kinross	6	10	8
Elsewhere in Tayside	4	3	3
Elsewhere in Scotland	43	44	44
Elsewhere in UK	46	38	41
Overseas	1	5	3
Total	100	100	100

A total of 88% of all visitors came from outwith Perth and Kinross (compared with 85% in 2008) with 44% coming from outwith Scotland (compared with 38% in 2007). Based on the survey

⁴ Figures provided by the event organisers – Etape Caledonia.

results the split between day and overnight visitors is provided in **Table 5.3** below.

Table 5.3: Type of Visitor

Type of Visit	Number	%
Day Visitors	1,061	14
Overnight visitor	6,712	86
Total	7,773	100

The proportion of overnight visitors was 86% compared with 81% in 2008. The pattern of visitor behaviour varies by origin and type of visit i.e. day and overnight, therefore, these have been analysed separately in order to derive the economic impact. **Table 5.4** gives a breakdown of type of visitor by origin.

Table 5.4: Visitor by Type and Origin (%)

	Participants plus spectators (friends/relatives)		Spectators (other)	
	Day	Overnight	Day	Overnight
Perth & Kinross	4	2	22	-
Elsewhere in Tayside	1	3	0	-
Elsewhere in Scotland	7	38	3	32
Elsewhere in UK	-	44	-	25
Overseas	-	1	-	17
Total	12	88	25	75

5.3.2 Expenditure

The average daily expenditure for participants and spectators is shown in **Table 5.5**.

Table 5.5: Average Daily Expenditure

	Tayside	Other Scottish	Non-Scottish
Participants			
Day	£11.08	£18.98	£18.98
Overnight	£49.15	£55.60	£76.89

Spectators			
Day	£16.40	£16.40	n/a
Overnight	£49.46	£71.97	£71.97

Gross expenditure is calculated as follows:

$$GE = dv.ndv + ov.l.nov$$

Where

- GE gross expenditure
- dv average daily expenditure of day visitors
- ndv number of day visitors
- ov average daily expenditure of overnight visitors
- l average length of stay
- nov number of overnight visitors

Applying the formula gives gross expenditure figures as detailed in **Table 5.6**⁵. The gross expenditure is shown at the Perth & Kinross and Tayside levels.

Table 5.6: Gross Expenditure

	Perth & Kinross	Tayside
Participants	£300,175	£300,175
Spectators	£455,696	£455,696
Total	£755,871	£755,871

5.4 Gross to Net

To calculate the net impact of the event, which is the true measure of the economic benefit to Perth & Kinross and Tayside, it is necessary to take account of:

- additionality;
- displacement; and
- multiplier effects.

⁵ Visitors were disaggregated by visitor type before the formula was applied.

5.4.1 Additionality

Additionality is a measure of the extent to which public sector funding was required for the event to take place. In this case public sector support was required to establish and build the event over time so the event would not exist without public sector support, therefore, the level of additionality is 100%.

5.4.2 Displacement

There are two forms of displacement that need to be assessed:

- for those attending the event; and
- for non-attendees.

The former involves discounting any benefits from the event that have displaced economic activity that would have taken place anyway. It is an assessment of the extent to which the event has caused spending to be shifted from one part of the local economy to another.

Using survey responses the levels of displacement were estimated as set out in **Table 5.7**.

Table 5.7: Displacement Factors

	Perth & Kinross	Tayside
Participants and Spectators (friends and relatives)		
Day		
Perth & Kinross	86	90
Elsewhere in	0	100
Elsewhere in	4	4
Overnight		
Perth & Kinross	80	80
Elsewhere in	8	85
Elsewhere in	3	3
Elsewhere in UK	1	1
Overseas	0	0
Spectators (other)		

Day		
Perth & Kinross	100	100
Elsewhere in	0	100
Elsewhere in	0	25
Overnight		
Elsewhere in	50	63
Outwith Scotland	67	67

For participants and friends and relatives attending with participants the levels of displacement are very low for those coming from outwith Perth and Kinross and Tayside. For the vast majority of these visitors; the event is the reason that they are in Perth and Kinross.

Taking account of this form of displacement reduces the gross expenditure by £95,275 and £112,834 at the Perth & Kinross and Tayside levels, respectively.

The second form of displacement relates to non-attendees. It relates to the expenditure that is lost to the area as a result of those that would have visited the area deciding not to visit as a result of the event taking place e.g. due to lack of accommodation, road closures, traffic congestion etc. This expenditure needs to be deducted from the expenditure created by visitors brought to the area by the event.

Although this is a relatively straightforward concept it is a difficult thing to measure in practice. However, there was concern amongst local businesses that the event would discourage visitors to the area. Therefore, in order to provide some scale for this effect we undertook a survey of local businesses to access details on the number and scale of negative impact that they experienced during the event.

Analysis of the results from this survey suggests that this form of displacement equated to approximately £17,000 (that compares with £36,000 in 2008). It may be that some of the expenditure lost by the business affected may have accrued to other businesses within the local area. However, it is very difficult to establish if this was the case, therefore for the purposes of the

impact assessment we have assumed that this expenditure was lost to the local area.

Taking account of both forms of displacement gives net direct additional expenditure of £643,597 at the Perth & Kinross level and £626,038 at the Tayside level.

5.4.3 Multipliers

The economic activity as a result of the event will also have had two types of wider impact on the economy:

- supplier effect: an increase in sales in a business will require it to purchase more supplies than it would have otherwise. A proportion of this 'knock-on' effect will benefit suppliers in the local economy; and
- income effect: an increase in sales in a business will usually lead to either an increase in employment or an increase in incomes for those already employed. A proportion of these increased incomes will be re-spent in the local economy.

The Scottish Tourism Multiplier Study (STMS) provides standard supplier and income multipliers for the tourism sector⁶. This estimates that the combined supplier and income multiplier for a rural location is 1.32 at the Perth and Kinross level. A slightly higher multiplier of 1.38 has been used at the Tayside level.

5.5 Net Additional Expenditure

Applying additionality, displacement and multipliers to the gross expenditure gives net additional expenditure of £849,548 at the

⁶ The concept of the multiplier is based on recognition that the various sectors within an economy are interdependent. This means that each sector purchases goods and services produced by other sectors within the local economy.

Perth & Kinross level and £863,932 at the Tayside level, as set out in **Table 5.8**.

Table 5.8: Net Additional Visitor Expenditure

	Perth & Kinross	Tayside
Gross spend	£755,871	£755,871
Additionality	100	100
Displacement	£95,275	£112,834
Displacement (non-attendees)	£17,000	£17,000
Net Direct	£643,597	£626,038
Multipliers	1.32	1.38
Net additional	£849,548	£863,932

However, expenditure to stage the event needs to be included. As part of staging the event, the event organisers spent £80,000 with businesses in the Perth and Kinross area. Perth & Kinross provided £7,000 in funding to the event. It would seem reasonable to assume that had this not been provided to the event it would have been spent elsewhere in Perth & Kinross. We have also deducted the amount that would have been funded through local residents entry fees. This gives £63,464 in Perth & Kinross and £57,286 in Tayside. When multipliers⁷ are applied to this it gives net additional spend of £72,984 and £68,743 at the Perth & Kinross and Tayside levels, respectively. Those visiting prior to the event for training has been estimated at a further £3,832 and £3,877 at the Perth & Kinross and Tayside levels, respectively. The total net additional spend is given in **Table 5.9**.

⁷ This expenditure will not be confined to tourism businesses. Thus we have used the multipliers (1.15 at Perth & Kinross and 1.2 at Tayside) for general business activity derived from evaluation evidence.

Table 5.9: Net Additional Expenditure

	Perth & Kinross	Tayside
Participants/Visitors	£849,548	£863,932
Staging	£72,984	£68,743
Training	£3,832	£3,877
Total	£926,363	£936,552

5.6 Net Additional Employment

Due to the short-term nature of the event the employment impacts would not meet HM Treasury⁸ criteria of being full-time and of a 10 year duration.

It is, instead, likely that the employment impacts will be short-lived. We have, therefore, calculated annual equivalent jobs. We have applied output:employment factors derived from the STMS⁹. These are:

- £46,300 for Perth and Kinross; and
- £43,250 for Tayside.

Applying the output:employment factors to the net additional expenditure figures gives an employment impact of 20 annual FTEs in Perth & Kinross and 21.7 annual FTEs in Tayside.

5.7 Summary of Impacts

A summary of the net additional impacts of the event are given in **Table 5.10**.

⁸ "The Green Book", HM Treasury.

⁹ An inflator has been applied to bring the figures up to 2006 values.

Table 5.10: Summary of Impacts

	Perth & Kinross	Tayside
Net Additional Spend	£926,363	£936,552
Net Additional Annual	20.0	21.7

6. Summary and Conclusions

6.1 Introduction

This Chapter brings together the analysis from the previous chapters to provide a summary and conclusions.

6.2 Summary and Conclusions

6.2.1 Participants

Participants' views on the event tended to be positive with three quarters being very likely to recommend it to a friend. The event being a closed road cycle race open to the public is a key selling point and its importance to participants is reflected in the proportion identifying it as the best part of the event at 35%. The worst aspect most commonly cited was the tacks/sabotage of the event and things associated with that i.e. delays and punctures (78%).

Pitlochry was the most popular location for overnight stays (54%), with the next most common being Perth and Aberfeldy. Notably Aberfeldy increased from 5% in 2008 to 8% in 2009. The focus on Pitlochry is not surprising given that the race started and finished in the town and that the early start would make visitors more likely to want to stay in or around the town.

Participants rated all aspects of the event relatively highly, with 97% giving the event course an excellent/good rating. The majority of participants (88%) intend to take part in the event next year and a slightly higher proportion (92%) would return to Highland Perthshire for a holiday. These results are particularly

encouraging in terms of the opportunity to encourage participants to come back in the future.

Suggested improvements to the event included: more food and drink stations, more toilets and no tacks/sabotage.

6.2.2 Spectators

The spectators also rated the event highly, with 93% rating it as very good or good and 82% stating that they would be very likely or likely to return to the event next year.

The suggested improvements included stopping the sabotage, more/better facilities for spectators and better/more advertising and marketing about the other activities.

As spectators would presumably have free time whilst the participants were taking part in the race, they were asked which other parts of the local area they had visited. The three areas which had been visited by the largest proportion of spectators were Blair Atholl, the Loch Tummel area and Killiecrankie (all 15%). However, two thirds of the respondents had not visited any other area. Whilst this is a similar proportion to 2008 it should be noted that there were more spectators in 2009 so a larger number visited other areas compared with 2008. Only 15% had visited attractions. However, a number of people had visited the activities on offer that were linked to the event, the most popular being the Finish Line entertainment.

There has been an increase in the number visiting other parts of the local area. However, there is still a need to further promote other parts of the area and visitor attractions to encourage a wider distribution of expenditure and longer lengths of stay.

6.2.3 Businesses

A total of 18 businesses reported a negative impact on their business (compared to 29 in 2008). A total of 16 (28 in 2008) stated that the event had a negative impact on their business on the day it took place. A total of 10 (13 in 2008) businesses stated that it had a negative impact on the days before and/or after the event. One reported a negative impact on the day but had a positive impact on the days before/after the event. This partially offset the negative impact and may be an option for other businesses negatively affected.

Over half of the businesses had received feedback from customers on the event. Overall there was a higher proportion of positive compared to negative feedback (the same as in 2008). The negative tended to focus on the tacks on the route/sabotage of the event and road closures causing mobility and access problems.

Changes that were cited as a benefit to increasing the positive/reducing the negative impact on businesses were the cycling festival and more associated events/activities in Aberfeldy.

The suggested improvements included better community consultation but this was suggested by a much lower proportion of businesses than in 2008 (down to 9 from 11). Other suggestions included changing the start/finish point of the race (7 businesses down from 8) and preventing the sabotage/tacks on road.

6.2.4 Economic Impact

The event attracted a total of 7,773 visitors (2,290 participants and 4,853 spectators) an increase of 81% on 2008. The key factors in relation to the economic impact analysis are:

- 86% were overnight visitors (81% in 2008);

- 92% were from outwith Perth and Kinross (85% in 2008), 44% from outwith Scotland (38% in 2008);
- very low levels of displacement for visitors to the Perth and Kinross area i.e. the vast majority would not have been in the area if the event had not been taking place;
- relatively short length of stay:
 - 1.6-1.7 nights for Scottish visitors
 - 1.9-2.1 nights for non-Scottish visitors;

The net additional economic impacts for the event were:

- Perth & Kinross level:
 - £926,363 of expenditure (£416,885 in 2008)
 - 20 annual FTEs (8.9 in 2008); and
- Tayside level:
 - £936,552 of expenditure (£440,277 in 2008)
 - 21.7 annual FTEs (10 in 2007).

Due to the nature of the event i.e. closed roads and restricted access in places, the event is still having a negative impact on a number of businesses.

However the number adversely affected was much lower than in 2008, so distributional impact of the event in negative terms still exist but to a lesser extent than in 2008. This is discussed in greater detail below.

6.2.5 Distributional Impacts

The number of businesses negatively affected has dropped from 29 in 2008 to 18 in 2009. The value of the negative impact has also dropped from £36,000 to £17,000.

However, whilst the number negatively affected has declined there are still companies in this position. The issue is whether there are further

strategies/activities that can be undertaken to reduce the negative impact on these businesses. One focus for this may be the period before/after the event whether that is the actual week of the event or at other times.

The other activities offered around the event were supported in part by Perth & Kinross Council so consideration needs to be given to the sustainability of these in the future.

6.3 Concluding Comments

The number of participants at the event at just 2,920 was 72% higher than in 2008. The increase in participants (and therefore spectators as many are friends/relatives) together with a higher number being from outwith the area and staying overnight has increased the economic impact of the event considerably. Indeed the impact has more than doubled. The number of business negatively impacted (and the value of that impact) has decreased. However, there is still a need to consider if there are other ways to reduce the impact on those businesses that are still negatively affected.