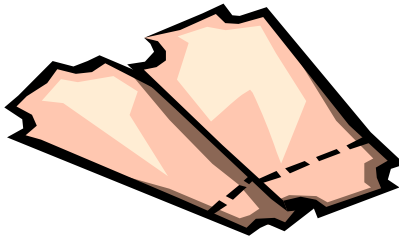


# **DETERMINING EVENT SCALE & IMPACT**

**AN ECONOMIC DEVELOPMENT PERSPECTIVE**



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### **Disclaimer**

This document is intended as an information tool for both event organizers and funding partners in determining the scale and scope of an event and assessing its respective merits. Its use is completely voluntary by the user. Any decision taken regarding funding or other assistance which relies in whole or in part on this document is the responsibility of the user. The Atlantic Canada Opportunities Agency assumes no liability for claims, losses, damages, costs, or expenses arising in any manner from the use of this document.



# Introduction

Within Newfoundland and Labrador, there is clearly a growing trend towards more event tourism projects. Government is often approached to participate as a funding partner in events of a local, regional, or provincial magnitude.

For government's part, arriving at a rationale for investment based on statistically reliable data has often proven difficult. The problem is compounded by the tendency of applicants to sometimes overstate, or understate, both the scale and impact of their events.

The following model aims to assist economic development officers in planning new program initiatives and assessing the economic merit of specific tourism projects. Hence, the model will:

- 1) Propose a detailed list of critical questions structured to determine an event's degree of professionalism and commitment to tourism (i.e., its scale beyond simple attendance figures); and
- 2) Present a set of assumptions and economic equations that can be applied to determine the direct, indirect and induced impact for an event.

This model is only applicable to events that have tourism appeal.

## Event Types

An event, for our purposes, is defined as a leisure, social, or cultural experience outside the normal range of choices, or beyond the everyday experience, for those attending. This experience may occur once, infrequently, or be on-going.

While no two tourism events are alike, they do tend to follow certain patterns in Newfoundland and Labrador. On the following page, Table 1 outlines the characteristics of a range of events in Newfoundland and Labrador. This table is useful in terms of trying to position where an event fits in comparison to others, but we caution that the very nature of such relative terms as "regional" and "local" implies that ranking events by category is not an absolute exercise. What is a local event to one person may be considered a regional event by another.

<p style="text-align: center;"><b>Community Event</b></p> <ul style="list-style-type: none"> <li>X Normally a one-day event with a predominantly local draw</li> <li>X Absence of any long-term planning</li> <li>X Small scale (usually less than 1,000 attendees)</li> <li>X Advertising normally limited to posters and word of mouth</li> <li>X No paid staff</li> <li>X No corporate sponsorship program (in-kind donations more common than cash donations)</li> <li>X Essentially no influx of new money into the provincial economy due to the event</li> <li>X Effective at meeting community needs - tourism spin-off is a secondary consideration</li> <li>X Benefits tend to accrue to community organization or volunteer group</li> <li>X The purpose is often to raise funds for a local cause</li> <li>X Examples: a church garden party or an annual community day</li> </ul>	<p style="text-align: center;"><b>Local Event</b></p> <ul style="list-style-type: none"> <li>X Normally organized by representatives from more than one community</li> <li>X Frequently just a one-day event</li> <li>X Usually involves some long-term planning</li> <li>X Draws those visiting friends and relatives (VFRs) and resident tourists for longer period of stay in an area</li> <li>X Local economic impact only</li> <li>X Potential to draw non-resident visitors &amp; to extend their stay (benefits accrue if stay extended and expenditures increase)</li> <li>X May have a significant cultural component</li> <li>X Often led by a committee that reports to local governments</li> <li>X Example: an annual festival based on a theme</li> </ul>
<p style="text-align: center;"><b>Regional Event</b></p> <ul style="list-style-type: none"> <li>X Normally a two day event at minimum</li> <li>X Promoted through Regional Tourism Association's marketing</li> <li>X Economic impact is mainly regional in scope and, therefore, often linked to a Regional Tourism Plan</li> <li>X Goal is to attract non-resident visitors, as well as area residents</li> <li>X Significant level of revenue generation</li> <li>X At least one full-time paid person dedicated to event planning and execution</li> <li>X Some level of public funding</li> <li>X Example: a major concert weekend run by a volunteer town committee</li> </ul>	<p style="text-align: center;"><b>Provincial Event</b></p> <ul style="list-style-type: none"> <li>X At least 3 days in duration</li> <li>X Own business plan and marketing strategy in place</li> <li>X Significant regional and provincial economic impact</li> <li>X Moderate to high number of non-residents attend (but event may not be prime reason for their visiting)</li> <li>X Paid staff (some even year-round)</li> <li>X Well-established brand image and annual "time slot"</li> <li>X Direct government funding, but event could prevail at a lesser scale without it</li> <li>X May enjoy "anchor event" status</li> <li>X May have provincial tourism icon status</li> <li>X Minimal national or international recognition</li> <li>X Example: a provincial folk festival</li> </ul>

Table 1

## Measuring Scale

Measuring the scale of an event can be a useful exercise for the following reasons:

- It allows current and potential event investors, sponsors, and funders to clearly understand where the event is positioned within the mix of event offerings,
- It allows the event organizers to clearly identify where improvements can be made to grow the event and properly market it to its target audience, and
- It can provide an objective and consistent method of measurement so that various events can be compared.

An event's scale can be measured from a variety of angles, but our trial research suggests measuring two key factors. Those two factors are an event's level of professionalism and its commitment to tourism. To assess these scale factors, two sets of critical questions unique to each are considered. To determine an event's level of professionalism, questions focussing on the event planning process, human resource development, financing and promotions management, and the event's structure and policies are considered. In determining an event's commitment to tourism, questions considered concentrate on event organizational development and positioning, tourism appeal, non-resident market penetration and media exposure.

The scorecards and questionnaires for measuring the two scale factors appear in Appendix A and B. Each question has a corresponding value that may be earned in full, or in part. To ensure objectivity, an official at arm's length from the event, such as an economic development officer, would be best suited to complete the assessment in consultation with event officials and other key individuals with a strong knowledge of the event.

The aggregate score from each assessment allows us to determine the scale of an event at least in terms of its professional standards and tourism commitment and its position within the event tourism mix of the province. Table 2 below suggests how the various event scales can be matched to certain assessment scoring ranges.

<u>Scale Factor</u>	<u>Level 1 Range</u>	<u>Level 2 Range</u>	<u>Level 3 Range</u>	<u>Level 4 Range</u>
<b>Professional Standards</b>	00 - 50	51 - 100	101 - 150	151 - 200
<b>Tourism Commitment</b>	00 - 50	51 - 100	101 - 150	151 - 200

Table 2

## Relationship between Scale and Impact

Strong attendance figures are vital to both the long term viability of an event and its ability to offer a quality product. While attendance is one aspect of an event's scale, our research has shown that there is no direct correlation between an event's attendance and its impact. Spending patterns, audience composition and the effect on travel plans differ among events, regardless of their attendance. However, it has become clear that the higher the event's level of professionalism, its commitment to tourism, and its attendance levels, the greater the likelihood of economic impact.<sup>1</sup> Given that no predictable relationship exists between scale factors and economic impact, our next step is to consider what is required to determine the economic impact of an event.

## Measuring Economic Impact

Economic impact is determined by measuring key economic indicators that relate to an event. An important aspect of any economic impact analysis is the perspective of the assessment - often referred to as the accounting stance. The accounting stance is a definition of who (individuals, households, firms, institutions and governments) should be included when determining the impact of the event. In many cases, this is defined by agents within a geographical area, most often a country, province or part of a province (region). Our model allows for economic impact calculations from both the province and regional perspective.

The choice of indicators used in the analysis is contingent upon two factors: 1) the types of indicators that are theoretically acceptable for use, and 2) those indicators that lend themselves to easy estimation among the various events proposed. The accepted indicators used in economic impact analyses focus largely on activities captured by the market and include changes in:

- 1) Business activity (production);
- 2) Gross Domestic Product (GDP);
- 3) Employment (both direct and indirect) and personal income;
- 4) Tax collections;
- 5) Demand for public services; and
- 6) Population.

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<sup>1</sup> It is acknowledged that there are many other factors that affect the economic impact of a tourism event, such as the market appeal of the product, the availability of complimentary services, attractions and necessary infrastructure, and weather and climate.

The provincial analysis presented here includes indicators one through four, while the regional analysis includes indicators one through three. These indicators are chosen for this methodology because they are the easiest to estimate. This methodology provides a measure of changes in these indicators for a given year. If the event is on-going, the impact will change from year to year as such things as the audience's size and composition changes.

### **Business Activity**

The focus of both the provincial and regional analyses is to determine the incremental impact of the event<sup>2</sup>. The basis of this analysis is the incremental expenditure due to the event. This expenditure changes the amount of business activity in the province or region as goods and services are sold to visitors attracted to the area, and to facilitate the operations of the event.

Spending that would have otherwise occurred in the provincial economy is not considered incremental to the province and is therefore excluded as an impact of the event. However, if it can be demonstrated that an amount of provincial resident spending is a substitute for expenditure outside the province, then this amount is included as incremental expenditure.

In the case of operating expenses, it is important to consider where the operating revenue originates, and where it is being spent. Generally, operating revenue can only be considered to have an incremental impact on provincial GDP if it accrues from sources outside of the province. Revenue raised from local residents, businesses or government is merely a redistribution of expenditure and does not represent incremental GDP. This includes local fund-raising, municipal grants, provincial grants and federal grants from economic development agencies if this money originates and/or is typically spent within the province.

For the region, expenditure is considered incremental if it occurs due to the event and is from a source outside of the region. Spending in the region by a resident from another area of the province that is due to the event is incremental to the region. This expenditure would be considered redistributive (rather than incremental) to the province and is not included in incremental provincial expenditure. All spending by non-resident visitors in the region due to the event is considered incremental and included. Operating expenditures within the region are considered incremental if they are based on revenues raised from outside the region.

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<sup>2</sup> Incremental economic activity is defined as economic activity that can be attributed to a particular economic stimulus that would not have taken place in the absence of the stimulus. In this context, the stimulus is the event.

**Gross Domestic Product (GDP)**

The Gross Domestic Product (GDP) impact of an event is a measure of the economic activity that it generates. GDP refers to the value of all goods and services produced in an area during a given period of time. It measures the amount of income generated by production and is sometimes referred to as economic output. When analysing an event, incremental spending is used to calculate GDP to ensure that only the level of economic activity attributable to the event is considered in its impact.

To determine the GDP impact from incremental spending, the amount reflecting the value of local goods and services must be determined. This is referred to as the **provincial purchase coefficient - PPC** for the province and the **regional purchase coefficient - RPC** for areas within the province. These coefficients depend on the goods and services available locally (the size of the province's/region's manufacturing, service, retail, wholesale and distribution network) and the propensity of provincial/regional retailers and consumers to purchase imports. Large geographic areas with higher populations typically have a greater number of locally produced products and services, resulting in a higher purchase coefficient. Figure 1 illustrates how the purchase coefficient affects the amount of money flowing out of the province or region.

The purchase coefficient reflects the amount of leakage from the area through the purchase of intermediate and final goods and services from outside areas. When intermediate goods are purchased from within the local area, they are included as a part of the indirect effect of the sale. When purchased from outside, intermediate goods are considered a leakage and not included as an indirect effect.

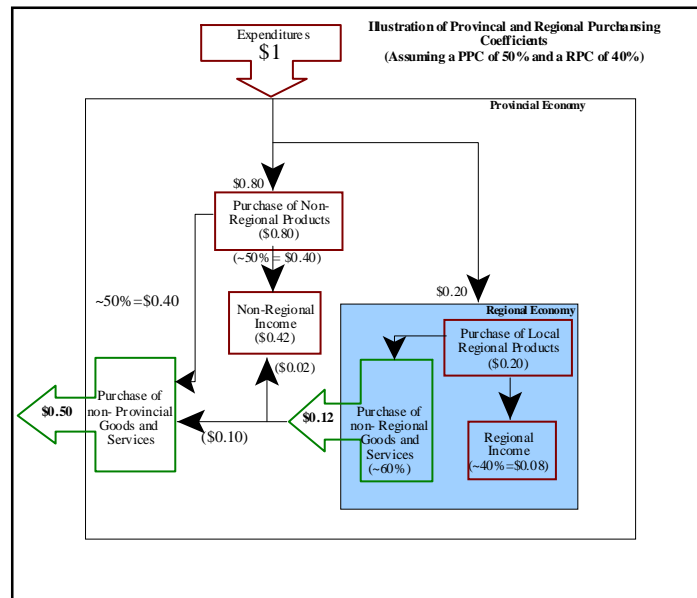


Figure 1

**Employment and Personal Income**

The employment and personal income impacts of an event are determined using the estimate of GDP. Total GDP impact is based on incremental spending due to the event, the impact of this spending on other industries (indirect impact) and the spending of generated

labour income (induced impact). From the GDP estimate the person-years of employment and personal income generated by this activity can be determined for the province and regions.

### **Tax Collections**

Since taxes are primarily collected at the provincial and federal government levels, income from taxes will be limited to the provincial level in this paper. The analysis will cover personal income tax, corporate and payroll taxes and the provincial portion of the Harmonized Sales Tax. Regional taxation concentrates on taxes on property and municipal services, and poll taxes. These are generally not affected by the spending associated with a local event and are excluded from this analysis.

## **Estimating Economic Impact for the Province**

As outlined previously, the economic impact of an event for the province is determined by the incremental expenditure accruing from visitors and operational expenditures. The largest contributor to the impact from the provincial perspective is the non-resident visitor. Non-resident visitor expenditures are incremental if they are due to:

- a) Increased length of stay due to the event;
- b) Increased expenditure due to the event; or
- c) An increase in the number of visitors to the province due to the event.

Any spending by provincial residents that is a substitution for expenditures that would have occurred outside of the province is also incremental to the event. Spending would be considered a substitute if:

- a) Attending the event substituted for travel outside of the province; or
- b) Attending the event decreased the length of a vacation (and the amount of money spent) outside of the province.

As previously noted operating expenditure is incremental if it accrues from sources outside of the province and is spent on local goods and services.

The economic impact of an event is calculated based on the estimated incremental expenditure that accrues from the above spending sources. For non-resident and resident visitors, this includes expenditures at the event and all other expenditures within the

province that are due to the presence of the event.<sup>3</sup> For event operating expenditures, this includes all spending attributable to a non-local sponsor or funding source.<sup>4</sup> To convert this expenditure into the economic benefit derived by the economy, an adjustment for provincial content is required. This adjustment reflects the leakages from the provincial economy due to the returns to goods and services produced externally and is referred to above as the **provincial purchase coefficient**. The coefficient reflects the returns to local factors of production, such as labour costs and returns on investment, or profits. The resulting amount is the direct GDP impact of the expenditure.

Multipliers can then be applied to the direct GDP impact figure to account for the indirect and induced impacts of these expenditures in the economy.<sup>5</sup> We have chosen a multiplier of 1.40 for indirect GDP and 1.19 for induced GDP.<sup>6</sup>

The following sections outline how visitor expenditure is estimated and the necessary calculations to determine GDP, employment, personal income and tax receipts based on this expenditure for provincial jurisdictions.

### **Estimates of Incremental Visitor Expenditure**

A random survey of those attending an event is used to determine the role of the event in visitor spending. Two surveys are used - one administered to non-residents of the province and one to residents. Examples of both are included in Appendix C. The non-resident survey is designed to determine the following:

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<sup>3</sup> These expenditures would include accommodations, meals, transportation, etc.

<sup>4</sup> This amount excludes revenues raised by the event itself such as gate receipts or sales from merchandise or food/beverages. The effects of these expenditures have already been accounted for in visitor expenditure.

<sup>5</sup> Indirect impacts result from the circulation of the original remaining expenditures in the economy after leakages occur (i.e. it can be thought of as the circulation of the direct GDP monies in the economy). This involves the purchasing of goods and services by those industries supplying the original recipients of consumer expenditures.

Induced impacts or spin-offs result from the spending of income resulting from the original two rounds of expenditure - the direct expenditure by the tourist and the increased purchases of those providing inputs to industries affected by tourist expenditure.

<sup>6</sup> These multipliers are based on input-output analysis for Newfoundland and Labrador. For other provinces, these are available through a number of sources including Statistics Canada, Provincial Department of Finance and various economic consulting companies.

- Where the individual lives
- Size of travelling party
- The influence of the event on the decision to vacation in the province
- The amount of money spent in the province
- Length of stay in the province
- If the event had no influence on the decision to vacation in the province, did it cause extra spending in the province or an increased length of stay?

The resident survey is more relevant in determining the local area impact, but also plays a role in determining the event's impact on the province. For the province, the resident survey is designed to determine the following:

- Where the individual lives
- Size of travelling party
- Was this trip a substitute for a vacation outside of the province? Or, did it reduce the length of a vacation outside?
- The influence of the event on the decision to vacation in the province
- The amount of money spent on in-province vacation
- Length of in-province vacation

From the results of these two surveys, the total incremental expenditure from those attending the event can be determined.

### **Estimates of GDP from Incremental Visitor Expenditure**

From total incremental expenditure, total GDP can be calculated using the PPC and indirect and induced GDP multipliers. For Newfoundland and Labrador, we estimate the PPC to be 42.8%. The indirect GDP multiplier for Newfoundland and Labrador is estimated at 1.40 and the induced GDP multiplier is 1.19.

$$\begin{aligned} & \text{(Incremental expenditure from visitors) x (Provincial Purchase Coefficient) x} \\ & \text{(Indirect GDP Multiplier) x (Induced GDP Multiplier)} \\ & \quad = \text{Total GDP Impacts} \end{aligned}$$

Where:

**Provincial Purchase Coefficient** refers to the proportion of spending that accrues to local factors of production (land, labour and capital) due to the purchase of locally

produced (or sold) goods and services. For visitor expenditures, the PPC for the Province of Newfoundland and Labrador is estimated at 42.8%.

**Indirect GDP Multiplier** refers to the amount of indirect benefit that accrues from a direct benefit. A multiplier of 1.40 is used here reflecting a \$0.40 indirect benefit for each \$1 in direct benefit from tourism visitation expenditure.

**Induced GDP Multiplier** refers to the amount of induced benefit that accrues from the spending of wages and salaries from direct and indirect GDP impacts. A multiplier of 1.67 is used here, reflecting \$0.19 in induced benefit for each \$1.00 direct and associated \$0.40 indirect benefit (i.e.  $(\$1.00 \times 1.40) \times 1.19 = 1.67$ ).

### **Estimates of Employment and Personal Income from Incremental Visitor Expenditure**

From the total GDP impact we can determine the amount of income paid to labour in the province and the person-years of employment supported. The income paid to labour reflects the impact of the event activity on personal income in the province. These calculations require the estimation of a **Labour Income Ratio** and a **Local Value-Added Factor**. The Labour Income Ratio determines the portion of GDP that accrues to labour in the form of wages and salaries and is estimated at 62.6% for Newfoundland and Labrador. The Local Value-Added Factor converts GDP into employment and is estimated at \$31,000 for Newfoundland and Labrador.

#### **Employment:**

$$\begin{aligned} & \text{Total GDP Impact of Event} \div \text{Local Value-Added Factor (LVA)} \\ & = \text{Total person years of employment} \end{aligned}$$

#### **Personal Income:**

$$\begin{aligned} & \text{Total GDP Impact of Event} \times \text{Local Income Ratio (LIR)} \\ & = \text{Total Personal Income} \end{aligned}$$

Where:

**Local Value-Added Factor (LVA)** translates GDP into person years of employment. For this exercise we use a LVA factor of \$31,000 GDP per person year of employment. This figure is based on estimates of the weighted average of GDP required for one person year of employment in the Newfoundland and Labrador Accommodations, Food and Beverage Services Industries, Amusement and Recreation Services Industries and Retail Trade Industries through Statistics Canada's Input/Output Model.<sup>7</sup>

**Labour Income Ratio (LIR)** determines the portion of GDP that is paid as personal income to employees. For this exercise we use a LIR of 62.6% based on the weighted average of LIR's for Newfoundland and Labrador Accommodations, Food and Beverage Services Industries, Amusement and Recreation Services Industries and Retail Trade Industries.

### **Estimates of Province Tax Revenue from Incremental Visitor Expenditure**

Taxes are paid on earned income by both businesses and individuals. Individuals pay taxes on income through direct taxation (personal income tax) and on consumer expenditures through consumptive taxes (such as the HST). Businesses pay taxes on corporate profits and through various other measures, such as environmental fees, permits or payroll tax. For the Province of Newfoundland and Labrador, we focus on estimating tax changes due to incremental visitor spending. This is captured under three categories: personal income tax (PIT) paid on labour income and on tourist spending on goods and services, provincial Harmonized Sales Tax paid on purchases from labour income, and payroll tax paid by businesses on wages and salaries paid to employees.

To estimate these tax impacts, the following equations are used:

**PIT paid:**

$$\begin{aligned} & \text{Total personal income (see previous calculation)} \times 5.07\% \\ & = \text{Total personal income tax paid} \end{aligned}$$

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<sup>7</sup> The local value-added factor (LVA) is the amount of GDP required to provide one person year of employment. Since total GDP is used in our calculations, the LVA is weighted by industry to reflect direct, indirect and induced GDP impacts. Although technically based on an "Open Model" system, the estimated induced employment effect is believed to be reasonable.

**HST paid:**

$$\begin{aligned} & \text{Total personal income (see previous calculation) x 45.8\% x 8\%} \\ & \quad + \\ & \text{Total incremental tourism expenditure x 81.7\% x 8.0\%} \\ & = \text{Total provincial HST paid} \end{aligned}$$

**Payroll tax paid:**

$$\begin{aligned} & \text{Total personal income (see previous calculation) x 7.4\% x 2.0\%} \\ & = \text{Total payroll tax paid} \end{aligned}$$

Where:

**PIT paid** is the provincial income tax paid on personal income earned by workers through direct and indirect impacts. This calculation is based on an average annual wage of \$18,000 for those industries involved in direct and indirect expenditures from tourism expenditures. Based on an annual wage of \$18,000, the provincial taxes paid would be 5.07% of gross personal income.

**HST paid** is the provincial Harmonized Sales Tax paid on purchases by the income earners resulting from visitor expenditures. This reflects an induced tax benefit. Based on information contained in Statistics Canada's *Survey of Household Spending 2003*, it is estimated that 52.9% of personal income is used to purchase goods and services subject to the HST. Discounting this proportion by the HST leaves 45.8% of personal income subject to the 8% provincial HST rate.

HST is also paid by tourists on goods and services purchased. Based on the categories of tourist expenditures, it is estimated that 93.1% of tourist expenditures are subject to the HST. Discounting this proportion by the HST leaves 81.7% of incremental tourism expenditures subject to the provincial HST.

**Payroll tax** in the Province of Newfoundland and Labrador is paid by businesses that pay more than \$600,000 annually in wages and salaries. Based on discussions with the Government of Newfoundland and Labrador Department of Finance, and an analysis of payroll tax paid versus wages and salaries paid in 2006, it is assumed that 7.4% of total labour income is paid by companies eligible to pay payroll tax. The total

amount of payroll tax paid is determined by multiplying the total labour income by 7.4% and then by the payroll tax rate of 2%.

## **Estimating Economic Impact for a Region**

The economic impact of an event for a region<sup>8</sup> is determined by the expenditures of visitors to the region and from event operational expenditures. From the regional perspective, spending by people living outside of the region enhances the economy. This spending may be from residents of other areas of the province (redistributive<sup>9</sup>) or from non-residents (incremental to the province) and is an impact of the event if it is due to:

- a) An increased length of stay in the region due to the event;
- b) Increased expenditures in the region due to the event; or
- c) A visit to the region due to the event.

A second category of expenditure is the operating budget of the event. This will be incremental to the region if it accrues from sources outside of the region and is spent on local goods and services.

The regional economic impact of an event is calculated based on the estimated incremental expenditures that accrue from those attending the event and the incremental portion of operating expenditure that is spent in the region. For visitors, this includes expenditures at the event and all other expenditures within the region.<sup>10</sup> For event operating expenditures, this includes all spending attributable to a non-local sponsor or funding source.<sup>11</sup>

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<sup>8</sup> A "region" is user defined and may include any portion of the larger province such as a city, Census Metropolitan Area, Census Agglomeration, regional development zone, Census Division, and so on.

<sup>9</sup> Any spending in the region by residents of other areas of the province that is a substitution for expenditures that would have occurred outside of the province is incremental to the province as well as being redistributed from other areas.

<sup>10</sup> These expenditures would include accommodations, meals, transportation, etc.

<sup>11</sup> This amount excludes revenues raised by the event itself such as gate receipts or sales from merchandise or food/beverages. The effects of these expenditures have already been accounted for in visitor expenditure.

To determine the economic benefit of these expenditures to the regional economy, an adjustment for regional content is required. This adjustment excludes the leakages from the region due to the returns to goods and services produced in other parts of the province or externally and is referred as the **Regional Purchase Coefficient (RPC)**. The coefficient reflects the returns to regional factors of production, such as labour costs and returns on investment, or profits. The resulting amount is the direct gross domestic product impact of the expenditure.

Multipliers can be applied to the direct GDP impact figure to account for the indirect and induced impacts of these expenditures in the regional economy. For all regions, the RPC and multipliers will be less than for the province. Figure 2 illustrates the total GDP impact to the province that can be expected from a dollar of expenditure in Newfoundland and Labrador versus the total GDP impact to a region of the province from a dollar of expenditure in that region.

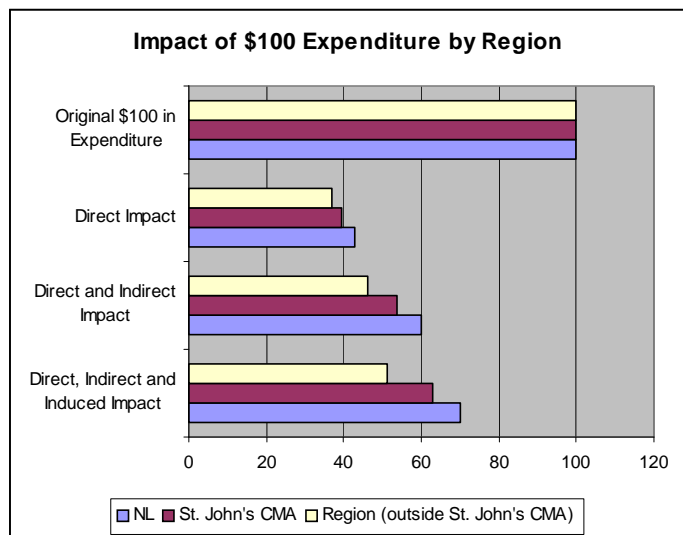


Figure 2

The following sections outline how visitor expenditure is estimated and the necessary calculations to determine GDP, employment, and personal income based on this expenditure for a region of a province.

**Estimates of Incremental Visitor Expenditure**

The two surveys used to determine provincial impacts are also used to determine regional impacts - one administered to non-residents of the province and one to residents. Additional questions are added to capture time (and money) spent in the region, and the role of the event in the decision to visit the region. These two surveys allow for the calculation of the amount of incremental expenditure in the region.

### **Estimates of GDP from Incremental Visitor Expenditure**

Total GDP can be calculated from the total incremental expenditure using a regional purchase coefficient and indirect and induced GDP multipliers. The following calculation is used:

$$\begin{aligned} & \text{(Incremental expenditure from visitors) x (Regional Purchase Coefficient) x} \\ & \text{(Indirect GDP Multiplier) x (Induced GDP Multiplier)} \\ & = \text{Total GDP Impacts} \end{aligned}$$

Where:

**Regional Purchase Coefficient (RPC)** refers to the proportion of spending that accrues to regional factors of production (land, labour and capital) due to the purchase of locally produced (or sold) goods and services. For visitor expenditures, the RPC for the St. John's Metro area is estimated at 39.5%. For all other areas of the province it is estimated at 37.1%.

**Indirect GDP Multiplier** refers to the amount of indirect benefit that accrues from a direct benefit. The multiplier for the St. John's Metro area is estimated at 1.36. For the remaining regions, an estimate of 1.24 is used.

**Induced GDP Multiplier** refers to the amount of induced benefit that accrues from the spending of wages and salaries from direct and indirect GDP impacts. The induced GDP multiplier for the St. John's Metro area is estimated at 1.62, reflecting \$0.19 in induced benefit for each \$1.00 in direct benefit and associated \$0.36 indirect benefit (i.e.  $(\$1.00 \times 1.36) \times 1.19 = 1.62$ ). For the remaining regions, an estimate of 1.41 is used, reflecting \$0.14 in induced benefit for each \$1.00 in direct benefit and associated \$0.24 indirect benefit (i.e.  $(\$1.00 \times 1.24) \times 1.14 = 1.41$ ).

### **Estimates of Employment and Personal Income from Incremental Visitor Expenditure**

From the total GDP impact we can determine the amount of income paid to labour in the region and the person-years of employment supported. The income paid to labour reflects the impact of the event activity on personal income in the region. These calculations require

the estimation of a Labour Income Ratio (LIR) and a Local Value-Added Factor (LVA). The values of LIR and LVA for the region are the same as those for the province. Employment and personal income are calculated using the following:

**Employment:**

$$\frac{\text{Total GDP Impact of Event} \div \text{Local Value-Added Factor (LVA)}}{= \text{Total person years of employment}}$$

**Personal Income:**

$$\text{Total GDP Impact of Event} \times \text{Local Income Ratio (LIR)} = \text{Total Personal Income}$$

Where:

**Local Value-Added Factor (LVA)** translates GDP into person years of employment. For this exercise we use a LVA factor of \$31,000 GDP per person year of employment. This figure is based on estimates of the weighted average of GDP required for one person year of employment in the Newfoundland and Labrador Accommodations, Food and Beverage Services Industries, Amusement and Recreation Services Industries and Retail Trade Industries through Statistics Canada’s Input/Output Model.

**Labour Income Ratio (LIR)** determines the portion of GDP that is paid as personal income to employees. For this exercise we use a LIR of 62.6% based on the weighted average of LIR’s for Newfoundland and Labrador Accommodations, Food and Beverage Services Industries, Amusement and Recreation Services Industries and Retail Trade Industries.

## Measuring Non-Direct Use Benefits

The previous sections provided a methodology for estimating the economic impacts of an event. It is important to note that these short-term impacts are not the only benefits that arise from an event. In many cases, long-term economic benefits, and social, psychological or environmental benefits may also exist. The inability to accurately reflect the value of these benefits is a consistent problem among event organizers and impact assessors.

Long-term economic impacts may include the value of national and international marketing accruing from event publicity, the stabilization effect of the event on the local economy in providing a core base of economic activity, or capacity building in the area where the event occurs in terms of amenity services, infrastructure and experience. Non-economic benefits cover a wide range of possibilities and include such things as cultural preservation, volunteer capacity, public attitudes, and community stability.

The difficulties faced in dealing with long-term impacts are twofold. Firstly, they are difficult to quantify in monetary terms since it is uncertain to what degree they occur and to what degree they are attributable to the particular event and not some other occurrence. Secondly, it is sometimes difficult to determine and separate the long-term benefits from the cost of hosting the event. For example, the construction of infrastructure necessary to accommodate certain events has a positive, incremental short-term economic benefit (particularly in the local area). The long-term effects of the infrastructure may not be positive as the maintenance and operations costs of the facilities may become a burden to the local area.

Quantifying benefits beyond the short-term is often beyond the scope or capabilities of many event organizers and impact assessors. An emerging field is the assessment of the impact on society of ongoing events and economic development initiatives. Drawing from this area, the following headings characterize the areas of social influence for events:

- 1) Population characteristics - including present population characteristics and expected change, ethnic and racial diversity, seasonal flows and so on;
- 2) Community and institutional structures - such as the size, structure and history of local or regional governments, volunteer organizations, religious groups, employment and industrial diversification and the interrelations of these structures;
- 3) Political and social resources - the distribution of power and leadership capacity;
- 4) Individual and family changes - including attitudes, perceptions, and family characteristics; and
- 5) Community resources - availability of housing, community services and patterns of land use.

Table 3 summarizes some of the variables within these categories and suggests methods of capturing this information.

Category	Variable	Potential Source
Population Characteristics	Current Population	Statistics Canada
	Expected population change	Local Interviews/Population Projections
	Number of temporary/seasonal residents	Local Interviews/ Municipalities
Community and Institutional Structures	Size and level of activity of volunteer organizations, religious groups, and interest groups as they relate to the event	Local interviews
	Employment changes	Visitor surveys
	Business growth/diversification	Local interviews/Visitor surveys
Political and Social Resources	Leadership capacity	Household survey, Local interviews
	Trust in political/social institutions	Household survey
	Level of interest in political/social institutions	Household survey
Individual and Family Changes	Public perception of event organization	Household survey
	Attitude toward event	Household survey
Individual and Family Changes ... Continued	Public view of changes in crime rates, health and safety as they relate to the event	Household survey
Community Resources	Housing market changes	Published stats, household survey, municipalities
	Community stability	Household survey, Local interviews
	Availability of community services	Local interviews, municipalities
	Land use change	Household survey, Local interviews
	Natural resource use	Household survey, Local interviews
	Preservation of culture or historic resource	Household survey, Local interviews

Table 3

## **Conclusion**

Determining both the scale and economic impact of any event is a challenging task. While the outcomes may sometimes be debated, the use of a methodology as contained in this document brings more objectivity and consistency to the exercise. Any economic impact assessment that relies primarily on unfounded estimates of spending activity to measure outcomes is prone to inaccuracy and in turn, does not achieve its intended purpose.

Ultimately, the third-party assessment approach contained in this document should assist event organizers in appreciating both the economic and tourism value of their event, along with its potential. For its part, government will be better positioned to make more informed decisions as to where its funds for events can be invested for the best impact. All parties stand to gain from such an undertaking.

<p><b>Event Scale Questionnaire</b> <b>Professionalism</b> Final ACOA Version</p>
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<p><b>Client:</b></p>	
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### Scale of Professionalism Scorecard

#	Critical Questions	Yes	No	N/A	Value	Score
1	Is there at least one full-time, paid employee dedicated solely to the event year-round?				20	
2	Are there additional paid event staff on part-time/seasonally?				10	
3	Are there paid performers and/or contracted technical expertise?				20	
4	Is there an active Board of Directors and formal committee structure?				10	
5	Is there a structured planning process in place?				10	
6	Is there a written policy manual to address human resource issues, customer service standards, administration matters, media relations, Board governance, etc.				25	
7	Do organizers participate in professional development training?				10	
8	Is there a volunteer training and/or orientation program in place?				10	
9	Does a professional marketing/promotions program & budget exist?				20	
10	Is there a corporate sponsorship program in place?				10	
11	Is there an active merchandising/licensing program?				10	
12	Is there a regular concessions program?				10	
13	Is there networking with other festival/ event organizers?				10	
14	Does the event have a well-linked Internet presence?				5	
15	Is there enhanced access, parking, security, sanitation, etc. in place?				10	
16	Does an event evaluation & survey component exist?				10	
					200	

**Note:** Refer to accompanying Questionnaire for Determining an Event's Scale of Professionalism when completing this Scorecard.

## Questionnaire for Determining an Event's Scale of Professionalism

<b>1. Is there at least one full-time, paid employee dedicated solely to the event year-round?</b>		<b>20 pts.</b>
<p><b>Rationale:</b> Having paid staff provides an added guarantee that all tasks associated with an event will be addressed. It also ensures that the event will have continuity.</p> <p><b>Scoring Considerations:</b> If an event has only one employee who works part-time for the year or switches from part-time to full-time depending on the availability of funds, then the score should be pro-rated accordingly. For example, if the employee works on average for 3/4 of a week, then 3/4 of the points should be awarded. Also, if the individual's time is split between two or more events, then the points should be split equal to the percentage of time dedicated to the event under consideration. (Note: Must have at least one full-time, paid employee to receive full points.)</p>		
<b>Comments:</b>	<b>Score:</b>	

<b>2. Are there additional paid event staff on part-time/seasonally?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> The presence of additional paid staff in key roles prior to and immediately following an event is a strong measure of an event's scale.</p> <p><b>Scoring Considerations:</b> Full points should be awarded if it can be determined that there are adequate paid staff to meet the core organizational needs of the event. Points should be deducted according to the percentage to which there appears to be a paid staff shortfall.</p>		
<b>Comments:</b>	<b>Score:</b>	

<b>3. Are there paid performers and/or contracted technical expertise?</b>		<b>20 pts.</b>
<p><b>Rationale:</b> The presence of professional performers and other paid technical people is a clear indicator that the event is likely to be of high quality for its patrons.</p> <p><b>Scoring Considerations:</b> Twelve points are available for the presence of professional performers. Points should be awarded based on proportion of total performers that are professional. Eight points are available for hired technical help. Points should be awarded based on proportion of total technical help that is hired or contracted verses volunteer.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>4. Is there an active Board of Directors and formal committee structure?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> Event-sponsoring organizations which have an active Board of Directors that provides executive guidance and holds staff accountable for their performance can be a stabilizing influence on any event.</p> <p><b>Scoring Considerations:</b> It is important to observe for visible signs of Board activity such as minutes from meetings, participation in lead-up events, and PR activities. If there is a full slate of Directors elected on a regular basis, then 2 points can be awarded. If the Board is clearly active, then an additional 3 points can be awarded. The presence of a formal committee structure with distinct lines of delegation would result in scoring the final 5 points.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>5. Is there a structured planning process in place?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> If long-term planning is not present within an event organization, then the event tends to stagnate and growth is purely accidental.</p> <p><b>Scoring Considerations:</b> A simple positive response from event officials on this question doesn't score points - evidence of formal planning sessions and prepared planning documents, such as a business plan, do score points. To receive maximum points, an event organization would need to have at least one annual planning event that involved Board members, a written business plan, and a written marketing plan.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>6. Is there a written policy manual to address human resource issues, customer service standards, administration matters, media relations, and Board governance?</b>		<b>25 pts.</b>
<p><b>Rationale:</b> Professionally run events, and the organizations behind them, place priority on committing key policy decisions to paper and ensuring they are disseminated to all key individuals.</p> <p><b>Scoring Considerations:</b> Score a maximum of 5 points for each category based on the degree to which event organizers excel at addressing each of these items.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>7. Do organizers participate in professional development training?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> The presence of professional development training for staff implies a commitment to an event's staff by its Board, which, in turn, implies an overall commitment to a higher quality of event.</p> <p><b>Scoring Considerations:</b> If training is done on an ad hoc basis, then the maximum score should be 5 points. Score a maximum of 10 points only where it is evident that actual budget dollars are allocated for staff training and/or it is addressed in annual employee performance reviews.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>8. Is there a volunteer training and/or orientation program in place?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> Organizing committees often recruit more volunteers than they can effectively utilize, or fail to properly train them and therefore lose their interest. Event organizations striving for impact know how to avoid these pitfalls.</p> <p><b>Scoring Considerations:</b> Award half marks if the event organizers can produce a regularly updated orientation booklet for new volunteers. Award the remaining marks only if the contents of the booklet are reinforced through an actual orientation session. Look for a Volunteer Coordinator within the organizing committee.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>9. Does a professional marketing/promotions program &amp; budget exist?</b>		<b>20 pts.</b>
<p><b>Rationale:</b> Any event of significant scale will normally have a well-executed marketing and promotions program, with sufficient budget resources to get the job done professionally.</p> <p><b>Scoring Considerations:</b> Score full points if the professionalism of the marketing and promotions program is executed without compromise to quality. Deduct accordingly if there are obvious cases where it has been compromised. The presence of ongoing professional input will naturally score higher than a situation where professional input does not occur on a regular basis.</p>		
<b>Comments:</b>	<b>Score:</b>	

<b>10. Is there a corporate sponsorship program in place?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> With exception, large scale events need a well organized corporate sponsorship program to survive financially. Corporate sponsorship placements are an excellent indication as to just how high a scale the business community considers the event to be.</p> <p><b>Scoring Considerations:</b> Score 10 points if the organizers have a detailed corporate sponsorship program in writing for presentation purposes and 25% of their revenue is generated from this program. Score 1 point less for each five percent increment that corporate revenue is below 25%, and score 5 points less if no detailed, written corporate sponsorship program exists.</p>		
<b>Comments:</b>	<b>Score:</b>	

<b>11. Is there an active merchandising/licensing program?</b>		<b>10 pts</b>
<p><b>Rationale:</b> Quality events will invariably feature their own brand of merchandise, both as a source of revenue and as yet another way to promote.</p> <p><b>Scoring Considerations:</b> Look for more than just a single product before awarding the full 10 points. Score a maximum of 6 points for the existence of a merchandising program and 1 point for each 5% share of total revenue generated by the program (to a maximum of 4 points).</p>		
<b>Comments:</b>		<b>Score:</b>

<b>12. Is there a regular concessions program?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> Event patrons come to expect quality food and beverage concessions at any event that organizers claim is of any significant scale.</p> <p><b>Scoring Considerations:</b> Needless to say, concessions offering a variety of food and beverage items and adequate sitting will score much better than those lacking in any of these areas.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>13. Is there networking with other festival/ event organizers?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> Networking with other events and organizers implies that a commitment to improving the event's quality through exposure to new ideas.</p> <p><b>Scoring Considerations:</b> Frequency and quality of contact ultimately determines how high an event scores on this question. Score two points per each regular contact event organizers have established with organizers of comparable or superior events in other regions or provinces. Score one point per each similar type contact with event organizers in the surrounding region (to a maximum of five points).</p>		
<b>Comments:</b>		<b>Score:</b>

<b>14. Does the event have a well-linked Internet presence?</b>		<b>5 pts.</b>
<p><b>Rationale:</b> Having an Internet presence implies that event organizers recognize the need to explore the benefits of new information technology to improve exposure to their event and, in turn, increase its scale.</p> <p><b>Scoring Considerations:</b> Score four points for the existence of an Internet site; two additional points if it has been updated within the last two months, and four points if the event organizers can edit and modify their Internet site.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>15. Is there enhanced access, parking, security, sanitation, and telecommunications in place?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> No event can aspire to being of any major scale unless it has enhanced access, ample parking, adequate security and sanitation, and other amenities on site.</p> <p><b>Scoring Considerations:</b> Award two points for each of the following five categories in which the event has a quality passing grade: access, parking, security, sanitation, and telecommunications.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>16. Does an event evaluation &amp; survey component exist?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> Organizers of quality events recognize the merit of knowing their customers and using self-evaluation to measure how well the event is meeting their demands.</p> <p><b>Scoring Considerations:</b> Score four points if the organizers survey those attending. Score two points for a survey or evaluation of the organizing committee and/or participants. For the final four points, organizers have to demonstrate how changes identified in the survey and evaluation process are actually rectified within the overall event programming.</p>		
<b>Comments:</b>		<b>Score:</b>

**Event Scale Questionnaire**  
**Commitment to Tourism**  
Final ACOA Version

<b>Client:</b>	
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## Scale of Tourism Commitment Scorecard

#	Critical Questions	Yes	No	N/A	Value	Score
1	Is the organization operational year-round?				15	
2	Do principal organizers attend trade and industry shows/seminars?				10	
3	Is the sponsoring organization a member of HNL or similar provincial group?				5	
4	Is the event organization a member of a regional tourism association?				5	
5	Is the event positioned as a tourism attraction?				20	
6	Is the product or theme unique within the Province? Atlantic Canada?				10	
7	Is the event targeted at non-resident tourists? (Main reason they visit?)				20	
8	Do a significant percentage of non-resident tourists normally attend?				20	
9	Is the event three days or more in length?				20	
10	Is the event's time and place consistent from year to year?				10	
11	Is the event designed to accommodate bus tour groups, etc.?				15	
12	Are there out-of-province media buys?				15	
13	Is the event featured in out-of-province government media buys?				20	
14	Is there a strong media profile apart from any media buys?				10	
15	Does the event have a ticket reservation system in place?				5	
					200	

Note: Refer to accompanying Questionnaire for Determining an Event's Commitment to Tourism when completing this Scorecard.

## Questionnaire to Determine an Event's Commitment to Tourism

<b>1.</b>	<b>Is the organization operational year-round?</b>	<b>15 pts.</b>
<p><b>Rationale:</b> Year-round presence within the community speaks to just how high a profile an event has and to what degree it impacts on the community and region.</p> <p><b>Scoring Considerations:</b> Prorate scoring if the organization shuts down for the "off-season" or "only begins working X weeks before the big event." For example, if the organizing committee is active for one-third of the year, then score one-third of the possible 15 points.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>2.</b>	<b>Do principal organizers attend trade and industry shows/seminars?</b>	<b>10 pts.</b>
<p><b>Rationale:</b> Participation in tourism trade shows and seminars, or similar events in other industries, is an indication of the professionalism of an event and how serious organizers are about being competitive.</p> <p><b>Scoring Considerations:</b> If the chief event employee is the only one who participates in this type of activity normally within a two-year cycle, then score five points. Award the remaining five, if more than one employee and/or a Board member normally attends, or if the organization hosts seminars and guests speakers and experts on occasion.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>3. Is the sponsoring organization a member of Hospitality Newfoundland and Labrador (HNL) or similar group?</b>	
<b>5 pts.</b>	
<p><b>Rationale:</b> Being affiliated with organizations with goals and interests similar to what one's event is about is an indicator of just how serious one is about organizing an event for maximum impact. Networking, mainly within tourism circles, is a key tool for expanding the scale of an event.</p> <p><b>Scoring Considerations:</b> While HNL affiliation is desirable, participation in a similar type of tourism industry organization (but not a regionally-based tourism association - see #4) will also receive full points.</p>	
<b>Comments:</b>	<b>Score:</b>

<b>4. Is the event organization a member of a regional tourism association?</b>	
<b>5 pts.</b>	
<p><b>Rationale:</b> This question is similar to #3 in that we are trying to get a measure of how well the event is networked. The greater the level of networking, the greater the likelihood that the event is of significant scale.</p> <p><b>Scoring Considerations:</b> Score five points if the organization is a member of a regional tourism association. Deduct two points if it is obvious that the event committee does not actively participate in the activities or affairs of the regional tourism association.</p>	
<b>Comments:</b>	<b>Score:</b>

<b>5. Is the event positioned as a tourism attraction?</b>		<b>20 pts.</b>
<p><b>Rationale:</b> If organizers promote their event as a tourism event, and others do likewise on their behalf, then it can be assumed that there is sufficient scale for the public to recognize it as a bona fide tourism offering and consider attending.</p> <p><b>Scoring Considerations:</b> Score full points if the event's strategy is focused full-time on the theme of tourism and takes active steps to increase its audience of non-local visitors. Score to a maximum of ten points if the event's strategy for increasing the number of tourists that visit is only ad hoc or limited in scope.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>6. Is the product or theme unique within the Province? Atlantic Canada?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> The linkage of event uniqueness to event scale is an indirect one. However, those which have developed a unique line will be more likely to attract an audience and to grow in popularity.</p> <p><b>Scoring Considerations:</b> Score 5 points if the product or theme is unique within the province only. Award the remaining 5 points if it is unique within the Atlantic Provinces also.</p>		
<b>Comments:</b>		<b>Score:</b>

<p><b>7. Is the event targeted at non-resident tourists? (Is the event one of the main reasons why they visit?)</b></p> <p style="text-align: right;"><b>20 pts.</b></p>	
<p><b>Rationale:</b> The greater the degree of direct marketing to non-resident tourists, the greater the chances the event is of significant scale.</p> <p><b>Scoring Considerations:</b> Fifteen points are available based on the focus of the marketing campaign. If the marketing campaign is mainly directed (greater than 75 percent of marketing resources) at non-resident tourists, then award 15 points – subtract one point for each 5 percent decline in marketing resources aimed at the non-resident market. If it can also be established that the event is one of the main reasons why non-residents visit, award one point for each 5 percent of the audience that is a non-resident identifying that the event contributed toward their decision to vacation in the province – to a maximum of five points.</p>	
<p><b>Comments:</b></p>	<p><b>Score:</b></p>

<p><b>8. Do a significant percentage of non-resident tourists normally attend?</b></p> <p style="text-align: right;"><b>20 pts.</b></p>	
<p><b>Rationale:</b> Participation by non-resident tourists is a strong indicator of how effective organizers are at expanding the scope of their event beyond regional and provincial boundaries.</p> <p><b>Scoring Considerations:</b> If 20% or more of the participants &amp; audience are estimated to be non-resident tourists, then full points can be awarded. Deduct one point for each drop in estimated percentage below the 20% mark.</p>	
<p><b>Comments:</b></p>	<p><b>Score:</b></p>

<b>9. Is the event three days or more in length?</b>		<b>20 pts.</b>
<p><b>Rationale:</b> The longer the duration of an event, the more likely its scale will be higher.</p> <p><b>Scoring Considerations:</b> Award zero points for any event less than three days. This question is meant solely to reward events that provide a significant window of opportunity for people to attend. An event with duration of four weeks or more should be awarded 20 points. Prorate for events of shorter duration.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>10. Is the event's time and place consistent from year to year?</b>		<b>10 pts.</b>
<p><b>Rationale:</b> Patrons and tourists like dependability. Organizers of marquee events are very conscious of having their calendar time slot and location consistent from year to year.</p> <p><b>Scoring Considerations:</b> Score 5 points for consistent calendar time slot and 5 points for consistent location.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>11. Is the event designed to accommodate bus tour groups, etc.?</b>		<b>15 pts.</b>
<p><b>Rationale:</b> Marquee event organizers factor bus tours into their event planning and scheduling where possible.</p> <p><b>Scoring Considerations:</b> Score full points if the event regularly accommodates bus tour groups; score up to a maximum of 10 points if it is positioned to do so in terms of accommodations and access.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>12. Are there out-of-province media buys?</b>		<b>15 pts.</b>
<p><b>Rationale:</b> Events of a national scale, or aspiring to be as such, tend to focus a portion of their marketing efforts on out-of-province media buys as a means of reaching some of their markets.</p> <p><b>Scoring Considerations:</b> If out-of-province media buys are part of a well-orchestrated marketing and advertising strategy and representing at least 25% of the overall marketing budget, then score maximum points. If out-of-province media buys are done, but on an ad hoc and irregular basis, score to a maximum of 10 points, and then only consistent with the scale of the actual media buy.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>13. Is the event featured in out-of-province government media buys?</b>		<b>20 pts.</b>
<p><b>Rationale:</b> If the event is selected by a third party, such as the Department of Tourism, Culture and Recreation, to showcase the province's product, then it must be of a fairly significant scale.</p> <p><b>Scoring Considerations:</b> The full 20 points can be awarded if an event is positioned by the provincial government as either an anchor event or icon within its tourism marketing campaign. Otherwise, score to a maximum of 15 points based on how frequent it is featured on a casual basis as part of any government-sponsored marketing campaign.</p>		
<b>Comments:</b>		<b>Score:</b>

<b>14. Is there a strong media profile apart from any media buys?</b>		<b>10 Pts.</b>
<p><b>Rationale:</b> If the event is of a high scale, then media will cover it to a certain degree, regardless of whether or not organizers do media buys to promote it.</p> <p><b>Scoring Considerations:</b> Score higher if media coverage results in provincial or national exposure (full marks), versus just community and regional exposure (5 marks at best).</p>		
<b>Comments:</b>		<b>Score:</b>

<b>15. Does the event have a ticket reservation system in place?</b>		<b>5 pts.</b>
<p><b>Rationale:</b> Marquee events tend to offer off-site reserved ticket purchasing.</p> <p><b>Scoring Considerations:</b> Award full points if the event has its own reserved ticket purchasing system in place. Award two points if the event is part of a provincial or regional reserved ticket purchasing system.</p>		
<b>Comments:</b>		<b>Score:</b>

## Appendix C

### Resident of Newfoundland and Labrador Survey

1. How many people are in your party? (Please include yourself and those whose traveling expenses are covered by one member of the group) \_\_\_\_\_
2. Are you travelling as part of an organized tour group or motorcoach group? Yes  No
3. What is your city or town of **residence**? \_\_\_\_\_

**IF THE ANSWER TO QUESTION 3 IS ANY OF THE COMMUNITIES OF THE [DEFINED REGION] END SURVEY**

4. Have you visited [defined region] before? If yes, how many times? \_\_\_\_\_ Yes  No
5. a) Is this trip a substitute for a vacation outside of the province this year? Yes  No   
 Did it **decrease** the length of a vacation out of the province? Yes  No   
 If yes, by how many days? \_\_\_\_\_
- b) How many days do you plan to spend in [defined region]? \_\_\_\_\_  
 How many days are you away from home during this trip? \_\_\_\_\_

- |    | No influence  |   |   |   |   |   |   |   |   |   | Main single reason |
|----|---|---|---|---|---|---|---|---|---|---|--------------------|
| 6. | On a scale from 0 to 10 how much influence, if any, would you say that the [event] had in your decision to vacation in Newfoundland and Labrador? Where 0 is "no influence" and 10 is the "main single reason" why you vacationed in Newfoundland and Labrador. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10                 |

- |    |   |   |   |   |   |   |   |   |   |   |    |
|----|---|---|---|---|---|---|---|---|---|---|----|
| 7. | On a scale from 0 to 10 how much influence, if any, would you say that the [event] had in your decision to vacation in [defined region]? Where 0 is "no influence" and 10 is the "main single reason" why you vacationed in [defined region]. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----|---|---|---|---|---|---|---|---|---|---|----|

**If "0" influence:**

- Has visiting the [event] increased the amount of money that you would have otherwise spent on your trip? Yes  No   
 If yes, by how many dollars? (Canadian) \$ \_\_\_\_\_
8. What is the primary reason for your trip in:  
 Newfoundland and Labrador \_\_\_\_\_  
 [defined region] \_\_\_\_\_
9. What is the total amount of money (Canadian) you or your party plan to spend on this trip in Newfoundland and Labrador (on Gas, Food, Accommodations, Souvenirs, Entertainment, etc.)? \$ \_\_\_\_\_  
 How many days are you away from home during this trip? \_\_\_\_\_
10. How much money (Canadian) do you plan or you party plan to spend on this trip in [defined region]? (on Gas, Food, Accommodations, Souvenirs, Entertainment, etc.) \$ \_\_\_\_\_



# Non-resident of Newfoundland and Labrador Survey

1. What is your country of residence? \_\_\_\_\_
  2. What is your province or state of residence? \_\_\_\_\_
  3. Are you travelling as part of an organized tour group or motorcoach group? Yes  No
  4. Have you visited [defined region] before? If yes, how many times? \_\_\_\_\_ Yes  No
  5. How many people are in your party? (Please include yourself and those whose travelling expenses are covered by one member of the group) \_\_\_\_\_
  6. Were you aware of the existence of the [event] before you vacationed in Newfoundland and Labrador? Yes  No
- No influence Main single reason
- On a scale from 0 to 10 how much influence, if any, would you say that the [event] had in your decision to vacation in Newfoundland and Labrador? Where 0 is "no influence" and 10 is the "main single reason" why you vacationed in Newfoundland and Labrador
- 1 2 3 4 5 6 7 8 9 10
- If "0" influence:**
- Has visiting the [event] increased the amount of money **that you would have otherwise spent** on your vacation in Newfoundland and Labrador? Yes  No
- If yes, by how many dollars? (Canadian) \$ \_\_\_\_\_
7. Were you aware of the existence of the [event] before you vacationed in [defined region]? Yes  No
- No influence Main single reason
- On a scale from 0 to 10 how much influence, if any, would you say that the [event] had in your decision to vacation in [defined region]? Where 0 is "no influence" and 10 is the "main single reason" why you vacationed in Newfoundland and Labrador
- 1 2 3 4 5 6 7 8 9 10
- If "0" influence:**
- Has visiting the [event] increased the amount of money **that you would have otherwise spent** on your vacation in [defined region]? Yes  No
- If yes, by how many dollars? (Canadian) \$ \_\_\_\_\_
8. What is the primary reason for your vacation in:
    - Newfoundland and Labrador \_\_\_\_\_
    - [defined region] \_\_\_\_\_
  9. How much money (Canadian) do you or your party plan to spend on your vacation in Newfoundland and Labrador (on Gas, Food, Accommodations, Souvenirs, Entertainment, etc.)? \$ \_\_\_\_\_
- How many people are included in this expenditure?** \_\_\_\_\_
10. How much money (Canadian) do you or you party plan to spend in [defined region]? (on Gas, Food, Accommodations, Souvenirs, Entertainment, etc.) \$ \_\_\_\_\_
  11. How many days do you plan to stay in [defined region]? \_\_\_\_\_
- How many days is your total vacation in Newfoundland and Labrador? \_\_\_\_\_