

THE IMPACT OF MAJOR EVENTS ON LONDON'S ECONOMY

2017-20



LONDON
& PARTNERS

HATCH

“

London is a world-leading city of sport, music and culture with a long history of putting on some of the best events watched across the globe. With iconic backdrops and a range of state-of-the-art sports stadiums, venues, cultural institutions and green spaces, there is no better city in the world to host a major event.

Major events are the heartbeat of our city, and the return of these events will provide a much-needed boost to the city's economy following the pandemic.

Sadiq Khan
Mayor of London

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ECONOMIC IMPACT OF MAJOR EVENTS

Introduction

Culture, commerce and civic pride are deeply intertwined. Major events create the backdrop for memories that last a lifetime. They offer compelling reasons to visit a city, create jobs and bolster civic pride.

They also offer an unrivalled platform to tell London's story to a range of audiences while contributing to their economic success, global identity and appeal.

London is a global award-winning host of major sporting and cultural events. Whether it's football, cricket, music festivals or pageantry, the capital is a fitting home for top athletes and artists to perform in front of packed out stadiums and to audiences all over the world.

London provides one of the world's most recognisable and iconic backdrops. As well as state-of-the-art venues, such as Tottenham Stadium, the Queen Elizabeth Olympic Park legacy venues, Wembley Stadium and The O2, London also offers stunning outdoor locations to host events, including the city's vibrant streets, spacious Royal Parks, river Thames and Royal Docks. London is an event organiser's dream.

The capital hosts, on average, 180 large-scale events a year, which are enjoyed by its enthusiastic event-going residents (9 million people in 2019) and visitors (21.7 million international visitors in 2019*). Its genuinely diverse audience (36% of London residents are born outside the UK) provides a truly 'home from home' crowd for those coming to compete or perform in London.

*International Passenger Survey

London also has a strong heritage in sport and volunteering. Hackney Marshes has the highest concentration of football pitches in Europe, and the Virgin Media London Marathon, the world's largest annual one-day charity fundraising event, reinvests its profits back into the city's sporting facilities every year (it has raised more than £1bn since 1981).

Events such as the NFL London Games, Rugby World Cup, UEFA EURO 2020, ICC Cricket World Cup, Pride in London and Lumiere London choose to reach out across multiple boroughs to ensure they touch the heart of local communities and inspire people of all ages to take part.

Hosting major events has also contributed to London's record tourism levels (more than 21.7 million international visitors in 2019) and since 2013 has injected £5.02bn to the London economy.

It's not just about economics. Major events are dynamic, inclusive and accessible, providing special moments to be shared with friends and loved ones. London has proven time after time its ability to bring sport, music, culture and communities together. It's the heartbeat of London and the city cannot wait to welcome you back.

THE IMPACT OF MAJOR EVENTS ON LONDON'S ECONOMY

2017-20



£2.27 billion
in visitor expenditure

£238 million in event
organiser spend in London



£2.51 billion

generated by major events in London between 2017-20



757 major events over four-year period (**571** between 2017-19 and **186** planned for 2020) 391 major events supported by Mayor of London or London & Partners



£1.03 billion
generated by **305**
sporting events



£1.48 billion
generated by **452** cultural and
concert events

£107 million

IAAF World Championships and World Para Athletics Championships in 2017 was the biggest contributor



ABOUT THIS STUDY

This study assesses the economic impact of major events on London's economy for the period 2017 to 2020¹ (both years included), and is based on major events delivered during 2017-19 and planned events for 2020.

The study aims to:

- Assess the contribution of major events to the London economy between 2017 and 2020 (both years included)
- Compare the impact (measured as additional expenditure) across different event types and years
- Give an overview of the impacts generated through major events supported by the Mayor of London and/or London & Partners
- Compare the economic impact for 2017-20 with 2013-16².

This study defines major events as

- any event attracting 10,000 people; and/or
- with significant visitor appeal (either domestic or international), generating media exposure³ (such as live TV, news coverage and/or considerable social media activity).

Impacts for 2020 are based on events planned as of June 2020, taken from the London Events Coordination Calendar (LECC). This will not be a complete picture of all the events for 2020 as many get added throughout the year as licences are agreed (refer to Economic Impact section for approach to events in 2020).

The approach adopted builds on an earlier London & Partners (2016) study⁴ that measured the impacts of event tourism and major events in the capital between 2013 and 2016.

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London and its stakeholders have played a huge part in the success of the NFL games we have staged in the UK since 2007. We look forward to many more years of working with London to bring the excitement of our sport to the UK and to strengthen our ties to local communities.

Chris Halpin

NFL Executive Vice President,
Chief Strategy & Growth Officer

Key findings

- A total of 571 major events were held between 2017 and 2019, with a further 186 events planned for 2020, **totalling 757 major events.**
- The total contribution of all major events between 2017 and 2020 is estimated to represent an injection of **£2.51bn** to the London economy.
- With 212 events and an estimated impact of **£727m, 2017** was the most successful year. This can in part be attributed to the impact generated by the IAAF World Championships and World Para Athletics Championships, which **together injected more than £107m.**
- Visitors to major events injected an estimated **£2.27bn into the London economy**, £1.54bn of which was non-accommodation expenditure.
- **Concert and cultural events** made the largest contribution, injecting a total of **£1.48bn** to the London economy between 2017 and 2020. During that same time, **sporting events** contributed on average **£1.03bn** to the London economy. This is driven by the total number of visits, contribution per visitor and organiser spend.
- An estimated **£238m** spent by event organisers was with suppliers based in London.
- Overall, it is estimated that every visit to a **concert and cultural event** generated on average **£23** to the London economy, while each visit to a **sporting event** injected on average **£42**. It is worth noting that concert and cultural events typically run over a longer period and tend to generate multiple trips per event.

1. Based on the London Events Coordination Calendar (LECC) as of June 2020.

2. London & Partners (2016), 'The Impact of Event Tourism on London's Economy'.

3. London & Partners define significant media as being likely to generate a global conversation and attract worldwide coverage if it exceeds the threshold in one of the following parameters: expected sport TV audience of 4 million, expected online TV audience of 300,000, social media following of 130,000 and for culture 4,000 social media followers.

4. London & Partners (2016), 'The Impact of Event Tourism on London's Economy'.



ECONOMIC IMPACT OF MAJOR EVENTS 2017-20

Economic impact is defined as visitor spend, organiser spend and participant spend in London.

A total of 571 major events were held between 2017 and 2019 (both years included), with a further 186 events planned for 2020. This brings the total number of major events in London between 2017 and 2020 to 757. The overall contribution of major events over this period is estimated to represent an injection of on average £2.51bn to the London economy (or an average of £626m each year), with major events injecting at least £576m into the London economy through spectator, participant and organiser spend each year.

With 212 major events and an estimated impact of £727m, 2017 was the most successful year throughout the study period. The year's success can in part be attributed to the substantial impact generated thanks to the IAAF World Championships and World Para Athletics Championships, which together injected more than £100m into the London economy throughout 20 competition days over a month-long period from mid-July 2017. This was followed by 2018 (with £586m injected into the London economy) and 2019 (with an estimated annual injection of £576m).

Overall, concert and cultural events made the largest contribution to the London economy, accounting for 59% of all events and injecting a total of £1.48bn in visitor and event organiser expenditure between 2017 and 2020⁶. It is estimated that sporting events

contributed £1.03bn in visitor and event organiser expenditure over the same period. The difference in impact is primarily driven by the number of events under each category (ie 452 concert and cultural events compared with 305 sporting events), in addition to visitor numbers and size of the event.

IAAF World Championships and World Para Athletics Championships⁵

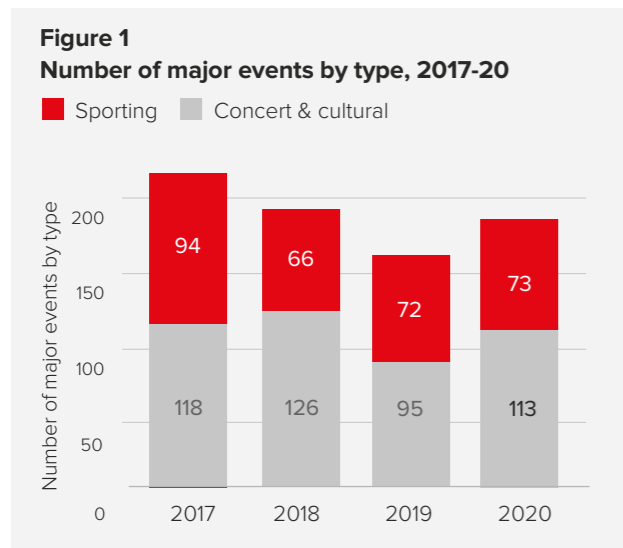
In 2017, London hosted the IAAF World Championships and World Para Athletics Championships. The event saw a combined 20 days of athletics and para athletics competitions over a month-long period starting in mid-July. Overall, the event saw more than 375 track and field and long distance events, and more than 3,100 athletes competing across several disciplines. In total, more than one million tickets were issued, of which 705,000 tickets were for the IAAF World Championships (a world record for the championships).

Together it is estimated that the IAAF World Championships and World Para Athletics Championships contributed more than £107m to the London economy.

5. The Sport Consultancy, Nielsen Sports, Gracenote and PCSG, 'London 2017 World Para Athletics Championships and IAAF World Championships Event Impact Report'.

6. Due to COVID-19, the assessment of 2020 in this study is based on the assumption that all events progressed as planned. This is likely to be an incomplete representation of the economic impact of 2020, given the full calendar of events was not known, and it is expected that additional events would have been added throughout the year.

While most events were either concert or cultural, the actual number of events delivered (or anticipated in the case of 2020) varies year on year. Figure 1 and Table 1 present a breakdown of major events by type and show that the number of concert and cultural events ranges from 95 to 126 events per annum (or 56%-66%), depending on the year considered.



Source: Hatch modelling (2020) based on data provided by London & Partners.

*Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

Source: Hatch modelling (2020) based on data provided by London & Partners.

Please note: Totals may not add up due to rounding of impact estimates.
*Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

Table 1 Annual contribution by event type (£ million)

		2017	2018	2019	2020*	Total
Concert & cultural	Events	118	126	95	113	452
	Impact	£385	£387	£369	£336	£1,478
Sporting	Events	94	66	72	73	305
	Impact	£342	£198	£208	£279	£1,027
Total	Events	212	192	167	186	757
	Impact	£727	£586	£576	£615	£2,505

Based on Table 3, it is estimated that each concert and cultural event contributed on average £3.3m to the London economy, compared with £3.4m for each sporting event held over the same period.

A previous study⁷ measuring the impact of major events to the London economy between 2013 and 2016 identified an average impact of £5m (2020 pricing) for every concert and cultural event, and £6.6m (2020 pricing) for every sporting event. The difference in impact per event across the two periods is driven by the number of events considered (ie an average of 80 events per annum for 2013-16 compared with an average 190 events per annum for 2017-20), and thus average visitors.

Based on Table 3, it is estimated that every visit to a concert and cultural event generated on average £23 to the London economy, while each visit to a sporting event injected on average £42. It is worth noting that concert and cultural events typically run over a longer period and tend to generate multiple trips when compared with sporting events.

7. London & Partners (2016), 'The Impact of Event Tourism on London's Economy'.

The impact by visitor by event type depends on the assumptions made with regards to the number of unique visitors (as a proportion of total visitors), length of trip, daily spend on non-accommodation, overnight costs, ratio of event organiser spend to visitor spend. More detail is included in Appendix A.

Table 2 Total impact of major events per year

Year	Number of events	Impact (£ million)
2017	212	£727
2018	192	£586
2019	167	£576
2020*	186	£615
Total	757	£2,505

Source: Hatch modelling (2020) based on data provided by London & Partners.

Please note: Totals may not add up due to rounding of impact estimates.

*Estimated figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

Table 3 Economic impact per event, and impact per visitor

	Concert & cultural	Sporting	All events
Visitor impact (£ million)	£1,409	£858	£2,268
Event organiser spend (£ million)	£68	£169	£238
Total impact (£ million)	£1,478	£1,027	£2,505
Total attendance (000s)	65,121	24,718	89,839
Average impact per event (£ million)	£3.3	£3.4	£3.3
Average impact per visit	£23	£42	£28
Average percentage of impact per visit assigned to visitor spend	95%	84%	91%

Source: Hatch modelling (2020) based on data provided by London & Partners.





VISITOR EXPENDITURE

Visitor expenditure is the first of two components used to measure the economic impact of major events in London. This includes visitor expenditure on accommodation by overnight visitors, in addition to non-accommodation expenditure by day visitors. Participant expenditure is also considered for mass participation events*. More detail is included in Appendix A.

It is estimated that visitors to major events (ie both day and overnight visitors in addition to participants in mass participation events) injected on average £2.27bn into the London economy, of which £1.54bn covered everything other than accommodation.

Table 4 Accommodation, non-accommodation and participant spend by type of event (£ million)

	Accommodation Spend	Non-Accommodation Spend	Participant Spend*	Total Spend
Concert & cultural	£492	£917	£0	£1,409
Sporting	£235	£464	£159	£858
Total	£727	£1,382	£159	£2,268

Source: Hatch modelling (2020) based on data provided by London & Partners.
Please note: Totals may not add up due to rounding of impact estimates.

* Mass participation events include sport only

Concert and cultural events contributed towards the largest proportion (62%) of visitor spend (including accommodation and non-accommodation), with an overall estimated injection of on average £1.41bn between 2017 and 2020.

Visitor expenditure associated with sporting events is estimated to have contributed £858m over the same period, accounting for 38% of total visitor spend.

The larger impact for concert and cultural events reflects that 60% of events were of this type, while sport accounted for 40%.

Figure 2 Area of spend for visitor expenditure, 2017-20 (£ million)

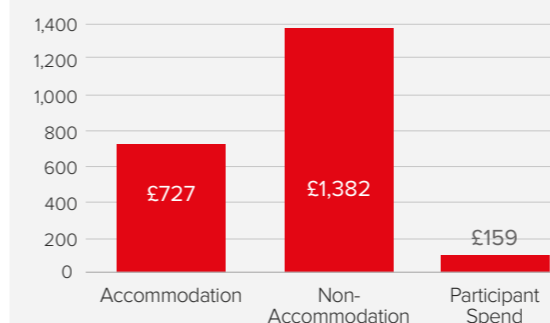
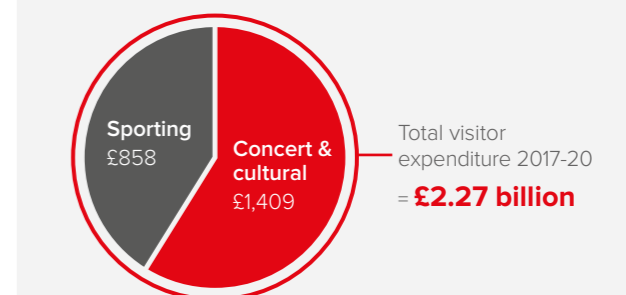


Figure 3 Overall expenditure by visitors to sporting, cultural and concert events, 2017-20 (£ million)



Source: Hatch modelling (2020) based on data provided by London & Partners.
Please note: Totals may not add up due to rounding of impact estimates.



EVENT ORGANISER SPEND

Event organiser spend is the second component used to measure the impact of major events on the London economy.

Based on benchmarks of the ratio between visitor and event organiser spend (from various Event Impact Reports), it is estimated that in total on average £389m was spent between 2017 and 2019, with a further £142m on events planned for 2020. This would bring the total event organiser spend to £531m for major events held in London between 2017 and 2020.

Of this, on average £238m (or 45% of event organiser spend) was spent on suppliers based in London. This includes £172m on major events held in 2017-19, with a further £65m for events planned in 2020. With £169m, sporting events (delivered and planned) represented almost three quarters (71%) of the total event organiser spend in London (Table 5).

Expenditure on culture and concert events with suppliers based in London total up to £69m (29% of total event organiser spend in London) once all major events delivered (2017-19) and planned (2020) are considered.

Table 5 Event organisers spend in London, 2017-20 (£ million)

	2017	2018	2019	2020*	Total
Concert & cultural	£18	£17	£15	£19	£69
Sporting	£58	£31	£33	£47	£169
Total	£76	£48	£48	£65	£238

Source: Hatch modelling (2020) based on data provided by London & Partners.
Please note: Totals may not add up due to rounding of impact estimates.
 *Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

Figure 4 Total expenditure by event organisers, 2017-20 (£ million)



Source: Hatch modelling (2020) based on data provided by London & Partners.
Please note: Totals may not add up due to rounding of impact estimates.

EVENTS SUPPORTED BY THE MAYOR OF LONDON AND LONDON & PARTNERS

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The complexity of delivering a light festival on this scale, where each installation is effectively an exhibition in itself, is hard to imagine, and London & Partners’ collaborative approach and experience were invaluable. As our lead media partner, London & Partners undoubtedly gave us a platform that amplified our impact and gave us a global reach.

Helen Marriage
Director,
Artichoke, Lumiere London



Mother of Pearl, London Fashion Week Festival
© Eeva Rinne / British Fashion Council



ICC Cricket World Cup © Getty

The following analysis is based on data provided by London & Partners and draws on the London Events Coordination Calendar (LECC) report generated as of June 2020.

A total of 391 major events (or 52% of all major events) between 2017 and 2020 were supported by the Mayor of London and/or London & Partners. Many of the top major events in terms of economic output such as the IAAF World Championships and World Para Athletic Championships, Virgin Money London Marathon, Pride in London and Lumiere London were supported by Mayor of London and /or London & Partners. Support can take many forms ranging from bids to attract events, as well as city support in the form of feasibility assessment, business case development, event governance and coordination, marketing and/or funding.

Table 6 Major events supported by Mayor of London and/or London & Partners

Year	Number of major events	Supported by Mayor of London / London & Partners
2017	212	94 (44%)
2018	192	113 (59%)
2019	167	88 (53%)
2020*	186	96 (52%)
Total	757	391 (52%)

Source: Hatch modelling (2020) based on data provided by London & Partners.

Please note: Totals may not add up due to rounding of impact estimates.

*Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

Table 7 Number of major events supported by Mayor of London and/or London & Partners by type and year

	2017	2018	2019	2020*	Total
Concert & cultural	53	69	51	57	230
Sporting	41	44	37	39	161
Total	94	113	88	96	391

Source: Hatch modelling (2020) based on data provided by London & Partners.

*Please note: Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

It is estimated that these supported events contributed an injection of £1.32bn into the London economy between 2017 and 2020. The majority of supported events (230 events or 59% of supported events) were concert and cultural events. Together, these generated an injection of on average £792m to the London economy, compared with £531m for sporting events.

Table 8 Economic impact (£m) of major events supported by Mayor of London and/or London & Partners

		2017	2018	2019	2020*	Total
Concert & cultural	Events	53	69	51	57	230
	Impact	£128	£252	£247	£166	£792
Sporting	Events	41	44	37	39	161
	Impact	£175	£104	£93	£159	£531
Total	Events	94	113	88	96	391
	Impact	£303	£356	£339	£325	£1,323

Source: Hatch modelling (2020) based on data provided by London & Partners.

Please note: Totals may not add up due to rounding of impact estimates.

*Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

Table 9 Accommodation, non-accommodation and participant spend by type of event for events supported by the Mayor of London and/or London & Partners (£m)

	Accommodation Spend	Non-Accommodation Spend	Participant Spend
Concert & cultural	£276	£488	n/a
Sporting	£128	£253	£59
Total	£404	£741	£59

Source: Hatch modelling (2020) based on data provided by London & Partners.

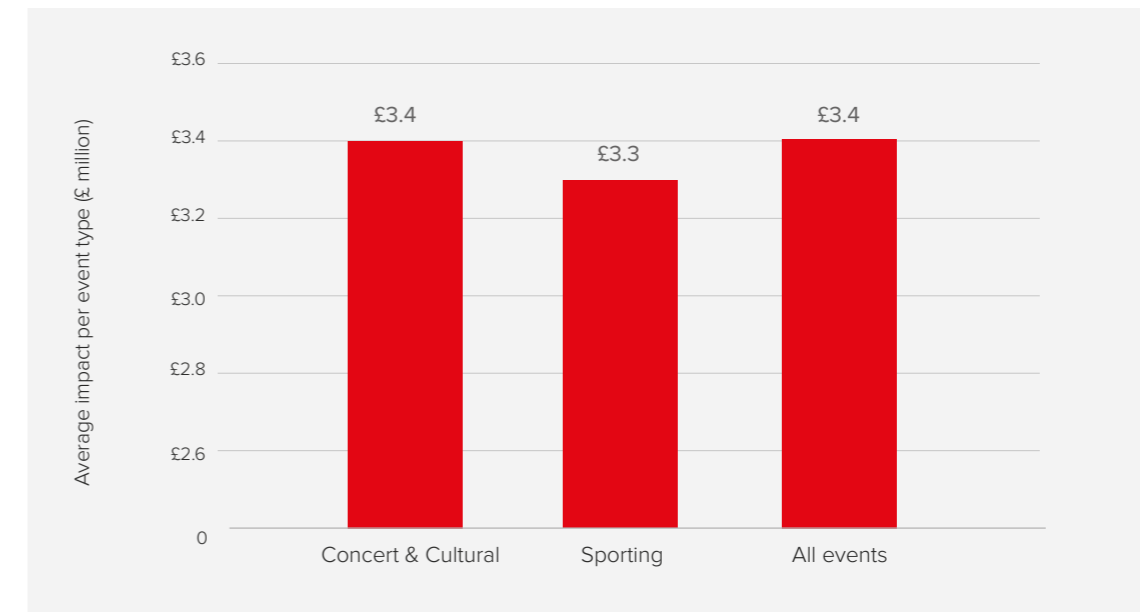
Please note: Totals may not add up due to rounding of impact estimates to the nearest whole number.

It is estimated that supported concert and cultural events contribute an average of £3.4m per event, compared with £3.3m per sporting event (Figure 5).

Visitor expenditure makes up the bulk of impact generated by supported events, injecting on average £1.20bn to the London economy between 2017 and 2020. The largest proportion of visitor expenditure (of £741m or just under two thirds (62%) of visitor expenditure) can be attributed to spend on non-accommodation (Table 9).

As per the analysis outlined above, it is estimated that concert and cultural events contributed a greater proportion of visitor spend (including accommodation and non-accommodation) when compared with sporting events. It is estimated that concert and cultural events contributed £765m to the London economy between 2017 and 2020, compared with £439m by sporting events.

Figure 5 Average impact of supported events by event type (£m)



Source: Hatch modelling (2020) based on data provided by London & Partners.

Please note: Totals may not add up due to rounding of impact estimates.

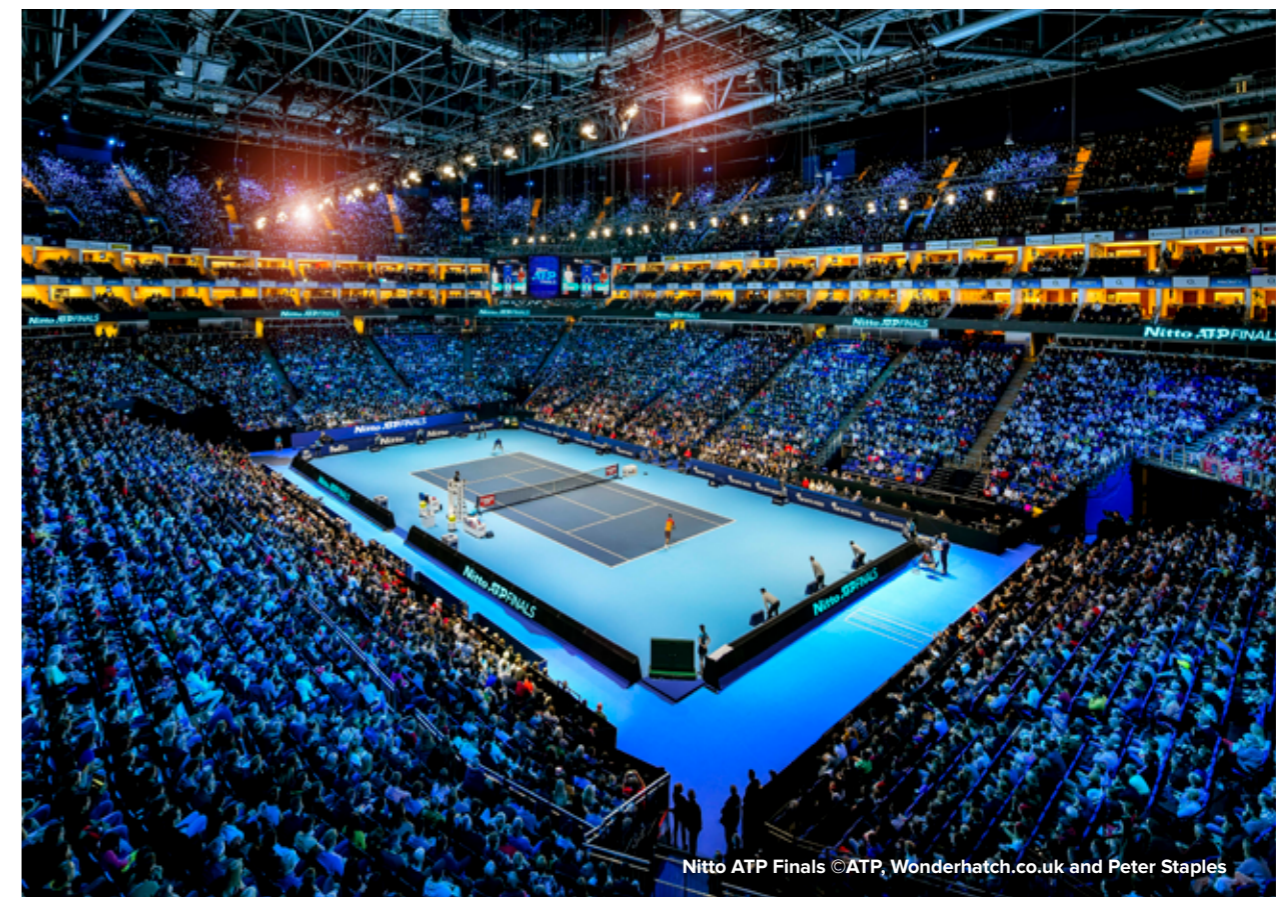
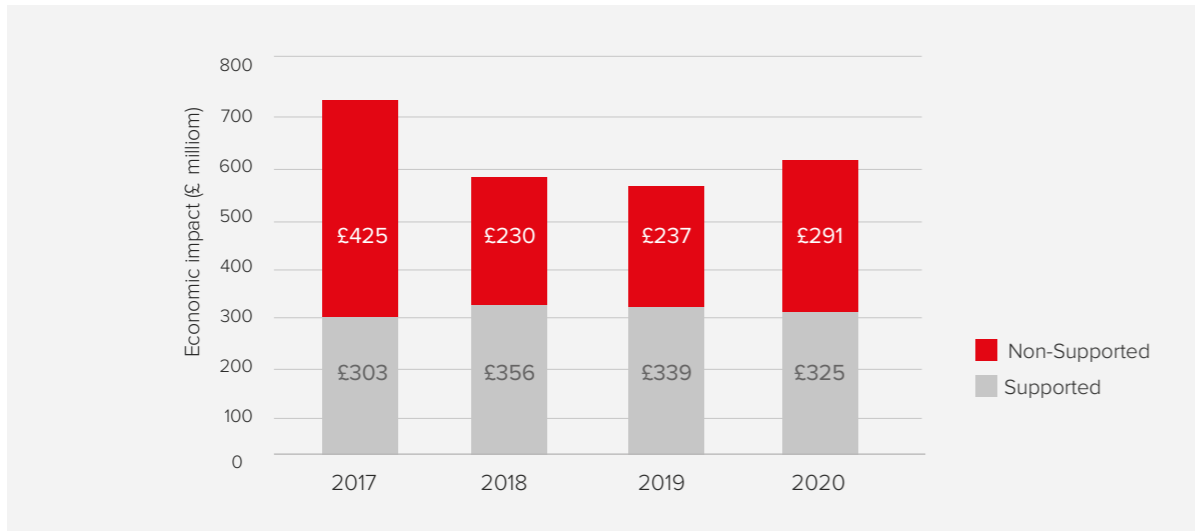


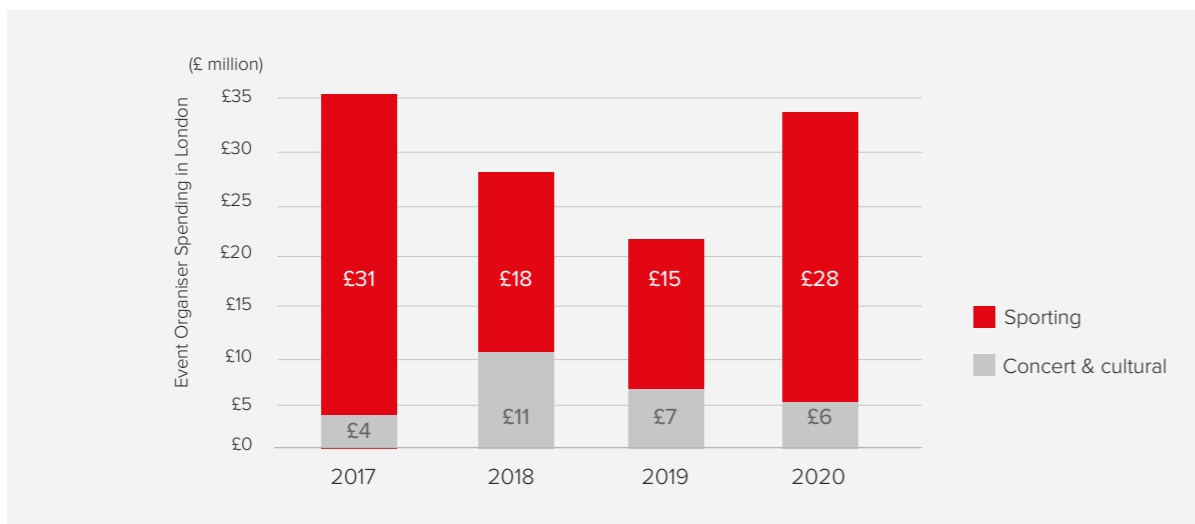
Figure 6 Economic impact by supported/ non-supported major events



Source: Hatch modelling (2020) based on data provided by London & Partners. Please note: Totals may not add up due to rounding of impact estimates.

***Please note:** Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

Figure 7 Supported event – organiser spend by type of event, 2017-20



Source: Hatch modelling (2020) based on data provided by London & Partners.

***Please note:** Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.

Overall, it is estimated that between 2017 and 2020, event organisers of supported events spent on average £120m with London-based suppliers, of which on average £92m was on sporting events. On average a third (33%) of all organiser spend on sporting events with London businesses occurred in 2017, which saw London hosting the IAAF World Championships and Para Athletic World Championships. More detail on the level of event organiser spend by type of event in London is shown in Figure 7.



“ London and its stakeholders played a huge part in the overwhelming success of the ICC Cricket World Cup 2019. Being able to host the opening match and the Final within the capital gave a perfect synergy to the tournament, and utilising such iconic London sporting venues as The Oval & Lord’s to host 10 matches added hugely to the global spectacle of the event.

Steve Elworthy

Managing Director – Events & Special Projects, England & Wales Cricket Board





TOTAL IMPACT 2013-2020

A previous study by London & Partners⁸ estimated the economic impact of major events in London between 2013 and 2016 (both years included) to be of £2.22bn in 2012 prices, or £2.52bn in 2020 pricing⁹. During that time, London hosted on average 80 major events each year. At £2.51bn, the economic impact identified for 2017-20 is slightly below that identified for the 2013-16 period. This partly reflects the fact that the 2017-20 figure does not have a complete set of Event Impact Reports for 2020, as the full calendar of events was not known and it is expected that events would have been added throughout the year.

The study concluded that following the London 2012 Olympics, London-supported major events contributed more than £1bn to the London economy, and events scheduled to take place between 2017-19 were predicted to deliver an additional expenditure worth on average £406m.

8. London & Partners (2016), 'The Impact of Event Tourism on London's Economy'.

9. The original assessment was undertaken in 2016 and used 2012 pricing. To allow for a fair comparison across time periods, the 2013-16 figures have been inflated to 2020 pricing.



Prudential RideLondon ©Prudential Ride London / Bob Martin

With an estimated impact of £1.08bn, 2015 is identified as the most successful year in terms of economic impact generated by major events between 2013 and 2020 (had planned events gone ahead). This year included the 2015 Rugby World Cup, which contributed to more than half of the economic impact (an estimated £574m in 2020 pricing). 2017 is the second most successful year with an estimated £727m of economic impact, followed by 2020 (£615m), 2018 (£586m) and 2019 (£576m).

Excluding 2020, the average annual impact for the period 2017 to 2019 (£630m) is above that for the period 2013 to 2016 (£486m) if the impact of the Rugby World Cup is excluded. Including the impact of the Rugby World Cup in 2015, the average impact for 2013-16 is estimated to be £629m per annum.

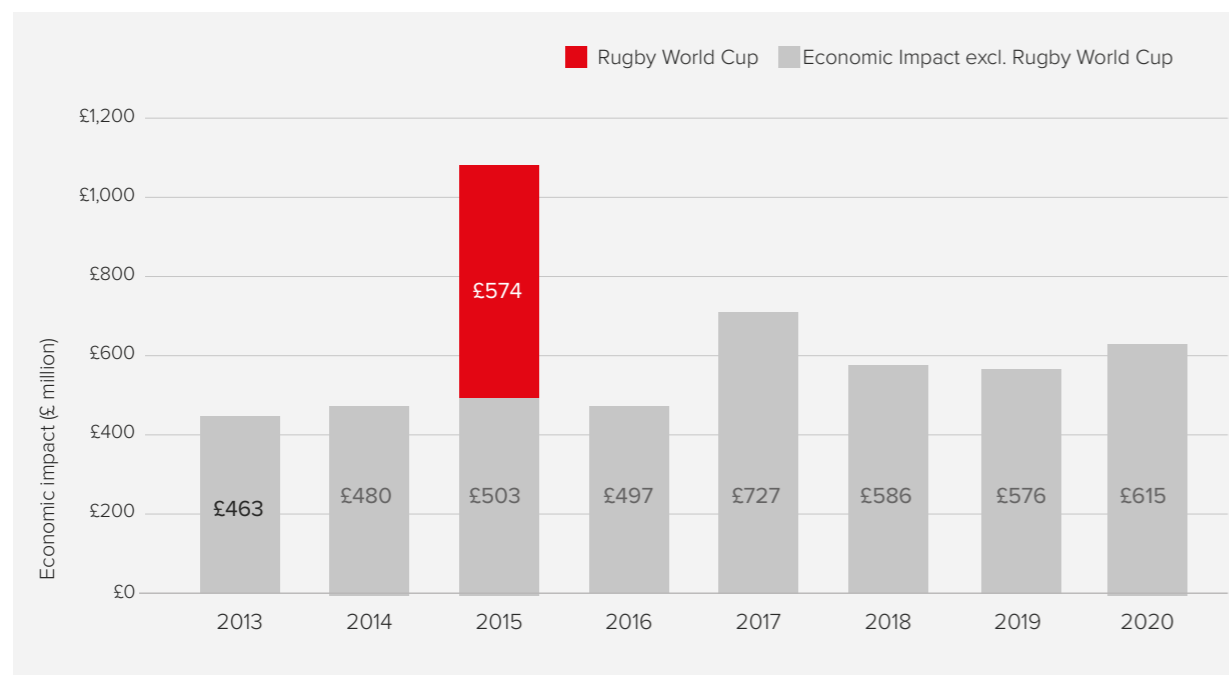
It is estimated that all major events delivered since 2013 (including those planned for 2020) have contributed an overall injection of £5.02bn to the London economy, an average of £628m each year.

Table 10 Economic impact of major events per year, 2013-16 (£ million)

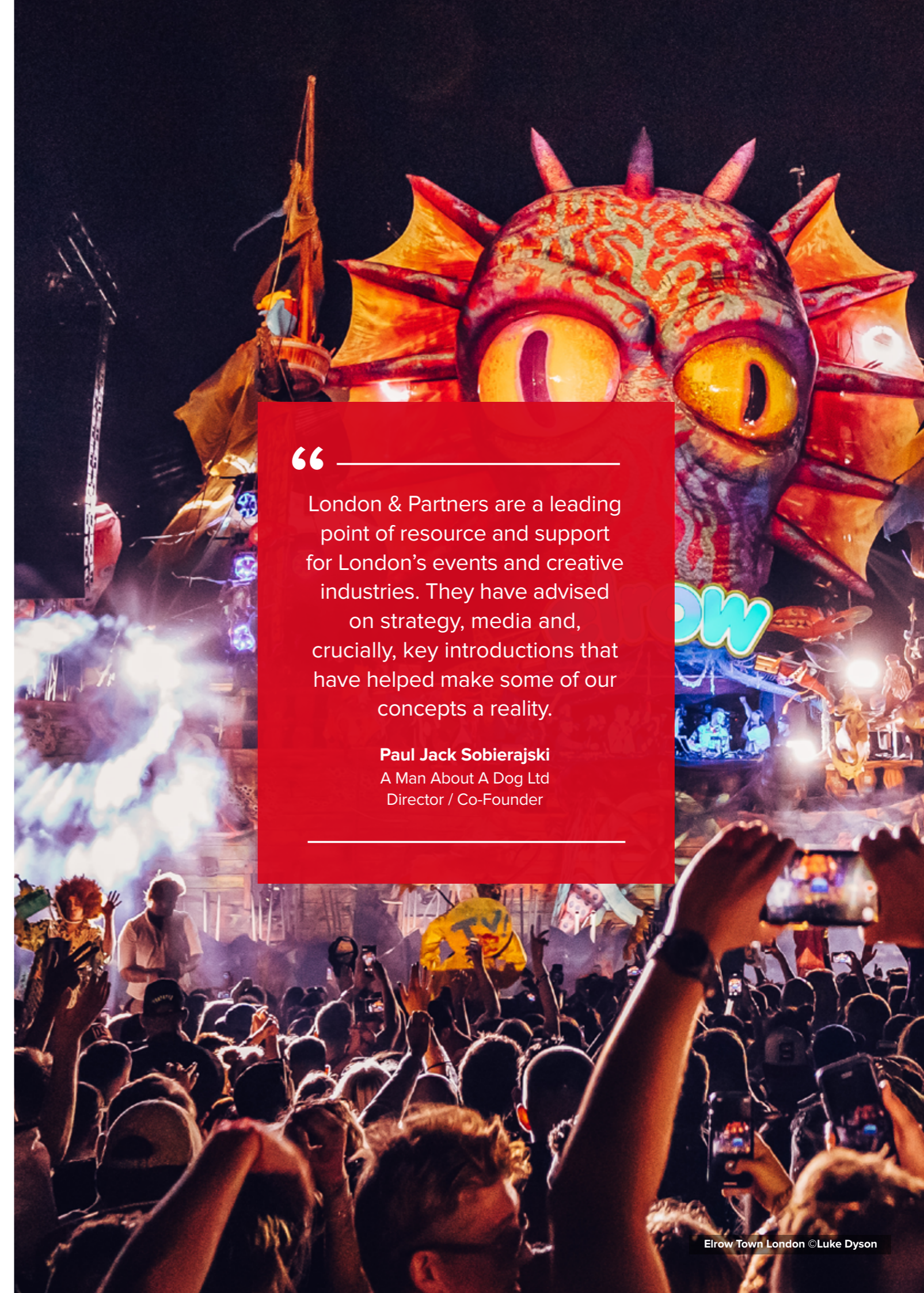
	2013	2014	2015	2016	Total
2012 pricing	£408	£423	£949	£438	£2,218
2020 pricing	£463	£480	£1,077*	£497	£2,518

Source: Hatch analysis based on modelling taken from the 2013-16 study.
Please note: Totals may not add up due to rounding of impact estimates.
 *This includes £574 million (2020 pricing) generated by the Rugby World Cup.

Figure 8 Economic impact of major events in London, 2013-20 (£ million)



Source: Hatch's modelling based on data provided by London & Partners, 2020.
Please note: Figures for 2020 are based on the planned events from the London Events Coordination Calendar as published in June 2020.



“ London & Partners are a leading point of resource and support for London’s events and creative industries. They have advised on strategy, media and, crucially, key introductions that have helped make some of our concepts a reality.

Paul Jack Sobierajski
 A Man About A Dog Ltd
 Director / Co-Founder



APPENDIX A METHODOLOGY

Methodology

A.1

An overview of the assessment framework used is shown in Figure A.1 and follows the same approach adopted in the assessment of major events for 2013-16*.

A.2

The two sources of impact accounted for are visitor expenditure and expenditure of event organisers within the London economy. For sporting events, participant

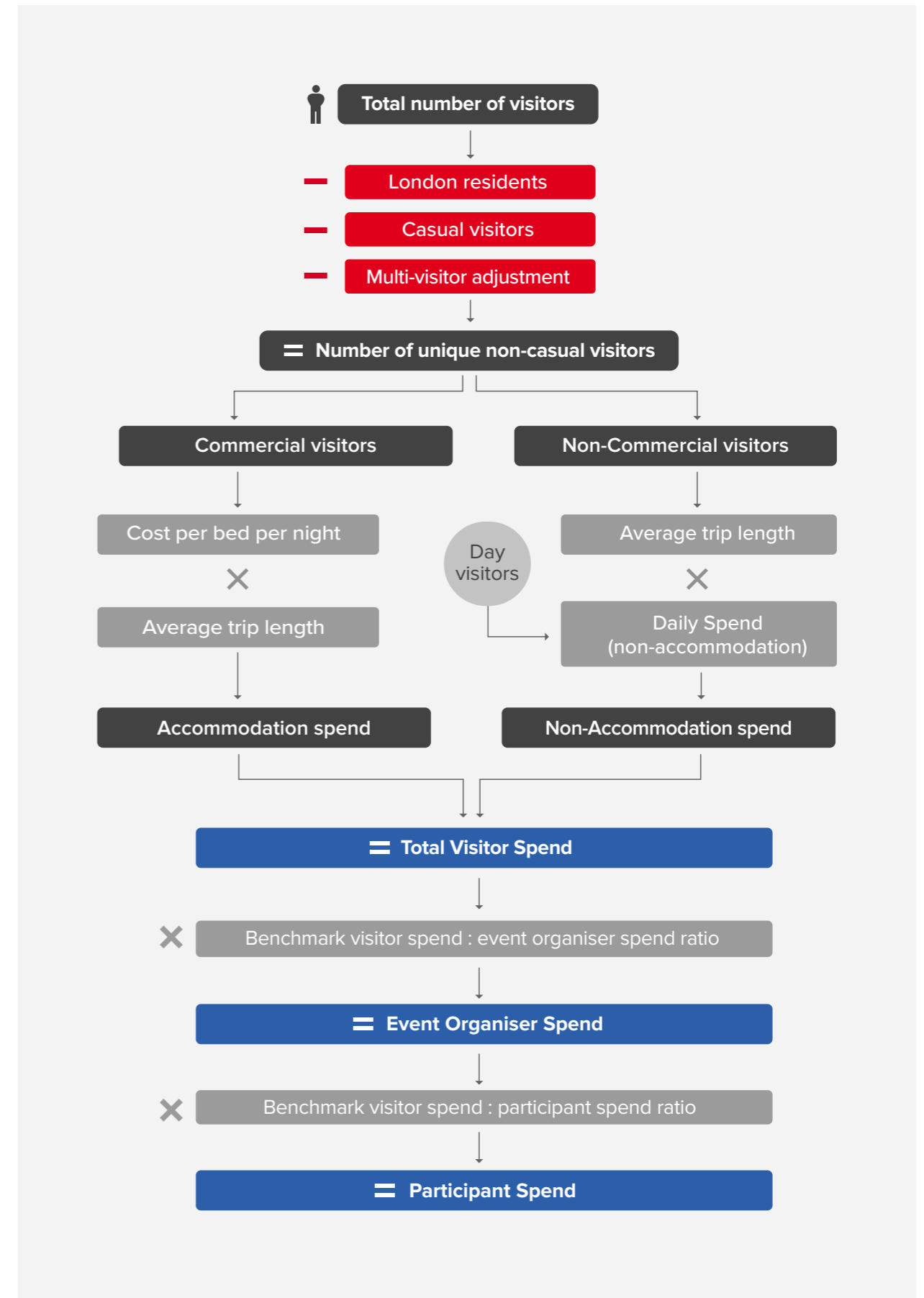
expenditure was also modelled. The way in which the framework treats these and builds up an estimate of total expenditure is summarised in Figure A.1.

A.3

The assumptions used with regards to the composition and spend pattern of visitors are then explained in further detail.

* London & Partners (2016), 'The Impact of Event Tourism on London's Economy'

Figure A.1 Economic impact framework



A.4

The approach is consistent with the eventIMPACTS framework¹⁰. The two main sources of impact identified are:

- Visitor and participant spend – spend in London arising as a result of spend on accommodation, and spend on goods such as food, drink and transport; and
- Event organiser spend in London – spend on items such as venue hire, equipment and staff.

For sporting events, participant expenditure at mass participation events has also been modelled.

A.5

The analysis draws on research from several economic impact reports for events held between 2013 and 2020 (Appendix B), the London Events Coordination Calendar (LECC) report as of June 2020, as well as widely held information about venue capacity and attendance.

A.6

Non-accommodation spend by commercial stayers is not included within the impact assessment. The rationale is the majority of spend by commercial stayers is on accommodation. This approach is consistent with that adopted in the previous study for the period 2013-16 (both years included).

A.7

The study considers event organiser spend as part of the overall economic value of events. Research drawing on economic impact reports suggests that this varies from 18% for cultural events to 36% for both sport and concert events as a share of visitor expenditure. This evidence is based on a limited number of reports, and this study has used these benchmark figures as a starting point. It is assumed that spend by event organisers of cultural events equals to 25% of total visitor expenditure, while spend by event organisers of sport and/or concert events equals to 50% of total visitor expenditure. This approach is in line with that adopted for the 2013-2016 study.

10. See eventIMPACTS: <https://www.eventimpacts.com/impact-types/economic>. Accessed on 26.06.2020.

A.8

Consistent with the London & Partners report on impacts from 2013-2016, these effects are not considered in this report:

- Multiplier effects – this relies on detailed expenditure information at a two-digit sector level. This data is not available for this exercise therefore it is not deemed robust to apply multipliers
- Import substitution effects – whereby expenditure by London residents can be counted as additional, as it otherwise would have leaked outside London. This is a conservative approach
- Crowding out – whereby the presence of an event puts other visitors to London off their visit.

Calculating input

A.9

The section outlines how the data used in the assessment was sourced and/or estimated:

- Spectators – the study draws on the following information sources to calculate attendance, using the first information source as a priority followed by subsequent information sources:
 - 1) Exact attendance figures provided by London & Partners.
 - 2) Venue capacity figures, assuming a proportion of attendance relative to venue capacity using previous events as a proxy¹³.
 - 3) Estimated attendance range provided by London & Partners.
 - 4) Web-based research for individual events.



- Unique spectators – for multi-day events, a visitor may attend on multiple days and this needs to be taken into account to avoid double counting. This involves applying benchmark proportions from existing Event Impact Reports (EIR) to the total number of visitors.
- Casual spectators – the expenditure of casual visitors (ie those whose main reasons for being in London was not due to the event) cannot be attributed to the event and have been excluded from economic impact estimates.
- London residents – expenditure by London residents is non-additional as it would have happened within London's economy anyway. It has been discounted from economic impact estimates as a result. Data from existing Event Impacts Reports undertaken and secondary research¹¹ has been used to estimate the proportion of visitors that are not from London.
- Commercial overnight visitors – visitors staying overnight and spending money on accommodation in local hotels.
- Non-commercial overnight visitors – visitors staying in free accommodation (ie staying with friends/family) and spending money on food, drink and other goods.
- Day visitors – visitors who do not stay overnight in London, and their expenditure therefore relates only to food, drink and other goods.
- London-based event organiser spend – expenditure by the event organiser within London.
- Participant spend – expenditure by participants at major events. The study distinguishes between mass participation events and indoor/stadium events, given the differences in the number of participants and spending patterns.

The study also draws on data for average spend per night on accommodation and non-accommodation items, as well as length of trip available from various sources¹².

11. Examples include: Visit Britain and UK Music (October 2013), 'Wish You Were Here, Music Tourism's Contribution to the UK Economy'; Gratton C, Shibli S and Coleman R (2006), 'The economic impact of major sports events: a review of ten events in the UK'; BOP Consulting (May 2011), 'Edinburgh Festivals Impact Study'; BOP Consulting (May 2014), 'Economic Benefits from International Cultural Events, Benchmarking Tool'.

12. This includes: Visit England (2019), 'Great Britain Tourism Survey'; Visit England (2019), 'Great Britain Visits Survey'; Office for National Statistics (2019), 'International Passenger Survey'.

13. Assumptions drawn from previous economic impact reports. Proportions are specific to event types, including concerts, cultural and sporting events.

Event types

A.10

Three overarching event categories are used:

- Sport (eg NFL London Games, IAAF World Championships, etc).
- Cultural (eg Lumiere London, Notting Hill Carnival, etc).
- Concerts (eg BBC Proms, Greenwich Music Time, etc).

Spectator spend categories

A.11

There are two categories of spectator spend:

- Average daily spend per spectator – this relates to spend on non-accommodation items such as food, drink, gifts and other goods. Average spend figures are taken from Event Impacts Reports where available, and additional secondary sources.
- Accommodation spend – assumptions on the cost per bed per night are taken from Event Impacts Reports undertaken.

A.12

In order to calculate total spectator spend, the average length of trip needs to be known. To achieve this, data from Event Impacts Reports is used.



Event organiser spend

A.13

Event organiser spend refers to expenditure by the event organiser in London only. Given the limited data, we have looked at event organiser spend from Event Impacts Reports (making sure to subtract any spend outside of London) and the ratio relative to visitor spend. This ratio was applied to visitor spend for the modelled events to identify an estimate of the net additional spend by event organisers within the London economy.

Participant spend

A.14

Participant spend refers to expenditure by participants in major events. In this case, it refers only to those participating in sporting events (eg runners, cyclists, teams). To estimate participant spend, we have identified the ratio of participant spend relative to visitor spend in our source economic impact reports and applied that to the visitor spend estimated for each event.

A.15

We have distinguished between mass participation events (eg marathons, cycling events) and indoor/stadium events (eg. football, NFL London Games) given the large difference in the number of participants between these types of sporting events. We have applied these ratios to the visitor spend for the modelled events to give an estimate of event participant spend.

Price comparison across years

A.16

All economic impact figures for major events are shown in 2020 pricing. Where a comparison has been used, prices have also been displayed in 2020 pricing. This is done using gross domestic product (GDP) deflator data published by HM Treasury¹⁴.

14. HM Treasury (2020), 'GDP Deflators at market prices, and money GDP'. Available at: <https://www.gov.uk/government/collections/gdp-deflators-at-market-prices-and-money-gdp>. Accessed on 29 May 2020.

COVID-19

A.17

The start of the COVID-19 pandemic in March 2020 prompted the introduction of social distancing and subsequent lockdown restrictions, leading to the postponement and cancellation of all foreseeable events.

The assessment of 2020 in this study is based on the assumption that all events progressed as planned. This is likely to be an incomplete representation of the economic impact of 2020, given the full calendar of events was not known, and it is expected that additional events would have been added throughout the year.

Caveats

A.18

The limitations of this approach should be borne in mind when interpreting the results.

- The data used to calculate benchmark assumptions are based on the findings of existing studies of other similar events held in London, with adjustments made for characteristics of the event in question (eg its length). We are therefore using a value transfer exercise (an acceptable approach in this circumstance) and are dependent on the robustness of the data in the Event Impacts Reports and its representativeness of event types outlined in A.10.
- Events may not be easily categorised into the event types used (eg a sporting event may also be considered as a cultural event or concert if some aspects of that event could be defined as cultural or a concert). We have used our best judgement to categorise events based on the primary attraction and purpose of the event, with sector experts at London & Partners.
- As stated earlier, in some instances visitor numbers are based on estimates where information is not readily available. We have set out an evidence-based approach, but these limitations should be borne in mind when considering visitor numbers, and the impact estimates generated.

A.19

The table below presents an overview of some of the key assumptions used in this report of major events. Please note that this is based on a review of Event Impact Reports undertaken as part of this study. Please see Appendix B for a definitive list of sources used.

Table A.1 Key assumptions used in the assessment of the economic impact of major events, based on review of Event Impact Reports

	Concert	Cultural	Sport
% of unique spectators	66%	30%	66%
% of spectators from outside of London	38%	36%	58%
% non-casual spectators	88%	47%	88%
% non-commercial stayers	9%	37%	9%
% day trips	68%	40%	68%
Daily spend (non-accommodation)	£71	£95	£46
Average length of trip (days)	1.6	3.2	1.6
Ratio of event length to trip length	1.2	1.0	1.2
Cost per bed per visitor	£30	£119	£51
Ratio of event organiser spend to visitor spend	0.5	0.25	0.5





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APPENDIX B

EVENT IMPACT REPORTS

Reports

- Art Night, 'Art Night 2017 Evaluation Report'
- BOP Consulting (May 2011), 'Edinburgh Festivals Impact Study, Final Report'
- BOP Consulting (May 2011), 'Edinburgh Festivals Impact Study, Technical Report'
- BOP Consulting, London & Partners, World Cities Culture Forum (May 2014), 'Economic Benefits from International Cultural Events, Benchmarking Tool'
- Deloitte (February 2013), 'Economic impact of the 2012 Barclays ATP World Tour Finals, Final report to the ATP'
- Deloitte (August 2014), 'Economic Impact of the NFL on London and the UK, final report to Hanover Communications'
- Gratton C, Shibli S and Coleman R, 'The economic impact of major sports events: a review of ten events in the UK'
- Leeds City Council, Transport for London, UK Sport and Welcome to Yorkshire (December 2014), 'Inspirational Days, Impact of the UK stages of The Tour de France 2014'
- London & Partners (2016), 'The Impact of Event Tourism on London's Economy'
- London & Partners and GLA Economics (October 2018), 'Evaluation Methodology 2018'
- GLA (2018), 'Economic Impact and Perceptions of the SLS Pro Open Report'
- GLA (2018), 'Lumiere London Evaluation'
- Masterpiece (2018), 'Final Report Masterpiece London 2018'
- Pride in London, 'Impact Report 2018'
- Sheffield Hallam University (July 2014), 'Basic Economic Impact and Inspiration Study FINA/ NVC Diving World Series'
- Sheffield Hallam University (August 2018), 'Economic Impact & Perceptions of the SLS Pro Open, London, 2018'
- SMG Insight (November 2014), 'London & Partners: 2014 RideLondon, Economic Impact and Media Exposure Evaluation Report'
- The Audience Agency (March 2016), 'Lumiere London, Audience and economic impact research report'
- The London Design Festival (November 2016), 'Economic Impact of the London Design Festival 2015'
- The Sport Consultancy, Nielsen Sports, Gracenote and PCSG, 'London 2017 World Para Athletics Championships and IAAF World Championships Event Impact Report'
- UK Sport (2013), 'Pruhealth World Triathlon Grand Final London, Research Findings'
- UK Music (2015), 'Wish You Were Here 2015, Music Tourism's Contribution to the UK Economy'
- Visit Britain and UK Music (October 2013), 'Wish You Were Here, Music Tourism's Contribution to the UK Economy'
- YouGov Sport (2019), MLB Economic Impact

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