

Projected Consumer Impacts of Participants at the 2011 World Universiade Summer Games, Shenzhen, China

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Abstract: Cities bid to host sport mega events for the expected economic benefits they may generate from visitor spending. Besides the Olympic Games and FIFA World Cup, there are many “second tier” international sport events that are staged annually or periodically, including the Rugby World Cup, Cricket World Cup, Commonwealth Games, and World Universiade Games. How much money do participants at these events spend? The purpose of this study is to project the consumer behaviors and impacts of participants to the 26th World Universiade Summer Games in Shenzhen, China using a spending profile generated from participant surveys at prior Universiade (2007 Bangkok and 2009 Belgrade). The 2011 Shenzhen Universiade attracted 11, 310 participants from 147 countries and their average spending during the Games was projected at € 830 per person for a total direct impact of € 9,387,300. Additional information pertaining to length of stay, and socio-demographic characteristics are also projected. Discussion and implications of findings to sport and tourism destination scholars and marketers are presented.

Keywords: Sport tourism, mega-events, World Universiade Games

Introduction

While a few large cities compete for the world’s biggest events (i.e., Olympic Games, FIFA World Cup, Commonwealth Games), others pursue events of a somewhat smaller scale: Rugby or Cricket World Cups, America’s Cup, Ryder Cup, F1, or World Universiade Games. Regardless of their size, cities vie to host sport events with the expectation that spending by participants and spectators will boost their economies. Numerous studies have quantified the impacts of consumer spending at sport mega events using essentially one of two methods (Preuss, 2004; Scott & Turco, 2007; Baade & Mattheson, 2004). One approach is the top-down method whereby secondary data and a series of assumptions are applied to an input-output model to determine the direct, indirect, and total impacts of the event in question, either ex ante or ex post. A drawback of the top-down approach is that one must wait (sometimes for months) for the secondary data to be made public before analyses may occur. The alternate approach is the

bottoms-up method. Bottoms-up requires primary data from event spectators and other direct spending sources to aggregate the direct economic impacts of the event. It is more labor intensive and time consuming compared to the top-down approach. Which approach is more accurate has been the subject of considerable debate (see Preuss, 2011 or Du Plessis & Maennig, 2010). Costs to conduct these rigorous economic evaluations can be considerable, and often beyond the budgets of most sport event organizations. Therefore, a refined, responsive model is needed to estimate sport event-induced spending and impacts by participants.

Purpose

Few studies have focused on lesser known or “second tier” international sport events to understand participant consumption patterns and impacts (Black, 2008). Fewer still are extended beyond a single assessment. The purpose of this study was to analyze the consumer behaviors and direct spending impacts of participants in previous World Universiade (2007 Bangkok, 2009 Belgrade, and 2011 Erzurum) to project the impacts of the 2011 Games in Shenzhen.

World Universiade Games

The World Universiade Games are organized under the patronage of International University Sport Federation (FISU). The history of the Games extends to 1923 when the World Student Games were held in Paris; the "Universiade" as such started in 1959 in Turin. Only university students and students who have graduated from university for no more than two years aged between 17 and 28 are allowed to take part. The World Universiade Games is now one of the world's largest sporting events. Bangkok hosted the Universiade in 2007 and set a new attendance standard with 9006 participants from 152 countries. Thirty-six sites for competitive

events and 43 practice sites were made available to Universiade participants in Bangkok. There were 13 compulsory sports (athletics, basketball, diving, fencing, football, gymnastics artistic, gymnastics rhythmic, judo, swimming, table tennis, tennis, volleyball and water polo) and five optional sports (badminton, golf, shooting, softball and taekwondo). In 2009, 8600 athletes from 128 countries participated in the 25th Summer World Universiade in Belgrade, Serbia. The City of Belgrade spent 16 million dinars to host the 2009 Summer Universiade Games. Sixty-nine sport venues were used in Belgrade and nearby communities for the Games. Erzurum, Turkey population 361,235 (2000) hosted the 2011 World Universiade Winter Games. Erzurum is located in the northwest region of Turkey and has the highest elevation in the country (1757 meters above sea level). The Erzurum Games attracted the largest number of participants (2700) and countries (n=52) in the 25-year history of the Winter Games. Eleven disciplines were contested by 1,593 athletes with 844 officials on hand. Approximately € 350 million was spent to host the Erzurum Universiade Games of which € 70 million was spent by the local organization. The cost for the ski jumping facility alone totaled nearly € 47 million.

The 26th Universiade was held in Shenzhen, China 12-23 August 2011 and featured 24 sports and 306 events. Twenty-two new sport facilities were built in Shenzhen, and 36 venues transformed; a new Universiade Village, media center and four non-competition venues were also constructed. The Athletes Village cost 2.4 billion Yuan (chinadaily.com). Development costs for the Shenzhen 2011 World Universiade Games exceeded 20 billion Yuan. The city unveiled a massive urbanization campaign, built large-scale sports venues, and increased the subway mileage six times. The Shenzhen Games attracted 11, 310 participants from 147 countries. A total of 3,156 reporters from 331 media organizations covered the event, whose opening ceremony attracted a television audience of 300 million in 70 countries and regions

Research Methods

On-site surveys were conducted at the 2007, 2009 and 2011 World Universiade. A questionnaire modeled after the one used by Cox et al. (2007) was used to gather participant data. Survey questions sought to determine participant nationality, length of stay, local spending by selected categories, socio-demographic characteristics, etc. Participant interviews were conducted during randomly selected days/times and at designated areas at Universiade venues. The total number of subjects queried during the World Universiade competitions was as follows: Bangkok 2007 (n=441); Belgrade 2009 (n=221); Erzurum 2011 (n=244). Spectator spending data for each event were averaged, adjusted for inflation, and projected for the 2011 Shenzhen Games.

Results and Discussion

- ***Bangkok 2007***

Participants stayed an average of 12 nights and traveled with 3.75 other persons. Sixty-percent of survey respondents were male; 40% were female. The average age of survey subjects was 27.5 years. Most respondents (63%) were participating in the Universiade for the first time, 37% had participated previously. Fifty-one percent of participants would visit Bangkok in the future, 39.8% were not sure, and 9% would not visit again. Approximately 87% of participants would recommend visiting Bangkok to their friends, 13% would not. On average, participants spent € 801.33 in Bangkok during the 2007 FISU Universiade, primarily for event tickets, shopping, transportation, and other goods and services. Most lodging costs were covered by the event organization, national or sport federations and were not a major expenditure to participants. By comparison, the average foreign tourist in

Thailand stays 7.93 nights and spends \$US 84 per day (Pongsirirushakun & Naewmalee, 2003).

- ***Belgrade 2009***

Participants at the 2009 Belgrade World Universiade stayed an average of 13 nights in the host city. In Serbia, the average international tourist in 2009 stayed 2.28 nights. They were mostly male (62%). Their per capita spend totaled € 815.60. Most (66.1%) were first time visitors to Belgrade. Many (49.8%) would like to return to Belgrade, some were not sure if they would (44.3%) and 5.9% would not return (Papadimitrou & Turco, 2009).

- ***Erzurum 2011***

Participants to the 2011 World Universiade Winter Games stayed in Erzurum an average of 11.4 nights. Their per capita spend totaled € 781.8. Each participant was accompanied by an average of 2.7 relatives or friends. Participant spend at the Winter Universiade in Erzurum compares favorably to the Summer Universiade (Bangkok and Belgrade).

- ***Shenzhen 2011***

Based on the participant profiles generated from three prior World Universiade, and adjustments for cost of living (inflation) we project that participants to the 2011 World Universiade Summer Games would spend € 830 per person in Shenzhen during 13 nights. Applying the per capita spending estimate to the total number of participants, we further estimate the total direct impacts of the Shenzhen Summer Games participant spend on the host economy to be € 9,387,300.

Conclusions

Participants spend approximately € 810 per capita during a World Universiade experience; for the Shenzhen Games, the projected spend was € 830 per participant. This is not much money for

nearly two weeks stay by international sport tourists but when applied to the total number of participants (11, 310), over € 9.3 million was spent in the host city by participants alone. One reason for the modest per capita consumption by participants in the World Universiade is that lodging accommodation costs may be covered by their national sport federation. Another reason is that student athletes simply do not yet have the spending power (income) to add more to a local economy. World Universiade participants spend at levels consistent with another frugal market: Ice climbers. Turco and Dinu (2009) found that participants of the World Cup Ice Climbing Finals in Busteni, Romania spent on averaged € 70.01 per day. The extent to which Universiade Games participants contribute to the economic development of host cities is quite evident. Across three Games in three countries from 2007-2011 participant spend has remained remarkably consistent, once adjusted for inflation. The World Universiade Games is a once-in-a-lifetime experience for most athletes given their stage in life/competition. The “one and done” nature of the event due to the maturation and matriculation of student athletes leads to a sameness in consumption regardless of setting. Additionally, student athletes have only limited opportunities to spend money before and after competitions due to training, practice, and travel commitments. There is only so much time, shopping access, and money available to Universiade participants, regardless of where they are, and € 800 appears to be their spending threshold. Most Universiade participants had positive perceptions of the host cities and would recommend a visit to friends and relatives.

Whether or not the World Universiade fosters new youth sport interest and sustained sport participation in the host city is beyond the scope of this study but these are an often-stated legacy goals for large-scale sport events. They may be more valuable (from public health and sociological perspectives) than the short-term economic boosts the events may bring.

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