

METHODOLOGIES USED TO ASSESS THE ECONOMIC IMPACT OF NASCAR EVENTS

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actual spending of individuals and groups attending. The data collected will be analyzed using IMPLAN (2010) software. While this software's ability to analyze economic activity is specific to the United States the techniques it uses can, with modification, be used at the international level. Tables and figures will be presented which outlines the direct impact the event(s) had on the surrounding community.

Abstract

The purpose of this paper is to introduce the different methods employed in determining the economic impact of NASCAR events on local, state, and regional economies. Much research has been completed using a variety of methods used in determining the impact that sporting events have on economies. (Vogelsong, Graefe, & Estes 2001, Loomis & Walsh 1997, Brown, Rascher, Nagel, & McEvoy 2010, Compton 1999, and Compton & Lee 2000) A partial list of the methods employed in the sport management field would include but not be limited to the following; the travel cost method, the contingent valuation method, the unit day value, the benefit transfer, and methods that combine a combination of previous models. Determining which method to use in a given situation is discussed in order to give the reader a better appreciation for the technique to employ in determining the impact of their event on a community's economy.

Several economic impact studies of NASCAR events are presented in order to provide specific examples of techniques commonly utilized in providing actual or estimated economic activity. These techniques could easily be modified and adopted in order to analyze the entire realm of motorsports events, as NASCAR is only one branch of motorsports that spans the continent. The processes used in the studies are easily transferred across international boundaries.

The authors will be presenting the methods used in the recent, unpublished, study of the economic impact of NASCAR events on a local and state economy. The study will involve collecting a convenience sample of individuals attending events at the Kentucky Speedway located in Sparta, Kentucky. The events will take place between July 7 and July 9, 2011. Analyzing the economic activity will require the study to employ a method that determines the

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