



EVENT IMPACT CALCULATOR FOR THE FLORIDA SPORTS FOUNDATION

Proposal

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SUBMITTED TO:

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OVERVIEW

The Destinations International Event Impact Calculator (EIC) is a simple, flexible, and robust tool. The online platform enables users to run impact scenarios by event and to save or aggregate events over time. The reports generated by the model can be used to establish the economic value of key events and can also become an integral part of the event sales process.

Economic benefits of an event (past or prospective) are measured in terms of business sales, employment, wages, and tax collections. Costs may include incentives, security, sales commissions, and/or grants. EIC-generated reports show the total return on investment (ROI) of the event to the destination.

SCOPE OF WORK

Tourism Economics, an Oxford Economics Company, will deliver an EIC for Florida based on industry benchmarks as well as the most recent local economic data. The impact calculations are the product of several distinct spending streams. The first is visitor spending, which is calculated on a per person per day basis. Event organizer, sponsor, and exhibitor spending are also included.

The calculator can be run with varying levels of information. Minimum input requirements are:

- Event type
- Event duration
- Event attendance
- Year of event

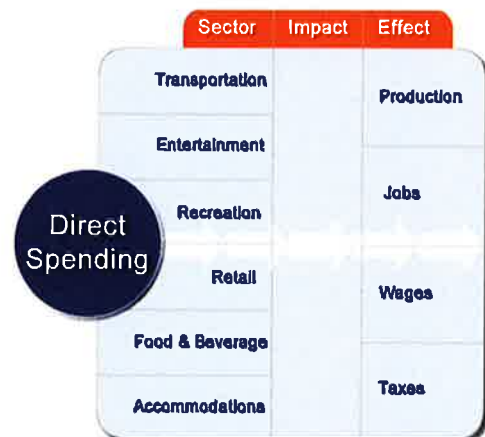
The model then uses destination-specific estimates on spending on a per delegate day basis by sector and by source of spending (participants, organizer, and exhibitors). Economic impact multipliers for Bermuda will then translate this spending into direct, indirect, and induced impacts.

Input-output (I-O) multipliers for Florida will be developed by Tourism Economics based on a local I-O model. An I-O model represents a profile of an economy by measuring the relationships among industries and consumers. For example, an I-O model tracks the flow of a visitor's restaurant expenditures to wages, profits, capital, taxes and suppliers. The supplier chain is also traced to food wholesalers, to farmers, and so on. In this way, the I-O model allows for the measurement of the direct and indirect sales generated by a restaurant meal. The model also calculates the induced impacts of tourism. These induced impacts represent benefits to the economy as employees of tourism sectors spend their wages in the local economy, generating additional output, jobs, taxes, and wages.

The EIC calculates these three levels of impact – direct, indirect, and induced – for a broad set of indicators. These include the following:

- Business sales
- Wages
- Employment
- Taxes by type

The modeling process begins with aligning the event expenditure measurements with the related sectors in the model (e.g. restaurants, retail, and recreation). The model is then run to simulate the flow of these expenditures through the economy. In this process, the inter-relationships between consumers and industries generate each level of impact for each economic indicator (sales, wages, employment, etc.).



THE PLATFORM

The EIC is a flexible tool, allowing the user to modify the basic event assumptions to reflect the inherent differences of each event. Users can modify the event by changing any of the defining inputs. A report is then generated for the event that can be exported to MS Excel, saved, recalled, or aggregated with other events.

PROJECT DELIVERABLES

The client will receive a customized Florida EIC along with support and training. It is provided on a license use basis for a period of one year. Each year, Tourism Economics will refresh the data and implement any model improvements as part of the license renewal.

The client will receive unlimited access to the EIC with a unique user account over twelve months. Tourism Economics will provide unlimited technical support and will also defend the results to industry stakeholders, the media, and government officials as needed.

In addition, Tourism Economics will work with the FSF team implement EIC data and relevant calculations into the existing FSF grant application. This will involve building in appropriate spending averages and providing the needed calculations/modifications for implementation into the platform by FSF. This will include destination-level spending data for grant applications to be based on local data on per diem spending with breakouts for out-of-state visitors.

PROJECT TERMS

Tourism Economics will meet a six-week time table for the project.

The delivery of the Florida EIC and initial 12-month license for the platform can be provided at a fixed-fee of US\$4,000, payable to Destinations International.

The adaptation of the existing FSF grant application for up to 35 destinations will be conducted for \$16,000.

APPROVAL



Authorized Signature

Angela Ponzio

Printed Name and Title

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