



Appendix 8.3 Review of economic impacts of specific sporting and other tourism events in Ireland

Below we assess the economic impact of sporting and other tourism events on the Irish economy. We begin by reviewing an economic impact study of a recent Five Nations rugby international at Lansdowne Road. We then review a similar study which considered the economic impact of a major outdoor pop concert held at Croke Park last year. Finally we take an overview of the significance of such events for the tourism sector in Dublin.

Economic Impact Study of Ireland-Scotland Rugby International

In 1997 Dublin Chamber of Commerce commissioned a study into the Five Nations rugby international between Ireland and Scotland at Lansdowne Road. The match attracted a total of 47,500 spectators. The aim of the study which was undertaken by Fitzpatrick Associates was to estimate the impact of the expenditure by non-Dublin residents who were visiting the city to attend the match.

Survey of Visitors to Dublin

As part of this study a survey undertaken by Lansdowne Market Research was commissioned to analyse the profile and spending patterns of visitors. Prior to the match 326 non-Dublin residents were interviewed in the streets approaching Lansdowne Road.

The survey first sought to identify where visitors to the capital had come from. Visitors from outside the state bring valuable foreign revenues into the economy. Table 8.3A suggests that 71 per cent of all visitors to the capital for the rugby match came from outside of the Republic.

Table 8.3A
Area of Residence of Visitors

Area of Residence	Percentage
Rest of Ireland (Republic)	28
Northern Ireland	16
Scotland	32
England	20
Other European	2
Other	1
<i>Source: Lansdowne Market Research</i>	

The personal and social profile of visitors can have a significant bearing on their value to Dublin in terms of expenditure. For instance older people may have more disposable income while females may be more inclined to spend money in the capital's shops. Table 8.3B presents data on the sex of visitors to the capital. As might be expected for a rugby match the majority were male. However females constituted a significant minority of 14 per cent.

**Table 8.3B
Sex of Visitors**

Sex	Per Cent
Male	86
Female	14
<i>Source: Lansdowne Market Research</i>	

Table 8.3C presents data on the age of visitors to the capital associated with the rugby international. Of those surveyed 49 per cent were between 15 and 34 while 50 per cent were aged 35 and over.

**Table 8.3C
Age of Visitors**

Age	Percentage
15-24	21
25-34	28
35-54	43
55+	7
<i>Source: Lansdowne Market Research</i>	

Table 8.3D presents data on the social class of visitors to the capital. Among those surveyed the category most represented was C1 while 79 per cent of respondents were in either the AB or C1 categories.

**Table 8.3D
Social Class of Visitors**

Age	Percentage
AB	34
C1	45
C2DE	17
F	4
<i>Source: Lansdowne Market Research</i>	

Table 8.3E presents data on the length of stay of visitors and the residence of individuals according to length of stay. A quarter of all respondents were visiting Dublin for one day only

without an overnight. Sixty-five per cent of all visitors were staying in Dublin for at least two days. Ninety-eighty per cent of visitors from Scotland were staying for two days or longer while eighty per cent of all other non-Irish visitors were staying for two or more days.

Table 8.3E
Length of Stay of Visitors

Length of Stay	Per Cent	Residence		
		Republic of Ireland	All Other	Scotland
One day	34	71	20	3
no overnight	(25)	(60)	(11)	(1)
with overnight	(9)	(11)	(9)	(2)
Two days	31	21	35	37
Three days	21	3	28	34
Four days or more	13	4	17	27
<i>Source: Lansdowne Market Research</i>				

It is useful to compare the survey results in terms of generating longer-term stays with other short stay tourism niches. For example a recent Indecon survey found that 38 per cent of individuals on stag/hen trips stayed for three or more days and only 5 per cent stayed for four or more days. These findings contrast with the data in table 4.5 above which shows that 61 per cent of Scottish rugby visitors stayed for three or more days and 27 per cent for four or more days. Of all other out-of-state visitors for the match 45 per cent stayed for three or more days and 17 per cent for four or more days.

It is important when considering the economic impact of specific events to establish if it is in fact that event which has brought the visitor to the city. Therefore the survey elicited information from visitors on the primary reason for their visit to Dublin. Table 8.3F shows that 92 per cent of respondents stated that the main reason for their visit was to attend the match.

Table 8.3F
Main Reason for Visit

Main Reason for Visit	Per Cent
Match	92
Other	8
<i>Source: Lansdowne Market Research</i>	

The survey asked visitors for details on their spending while in Dublin. The data presented in Table 8.3G show that the average overall expenditure for all visitors to the city was £275. Visitors from Scotland spent an overall average of £407 whereas all other out-of-state visitors spent an average of £342. The largest category of average expenditure for all visitors was accommodation, followed by food and drink and entertainment.

**Table 8.3G
Expenditure of Visitors**

	Average Expenditure £	Residence		
		Republic of Ireland £	All Other £	Scotland £
Accommodation	128	44	137	147
Food/Drink	119	59	142	162
Entertainment	66	32	78	80
Shopping/Gifts	59	67	58	63
Local travel	26	13	28	32
Other	42	37	44	44
Overall	275	99	342	407

Source: Lansdowne Market Research

Apart from attracting tourists for one-off occasions, major sporting events may play a role in encouraging visitors to return to Dublin in the future. Those interviewed in the survey were asked how their experience in the city on this visit had changed their likelihood of returning in the future. A majority of respondents (63 per cent) indicated they were more likely to return suggesting a positive experience associated with the rugby trip.

**Table 8.3H
Likelihood of Coming to Dublin Again - Visitors from Outside the Republic**

Likelihood	Per Cent
More likely	63
No difference	33
Less Likely	1
Not Sure	3

Source: Lansdowne Market Research

To summarise, the results of the survey suggest the following characteristics of visitors to Dublin associated with the rugby match:

- 71 per cent of non-Dublin respondents came from outside the state.
- The visitors were predominantly males of all ages and were mostly from the higher socio-economic groups.

- 65 per cent of all visitors were staying in Dublin for at least two days; 98 per cent of visitors from Scotland and 80 per cent of all other non-Irish visitors were staying for two or more days.
- Average expenditure for all visitors to the city was £275.
- 63 per cent of visitors from outside the state were more likely to return in the future.

Economic Impact of Visitors

The study of the economic impact of the match was based on the survey results outlined above. It focused on the expenditure of visitors to Dublin attending the match. It does not include other accompanying individuals not attending the match.

In order to establish the area of origin of all visitors the survey findings regarding area of residence were applied to the official match attendance figure. Table 8.3I shows the game attracted 24,816 visitors to Dublin. Of these 17,889 were from outside the state.

**Table 8.3I
Estimated Area of Origin of Those Attending Match**

Area of Origin	Number	Per Cent
Dublin residents	22,684	47.8
Resident elsewhere in Ireland	6,927	14.6
Out-of-state visitors (including Northern Ireland)	17,889	37.7
Total	47,500	100

Source: Dublin Chamber of Commerce/Fitzpatrick Associates

In order to estimate total expenditure of visitors to Dublin attending the match, average expenditure figures derived from the survey were applied to the breakdown of attendance outlined above. Where the match was not the main purpose of an individual's visit to Dublin 30 per cent of their expenditure was attributed to the match. Expenditure by overseas visitors on Irish carriers was estimated using the CSO figure for average expenditure by overseas visitors on Irish carriers in 1996 and the estimates of overseas attendance derived from the survey.

Table 8.3J presents the findings of the study regarding estimated total expenditure. Overall expenditure associated with the match by non-Dublin residents is estimated at £7.3 million. Visitors from outside the state spent an estimated £930,000 on Irish carriers travelling to Dublin and a further £5.7 million during their stay in the city.

**Table 8.3J
Expenditure by Visitors to Dublin Attending the Match**

Area of Origin	Expenditure, £
Resident elsewhere in Ireland	660,000
Out-of-state visitors	5,700,000

Spending on Irish carriers	930,000
Total	7,290,000
<i>Source: Dublin Chamber of Commerce/Fitzpatrick Associates</i>	

In order to estimate the impact on national output (GNP) and employment, standard tourism economic impact "multipliers" were applied to the expenditure outlined above. The aim of this exercise was to establish the overall effect of new expenditure taking into account the full cycle of additional spending as the money is passed on through the economy in subsequent exchanges. For instance this would include additional income to suppliers of hotels and restaurants catering for the visitors.

The study applied four types of multiplier to reflect the different impacts of expenditure at each stage of the cycle. These stages are:

Direct - this refers to the economic impact of the initial round of tourism spending e.g. employment created in restaurants located close to the rugby grounds;

Indirect - this refers to the impact of expenditure by individuals/enterprises that supply those benefiting directly from the initial tourism spending e.g. employment created in fresh-food suppliers;

Induced - this refers to the economic impact created by the follow-on expenditure of incomes earned by direct and indirect recipients of tourism expenditures;

Government recycling - this refers to the economic impact of expenditure of exchequer income received as a result of the tourism expenditures i.e. in the form of taxation revenues.

These multipliers were initially applied at a national level. In order to estimate the impact on employment and income in Dublin alone the study calculated the regional distribution of the total economic impact. All of the direct economic impact was assumed to occur in Dublin. In the case of the indirect, induced and government recycling impacts it was assumed that 31 per cent of the impact on employment and 38 per cent of the GNP contribution benefited Dublin alone.

Table 8.3K presents estimates of the impact on employment at a national level of the expenditure associated with the match. A total of 317 jobs are attributed to all impacts resulting from expenditure from all sources. Of these 295 are created by spending by visitors from outside the state.

Table 8.3K
National Employment Impact - Number of Jobs Attributable to Cumulative Impacts

Source	Impact			
	Direct	Direct & Indirect	Direct, Indirect & Induced	Direct, Indirect, Induced & Government Recycled
International Tourism	142	209	247	268

Carrier Receipts	12	19	24	27
Domestic Tourism	14	22	22	22
Total	168	251	293	317
<i>Source: Dublin Chamber of Commerce/Fitzpatrick Associates</i>				