

Local Resident's Assessment of Major Sports Events - A Case Study of the 2017 UCI Road World Championship

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Introduction and Aim

Major international sport events are often subject to controversy in the hosting communities. Advocates tend to argue that there are significant economic benefits attributable to hosting them, as well as intangible benefits (e.g., increased pride among local residents). On the other hand, opponents claim that direct benefits are likely to be small and that intangible values will be out-weighted by congestions, disruptions and generally discomfort due to crowding. Nevertheless, the majority of local residents seem to support the idea of hosting major sports events (Preuss & Solberg, 2006), but exceptions are found for mega events. For instance, recently Oslo, Munich and Innsbruck dropped plans to bid for the Winter Olympics after a majority of residents voted against the idea in local referendums.

One-off events like the Olympics, World Championships etc. are unfamiliar to the host communities. Hence, residents' expectations toward such events may be uncertain and attitudes are likely to be volatile and change, positively or negatively, in consequence of the event. The present study investigates changes in resident opinions for a one-off event; the 2017 UCI World Road Cycling Championship held in Bergen, Norway. A main objective is to examine if and how the event influences residential attitudes and the monetary value (willingness-to-pay) they place upon hosting the event. We also investigate how a one-off event like this influences WTP for three recurring cultural events in Bergen.

Theoretical Background and Literature Review

The literature that has measured the value of hosting sports events has mainly used economic impact analysis (EIA) and cost-benefit analysis (CBA) (Nooij & Van den Berg, 2018). EIA only measures the revenues, not the costs, which limits the ability to measure the welfare economic value. Economists have therefore preferred cost-benefit analyses (CBA), which measure both revenues and costs. Additionally, CBA aims to estimate monetary values of intangible benefits (e.g., residents' pride and enjoyment), and intends to quantify the values of negative effects, such as crowding and other sources of discomfort (Késenne, 2005). One of the most common instruments to assess non-market goods is the contingent valuation method - or CVM (Mitchel & Carson, 1989). This method has also been applied on sports events (e.g., Walton et al., 2008; Andersson et al., 2004), and is used in the present study.

Research Design

Data was gathered through an internet panel provided by a market research agency. The target population was residents 18 years and older in Bergen and five neighboring municipalities. The study comprises a pre-survey (702 respondents) three weeks before the event and a post-survey (433 respondents) three weeks after the event. The empirical analyses are based on respondents who completed both surveys.

The questionnaire was identical in the two surveys. Resident opinions concerned various aspects on how the event would impact/impacted city life and personal feelings. Moreover, respondents stated if they would have voted for or against hosting the event if the local authorities had organized a referendum. The final questions measured willingness to pay

public fees to finance four different events (the comparative events are recurring formats in Bergen):

- Major international championships, similar to the UCI World Championship
- Bergen International Music Festival
- Tall Ship Races
- Concerts with famous international artists

Respondents should state the amount they were willing to pay in an annual tax to host these events (the maximum amount was restricted to NOK 1,000).

Results

Preliminary results show that 40% would have voted yes to host the Championship before the event (pre-survey), and 45% after (post-survey). WTP for the WC Cycling increased by NOK 39 (from NOK 130 to NOK 169), while the WTP for the other events decreased. Regression analyses showed that those who felt *pride*, *enthusiasm* and *inspiration* exhibited a higher WTP toward the championship. Fears of *crowding* and lack of *safety* had a negative effect on WTP only in the pre-event study. Respondents interested in sport showed a higher WTP than others. Likewise, men showed a higher WTP than women in the pre-event survey, but not after. However, both surveys showed that a higher proportion of men were willing to support the championship financially. Age had a positive effect on WTP, but only in the post-event survey. Sporting performances of Norwegian cyclists did not influence any of the attitudes of the respondents.

Conclusion

This was the first time the city of Bergen hosted a major international sport event. Survey results showed that local residents enjoyed the event more than they expected. The negative effects were either unfounded, or were out-weighted by the positive effects. This was the main results in both the referendums and the WTP-questions. A more profound discussion of the results and implications will be presented at the conference.

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