

---

# THE ECONOMIC IMPACT OF WRC NESTE OIL RALLY FINLAND

Submitting author: Mrs Aila Ahonen  
JAMK University of Applied Sciences, Sport Business School  
Jyvaskyla, 40200  
Finland

All authors: Aila Ahonen (corresp), Kamilla Kamilla

Type: Scientific  
Category: 2: Global Sporting Events

## Abstract

### AIM

The aim of this study was to assess the economic impact of World Rally Championship (WRC) Neste Oil Rally Finland 2013 to the hosting city of Jyväskylä, Finland and the surrounding region. The Rally takes place annually and is purported to have a huge economic impact on the region. However, previous economic impact studies are limited to attendee data and this is not in the public domain. The approach to this study was to determine the direct economic impact from a broad range of event stakeholders.

### THEORETICAL BACKGROUND

The economic significance of sport events and their impacts on the hosting country or city are increasing (Kaspar & Kaiser, 2013) since the sport event industry as a whole continues to develop and strengthen. However, economic impact studies are highly contested largely due to different methodologies being adopted resulting in disparate figures (Preuss, 2011). He adds that one of the primary challenges in determining the economic impact of a sport event is the lack of knowledge on consumption patterns of visitors, the number of people visiting and the changes in consumption pattern of the residents due to the event.

The impacts of events are short-term impulses (Preuss, 2007) and economic impacts are mainly caused by consumption. In order to measure the primary impact, a “bottoms-up approach” as expounded by Preuss (2011) was undertaken to determine individual consumption patterns, including the number of nights in accommodation, their motivation for visiting as well as the gross number of visitors by conducting empirical research with visitors as well as other stakeholder groups.

### METHODOLOGY

This study is a part of the WRC Neste Oil Rally's 2014 impact research,

which was conducted by Sport Business School Finland in 2013. The study was supported by the event organiser, together with the City of Jyväskylä, Jyväskylä Regional Development Company and the Regional Council of Central Finland. Jyväskylä is a mid-size city with 135 000 residents and known as a sports city in Finland.

The survey was quantitative in nature and data was collected with structured questionnaires, which were designed for each respondent group. Data collection took place during and after the event (1-3 August 2013) by using iPads and Webropol research software.

The overall visitor expenditure of event visitors were included in the impact figure below. The number of individual visitors is estimated to be 51 000; based on tickets and rally passes sold, number of VIP-guests, members of participating teams and accredited media representatives. The amount of Finnish spectators is estimated to be 92% and the rest of the spectators (8%) are foreigners.

The actual direct economic impact data included consumption of participating rally team members (a total of 115 personal interviews from 95 teams), rally spectators and VIP-guests (968 interviews) during the rally event and members of accredited media (38 responses to a web-survey). Also the economic impacts of the rally event on the annual turnover of non-profit associations organising the special stages were studied (32 responses to a web-survey). In total 1153 responses were analysed.

## RESULTS AND CONCLUSIONS

The overall amount of the direct economic impact on the hosting city and the surrounding region was 14.7 million Euros, which is remarkable since the event is medium-sized and the municipality is relatively small. The total consumption including the ticket sales and rally merchandises, which were not direct impact on the hosting region, was 17.0 million Euros. The consumption included the following categories: accommodation, fuel, transportation, tickets, official rally products and other expenses, and food and beverage being the biggest group with more than 6 million Euros consumption.

The organiser invested 0.98 million Euros in the area, which includes the event infrastructure, products and services purchased from the local enterprises and payments for the 100 local non-profit associations. The overwhelming majority (93%) of these associations estimated that this compensation is very important for their finances. The event employs 4500-5000 volunteers annually.

The study was limited to the direct economic impacts of a WRC event in Finland. It is of significance as it focuses on the economic impact of a medium-sized, annual event in a small-sized local economy. Most economic impact studies refers to mega and major international sport events in much larger economic areas. Of importance is the economic contribution of a sport event to the social sustainability of non-profits. This relationship can be explored further in future research studies.

---

## References

### REFERENCES

Preuss, H. 2011. A method for calculating the crowding-out effect in sport mega-event impact studies: The 2010 FIFA World Cup. *Development Southern Africa*, 28(3): 367-385.

Preuss, H. 2007. The conceptualisation and measurement of mega sport event legacies. *Journal of Sport & Tourism*, 12, (3–4): 207–227.

Kaspar, R. & Kaiser S. 2013. The impacts of sport. In Beech, J. & Chadwick, S. (eds). *The business of sport management..* Pearson: UK: 96-116.