

5. NATIONAL/INTERNATIONAL SPORTS EVENTS: UPDATE

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The purpose of this report is to update the Community and Leisure Committee on the analysis of the Economic Impact and Visitor Activity associated with hosting six major sports events in Christchurch over the last financial year (2003/04). The report will also give a debrief on the 2004 New Zealand PGA Championship and list the sports events that Christchurch will be hosting in the future.

ECONOMIC IMPACT & VISITOR ACTIVITY ASSOCIATED WITH HOSTING MAJOR SPORTS EVENTS

Background

The key outcome of the Sports Promotions Team is to generate economic benefit to the city through hosting major sports events. This is achieved through generating visitor business and growing business in related industries

In addition, other benefits of hosting these events are:

- Enhances our sport and recreation facilities
- Promotes healthy lifestyles through participating in the events
- Improves the understanding and respect for Christchurch both nationally and internationally
- Strengthens local sporting infrastructure

How Do We Measure the Economic Impact?

The Sports Promotions Team contracted a Rotorua company, APR Consultants, to analyse the Economic Impact and Visitor Activity of five major sports events per year – four international events and one national sports event.

The Sports Promotions Team identifies the five events. The surveys are prepared by APR in consultation with the Sports Promotions Team. Sports Promotions staff or volunteers survey approximately 10% of participants per event.

The following areas/matters are surveyed for each event:

- total number of participants and countries
- total number of participants that are classified as visitors
- percentage of participants in different age groups
- percentage of participants who have attended a world/national champs event in the past
- percentage of participants who accompanied by a spouse and/or partner
- length of participants stay (average) in Christchurch and in what sort of accommodation
- mean number of nights participants stayed in NZ
- number of additional nights participants stayed in Christchurch before and/or after the event
- most popular Christchurch attraction
- mean spend/expenditure to Christchurch and NZ as a result of hosting this event
- total direct expenditure to Christchurch and NZ as a result of hosting this event
- actual total value added impact to the Christchurch economy (tourism multiplier of 1.49)
- full-time equivalent jobs created by this event in Christchurch
- impact on Christchurch and NZ via international television.

What is the Economic Impact of These Events on the City?

APR have analysed six events the past financial year (2003/04) and the results follow.

South Island Masters Games – 11 to 19 October 2003

Council owns the franchise for this event and has contracted it out to a private event organiser. This event has the potential to attract 5,000+ participants biannually.

Funding support - \$70,000 over two financial years

This inaugural event attracted 3,059 competitors from mainly Christchurch (34%) and various other South Island regions (other Canterbury 21%, Otago 16%, Marlborough 15%, Westland 6%), who participated in 53 different sports. The Masters Games is a festival of individual sporting, recreational and social events, open to anyone over 35 years keen to compete in a relaxed social environment. The gender make-up of the event was evenly split - male (41%) and female 58%, with the majority of the participants in the 35 to 49 age bracket.

The majority of competitors (81%) were accompanied by one other support person (friend or relative). The average length of stay at the event was three days with the most common form of accommodation used being own home (50%), motel (49%) with 2% staying in hotel accommodation and 2% in camping grounds.

The most popular attractions visited by participants and supporters were the Cathedral/Cathedral Square (22%), the Arts Centre (12%), the Art Gallery (11%), the Casino (11%) and shopping malls (11%). Very few respondents (10%) visited other South Island destinations. This reflects the fact that the majority of the participants lived in Christchurch, Canterbury and the South Island.

The overall mean expenditure was \$201.79 per person for the average three days participants were at the event. Accommodation accounted for 19.9% of total event expenditure, while food and beverages accounted for 41% and shopping/retail activity accounted for a further 24.7%.

The South Island Masters Games resulted in a total impact of \$951,315 into the greater Christchurch economy – sufficient to give rise to 12.7 FTE's of employment. In addition, assuming an average competitor paid \$45 in registration and sport fees, there was an additional \$140,000 spending on registration generating an additional \$208,600 impact and an additional 2.8 FTE jobs.

World Wheelchair Games & ISOD World Athletics – 25 October to 1 November 2003
Funding support - \$25,000

This event attracted 918 people (athletes, caregivers/accompanying staff, officials, international delegates) from 40 different countries.

None of the survey respondents were accompanied by supporters on the trip (travelled as teams). Competitors ranged in age from between 20 to 69 years, with more than half (62.9%) in the 20 to 29 and 30 to 39 age brackets.

More than three-quarters of competitors (75.7%) indicated that they were intending to spend either four or eight days at the event. The length of stay in New Zealand ranged from 6 days to 24 days, and the majority (67.1%) stayed in New Zealand for 8 to 11 days. Almost all competitors (97.1%) stayed in hotel accommodation while in Christchurch.

The most popular attractions visited by participants were the Cathedral/Cathedral Square (87.1%), Southern Encounter Aquarium (27.1%), Orana Wildlife Park (18.6%), the Art Centre (12.9%). Other popular activities mentioned by respondents were shopping/malls and visiting the Botanic Gardens. Although all of the respondents were international visitors, only 40% visited other South Island destinations on this trip to New Zealand. The most common destinations visited were Hanmer Springs (22.9%) and Queenstown (17.1%).

The overall mean expenditure was \$2,549.81 per person. The greatest proportion of expenditure was on accommodation (75%) followed by shopping/retail (13.2%) and entertainment/sightseeing (6.3%). Food/beverage only accounted for 1% of all expenditure.

The World Wheelchair Games & ISOD World Athletics resulted in a total impact of over \$3.4 million into the greater Christchurch economy – sufficient to give rise to 46.7 FTE's of employment. Benefits of the event though were spread wider than Christchurch City. International visitors to the event stayed in the country between 8 and 24 days – of which no more than 8 would have been spent at the event. An extra week spent in New Zealand by at least 918 visitors attending the event would have resulted in spending of a further \$1.8 million over and above the figure cited for Christchurch city.

Boccia World Cup – 28 October to 8 November 2003
Funding support - \$25,000

This event attracted 398 athletes, caregivers and officials from 26 different countries.

None of the survey respondents were accompanied by supporters on the trip (travelled as teams). Competitors ranged in age from between 20 to 49 years, with more than one-third (34.3%) in the 30 to 39 age bracket.

All participants (100%) indicated that they would spend ten days at the event, while the length of stay in New Zealand ranged from ten days to 28 days. Almost half (49.5%) of respondents stayed in New Zealand for ten to 13 days.

All participants (100%) stayed in motel accommodation while in Christchurch. The length of stay in Christchurch motels ranged from nine to 24 nights.

The most popular attractions visited by participants were the Cathedral/Cathedral Square (90.4%), the Art Centre (46.4%), Southern Encounter Aquarium (34.8%), Christchurch Art Gallery (24.2%) and Willowbank (22.5%). Although all of the respondents were international visitors, only 46.6% indicated they were visiting other South Island destinations on this trip to New Zealand. The destinations visited were Akaroa (33.1%), Mt Hutt (15.7%) and Kaikoura (10.7%).

The overall mean expenditure was \$2,558.74 per person. The greatest proportion of expenditure was on accommodation (76.9%) followed by shopping/retail (14.3%) and entertainment/sightseeing (6.1%). Food and beverages only accounted for 1.8% of all expenditure.

The Boccia World Cup resulted in a total impact of some \$1.5 million into the greater Christchurch economy – sufficient to give rise to 20.3 FTE's of employment. Benefits of the event though were spread wider than Christchurch City. International visitors to the event stayed in the country over an extended period with over half (50.5%) staying between eight and 24 days – of which no more than ten would have been spent at the event. An extra week spent in New Zealand by at least 398 international visitors attending the event would have resulted in spending of a further \$710,430 over and above the figure cited for Christchurch city.

*New Zealand Bowls Open National Championships – 28 December 2003 to 11 January 2004
Funding support - \$10,000*

This event attracted 1,664 participants from around New Zealand. The participants were from 26 different bowling centres and competed in three different sections: Singles (men and women), Pairs (men and women) and Fours (men and women). This was the first Nationals where the men's and women's championship was run at the same time.

Most respondents were not accompanied by supporters (only 9.7% were accompanied by one other person). Participants ranged in age from 20 to 70 years of age, with the majority in the 50 to 59 years (34.8%) and 40 to 49 years (23.6%).

Participants spent between one and 15 days at the event, with many spending seven days (25.8%), ten days (24.7%) or 15 days (11.2%). The average length of stay was 9.5 days. The most common form of accommodation used was own home/family/friends (87.6%) followed by hotel (9.7%) and motel (6.7%).

The most popular attractions visited by participants and supporters were Cathedral Square/Cathedral (31.5%) followed by the Orana Wildlife Park (5.6%), Antarctic Centre (3.4%), the Tram (3.4%) and the Gondola (2.2%). Other popular activities mentioned by respondents were the Casino and Addington Raceway. Very few respondents (3.3%) visited other South Island destination. This reflects the fact that the majority of the participants lived in Christchurch, Canterbury and the South Island.

The overall mean expenditure was \$580.61 per person. Food/beverage accounted for 63.2% of all expenditure followed by accommodation (14.4%) and shopping/retail (11.6%).

The New Zealand Bowls Open National Championships resulted in a total impact of some \$1.4 million into the greater Christchurch economy – sufficient to give rise to 19.3 FTE's of employment. In addition, a further \$77,000 was spent on registration fees, generating an additional \$114,730 impact and an additional 1.5 FTE jobs.

The television coverage for this event was extensive. It was assessed that there were nine hours of television coverage on Sky Sports TV as well as prime time news items on both TV1 and TV3. In total, television coverage to areas outside of Canterbury is conservatively valued as benefiting Christchurch city by a further \$65,000.

Invacare World Team Cup (Wheelchair Tennis) – 20 to 25 January 2004
Funding support - \$12,000

This event attracted 284 athletes and officials from 30 different countries and competed in five different sections: Men's World Group One, Women's World Group, Men's World Group Two, Junior and Quad.

Most respondents (82.5%) were not accompanied by supporters on the trip (travelled as teams). Competitors ranged in age from between 20 to 49 years, with more than half (51.9%) in the 30 to 39 age bracket.

The majority of the participants (92.6%) indicated that they would spend six days at the event, while the length of stay in New Zealand ranged from 12 days to 21 days. Over half of the respondents (66.6%) stayed in New Zealand for 14 to 16 days.

All participants (100%) stayed in hotel accommodation while in Christchurch. The length of stay in Christchurch hotels ranged from 12 to 21 nights, with most staying 14 to 16 nights.

The most popular attractions visited by participants were the Cathedral/Cathedral Square (99%), the Art Centre (88.9%), the Gondola (51.9%), Christchurch Museum (22.2%), Christchurch Art Gallery (22.2%) and the Antarctic Centre (18.5%). Although all of the respondents were international visitors, only 14.8% indicated that they were visiting other South Island destinations on this trip to New Zealand. The destinations visited were Hanmer Springs (11.1%) and the West Coast (7.4%).

The overall mean expenditure was \$2,786.30 per person. The greatest proportion of expenditure was on accommodation (73%) followed by shopping/retail (11.4%) and food/beverages (8.8%). Entertainment/sightseeing only accounted for 5.1% of all expenditure.

The Invacare World Team Cup resulted in a total impact of some \$1.1 million into the greater Christchurch economy – sufficient to give rise to 15.8 FTE's of employment. The television coverage for this event was extensive. It was assessed that there were 150 minutes of advertising and 12 hours coverage on Sky Sports TV (some coverage went into Australia) as well as prime time news items on both TV1 and TV3. In total, television coverage to areas outside of Canterbury and Australia is conservatively valued as benefiting Christchurch city by a further \$144,000.

World Underwater Hockey Championships – 20 March to 3 April 2004
Funding support - \$10,000

This event attracted 455 athletes from 10 different countries and competed in three different sections: Masters (men and women), Open (men and women) and Under 19 (boys and girls).

Nearly half of the respondents (45.8%) were not accompanied by supporters on the trip. Of those who were accompanied by supporters, one other person accompanied most. Competitors ranged in age from between 20 to 59 years, with the majority in the 30 to 39 age bracket (32.7%) and the 40 to 49 age bracket (30.6%).

The respondents indicated that they would spend six to 19 days at the event, with many spending seven days (34.7%), eight to ten days (34.7%) or 14 to 15 days (16.4%). The average length of stay was 9.3 days.

The most common form of accommodation used was motel (46.9%) followed by budget/hostel (30.6%) and hotel (14.3%). The length of stay in Christchurch motels ranged from nine to 14 nights.

The most popular attractions visited by participants were the Cathedral/Cathedral Square (91.8%), the Gondola (26.5%), the Tram (24.5%), the Art Centre (22.4%) and the Antarctic Centre (22.4%). Over eighty percent of respondents indicated that they were visiting other South Island destinations on this trip to New Zealand. The destinations visited were Kaikoura (55.1%), Hanmer Springs (36.7%), Akaroa (38.8%), West Coast (20.4%) and Queenstown (20.4%).

The overall mean expenditure was \$2,245.99 per person. The greatest proportion of expenditure was on accommodation (34.4%) followed by food/beverages (24%), entertainment/sightseeing (18.9%) and shopping/retail (12.7%).

The World Underwater Hockey Championships resulted in a total impact of some \$1.8 million into the greater Christchurch economy – sufficient to give rise to 24.9 FTE's of employment. Benefits of the event though were spread wider than Christchurch City. International visitors to the event stayed in the country over an extended period with over eighty percent (82.2%) staying between 15 and 30 days – of which no more than 15 would have been spent at the event. An extra week spent in New Zealand by at least 455 international visitors attending the event would have resulted in spending of a further \$849,555 over and above the figure cited for Christchurch city.

The television coverage for this event was extensive. It was assessed that there were nine hours coverage on Sky Sports TV as well as prime time news items on both TV1 and TV3. In total, television coverage to areas outside of Canterbury is conservatively valued as benefiting Christchurch city by a further \$72,000.

*New Zealand PGA Championship – 26 to 29 February 2004
Funding support - \$300,000 + \$100,000 underwrite*

The event organisers, Tuohy Associates, have completed their tournament report and independent audit of their accounts for the 2004 NZ PGA Championship. A summary of the tournament report follows.

The main objectives in 2004 were realised with the introduction of a national title, as in previous years "The Classic" was viewed by corporate New Zealand as a regional event and provided limited sponsorship support from North Island and international based corporations.

This year the NZ PGA Championship attracted new national sponsors including ING, Vodafone, and again gained the continued support of ANZ and Jacobs Creek, together with a large group of local corporate hospitality sponsors.

In media terms the NZ PGA Championship also gained the support of national press with representatives of all the major newspapers covering and attending the event.

Other pre-event and publicity programs undertaken were:

- Radio – advertising on MoreFM and Radio Network
- The Christchurch Press – advertising material and special features
- NZ Golf Gazette – advertising material and editorials
- Golf Update Magazine – advertising material and editorials. Golf Update was also the official magazine for the 2004 NZ PGA Championship
- The ING Golf Show – promoted the event via its regular 30-minute dedicated golf show on Sky Sport TV
- ING Club Team Championship – promoted the event throughout its network of trading golf professionals
- TV1 – ran a series of promo spots promoting the event and was the official broadcaster for the event (four days of living coverage)
- Durning Communications – generated pre-event publicity and managed the on course Media Centre

The NZ PGA Championship was the second highest viewed Golf Show aired this year (higher than last year's Clearwater Classic). In addition to live coverage by TV1 the event was carried by a number of overseas channels with a collective reach of 160 million households.

The overseas television channels that broadcast the event and the areas of the world they covered were:

USA, Canada, Japan – The Golf Channel
Rest of Europe – CNBC Europe
Asia outside Japan – CNBC Asia
Australia – Fox Sport

The event occupied on average 12 hours of television time to its International Broadcasts (720 minutes) spread over four days (this does not take into consideration repeats or highlights). The estimated value of the exposure of the NZ PGA Championship is conservatively assessed as being worth \$8 million.

Marred by indifferent weather conditions the total attendance figures compared to the previous years was down. A total of 16,979 people passed over the gateway bridge to enter the course over the four days of the Championship.

The NZ PGA Championship generated via the Christchurch Casino charity auction and gold coin donation on entry to the course in excess of \$15,000.00 for the Rainbow Children's Trust.

The Community & Recreation Unit is now liaising with Tuohy & Associates regarding the 2005 event and beyond. Both parties will sign the new three-year event contract in early September 2004. The Council will carry out a more in-depth analysis of the economic impact and visitor activity associated with the NZ PGA Championship at the next event (February 2005 – event dates TBC).

On 30 June 2004 the Council resolved to allocate \$1,050,000 over 2004/05, 2005/06 and 2006/07 at a reducing rate.

CONCLUSION

Sports events are of great economic benefit to the city and the greater Canterbury region. The events mentioned above are the international level ones. The city also hosted and funded over 20 other national sports events in the last financial year (via the Growing Sport Fund, a small seeding fund held by the Community and Recreation Unit) that are conservatively estimated to have generated a further \$10-\$15 million into the greater Christchurch economy.

The city also hosted, and funded, a further two major international events in the last financial year that were not analysed. These events were the Great New Zealand Bike Ride, February 2004, and the Men's Softball World Championships, February 2004.

This year the city is alive with international and national sports events and this trend is the envy of other cities in New Zealand and Australia. Internationally and nationally we are seen as a Council that is proactive at identifying and supporting events. Christchurch also has a number of highly skilled and experienced event organisers and a strong sports association and club infrastructure which assist in making these events a reality.

Upcoming major sports events are Asian Pacific Dancesport Championships (November 2004), 8th FIMBA World Maxibasketball Championships (January 2005) and Touch New Zealand Masters & Open Grade National Tournament (March 2005), South Island Masters Games (October 2005), All Nations International Touch Championships (October 2005) and the Special Olympics National Games & Asia Pacific Invitation Games (December 2005).

We are also in the final stages of bidding for five major international events in the years 2006, 2007, 2008 and 2010.

Staff

Recommendation: That the information be received.

Chairman's

Recommendation: Not seen by Chairman.