

ECONOMIC IMPACT STUDY
2014 Christmas on Caddo Fireworks Festival

Prepared for:
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EXECUTIVE SUMMARY

This study was commissioned to measure the economic impact of the 2014 Christmas on Caddo Fireworks Festival on the Shreveport-Bossier community. Data for this report was collected via in-person surveys of festival attendees the day of the event and an online survey posted to the festival's Facebook page after the event. The direct impact of visitor spending due to the festival was calculated to range from **\$57,474** to **\$114,948**. In addition, the total economic impact (direct and indirect spending) due to the festival was calculated to range from **\$167,079** to **\$267,659**.

INTRODUCTION

On Saturday, December 6, 2014, the 20th Annual Christmas on Caddo Fireworks Festival was held in Oil City, La. During the day, there were family activities including Santa, games, clowns, arts/crafts and food booths. In addition, there was entertainment provided by twirling groups, dance troupes and musical artists. At night, the crowd (estimated by event organizers to be **10,000** people) watched an impressive fireworks display.

METHODOLOGY

A paper survey was created and administered by the Shreveport-Bossier Convention & Tourist Bureau. Individuals were approached at the festival and asked several questions including their hometown, how many people were in their travel party, their type of lodging (if applicable), how many nights they were staying (if applicable), was the festival their primary purpose for visiting the area and how much their group planned to spend on lodging, shopping, food, entertainment and transportation while visiting the area. All completed surveys were downloaded into a database for analysis.

In addition to the paper survey administered at the festival, an online survey was created by this consultant and was posted to the festival's Facebook page after the event. Similar to the paper survey, respondents were asked where they were from, how many people were in their group, was the festival their primary purpose for visiting the area and how much their group actually spent on lodging, shopping, food, entertainment and transportation while visiting the area. In addition, other questions such as how many years they have attended the festival, how they heard about the festival and their satisfaction with various aspects of the festival were also included in the online survey. All completed surveys were downloaded into a database for analysis.

SURVEY RESULTS

Forty (**40**) individuals completed the in-person survey during the festival (administered by a Shreveport-Bossier Convention & Tourist Bureau employee and volunteer) (See the Appendix for a sample survey).

Eighty-three (**83**) individuals completed an online survey created by this Consultant (and posted to the festival's Facebook page by event organizers) (See the Appendix for a sample survey).

Attendance:

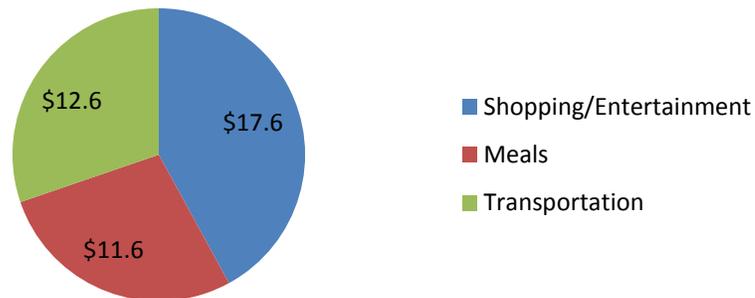
Event organizers estimate that **10,000** people attended the 2014 Christmas on Caddo Fireworks Festival.

Spending:

Analyzing the results from the in-person survey the day of the festival, the following were calculated:

- All of the respondents (**40**) were visiting from outside of the Shreveport-Bossier area.
- The average group size was **3.5** people.
- **95%** of the respondents indicated that attending the festival was the reason for their visit to the area.
- **87.5%** of those visiting from out of town were day trippers (defined as those individuals who are from out of town, but do NOT spend the night in a hotel/motel/casino, instead returning to their home on the day/night of the event).
- Day trippers indicated that they spent **\$41.80 per person** on shopping, meals, entertainment and transportation while visiting.

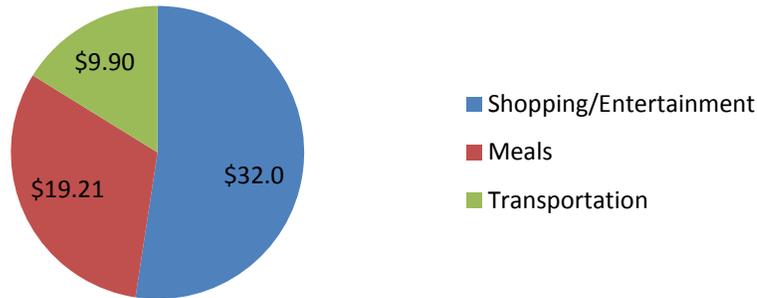
Average Spending per Day Tripper (In-person Survey)



Analyzing the results from the online survey, the following were calculated:

- Fourteen (**14**) of the 83 respondents visited the festival from outside of the Shreveport-Bossier area.
- The average group size was **5.0** people.
- **86.7%** of the respondents indicated that attending the festival was the reason for their visit to the area.
- **100%** of those visiting from out of town were day trippers (defined as those individuals who are from out of town, but do not spend the night in a hotel/motel/casino, instead returning to their home on the day/night of the event).
- Day trippers indicated that they spent **\$61.15** per person on shopping, meals, entertainment and transportation while visiting.

Average Spending per Day Tripper (Online Survey)



Economic Impact:

To calculate the amount of money spent by visitors, two estimates of the number of visitors were used. Because only visitors completed the in-person surveying (instead of randomly surveying all festival fans to assess the percentage of visitors), it was determined by this consultant that a range of 10-20% for visitors was realistic (The online survey revealed that 16.9% of the respondents were visitors.).

Estimate #1

- Using an estimate that **10%** of the total attendance were visitors results in **1,000 visitors** (10,000 in attendance X 10% = 1,000) attending the festival from outside of Shreveport-Bossier.

Estimate #2

- Using an estimate that **20%** of the total attendance were visitors results in **2,000 visitors** (10,000 in attendance X 20% = 2,000) attending the festival from outside of Shreveport-Bossier.

Day Trippers

- Taking the average of the in-person and online survey results, it was calculated that **93.75%** of visitors were day trippers.
- Taking the average of the in-person and online survey results, it was calculated that day trippers spent **(\$51.48)** per person while visiting the area for the day.

Overnighters

Hotel Overnighters

- Due to a lack of good data, it was estimated by this consultant based on previous studies that **hotel overnighters** (defined as those visiting the festival from outside of Shreveport-Bossier and staying in a hotel/motel/casino) spent **\$150** per person per day while visiting the area).
- Based on the in-person surveys, it was estimated that **2.5%** of visitors were hotel overnighters (staying in a hotel/motel/casino).

Non-Hotel Overnigheters

- Similarly, it was estimated by this consultant based on previous studies that **non-hotel overnigheters** (defined as those visiting the festival from outside of Shreveport-Bossier and spending the night (with friends/family), but not staying in a hotel/motel/casino) spent **\$100** per person per day/night while visiting the area.
- Based on the in-person surveys, it was estimated that **3.75%** of visitors were non-hotel overnigheters (not staying in a hotel/motel/casino, but staying the night with friends/family).

Overnigheters Overall

- It was estimated that both hotel and non-hotel overnigheters spent **2 days/nights** in Shreveport-Bossier (This is congruent with the survey responses although the sample size was small.).

Reason for Visiting

- Taking the average of the in-person and online survey results, it was calculated that **90.85%** of visitors came to Shreveport-Bossier because of the festival.

VISITOR SPENDING

Spending from Day Trippers

| | Total Festival Attendance | Estimated # of Visitors | % Who Visited Due to Festival | Economic Impact Attendance | % Day Trippers | # of Day Trippers | Daily Spending per Day Tripper | # of Days | TOTAL Day Tripper Spending |
|------------------------------|---------------------------|-------------------------|-------------------------------|----------------------------|----------------|-------------------|--------------------------------|-----------|----------------------------|
| Estimate #1 (1,000 visitors) | 10,000 | 1,000 | 90.85% | 909 | 93.75% | 851.7 | \$ 51.48 | 1 | \$ 43,846 |
| Estimate #1 (2,000 visitors) | 10,000 | 2,000 | 90.85% | 1,817 | 93.75% | 1,703.4 | \$ 51.48 | 1 | \$ 87,693 |

Spending from Hotel Overnigheters

| | Total Festival Attendance | Estimated # of Visitors | % Who Visited Due to Festival | Economic Impact Attendance | % of Hotel Overnigheters | # of Hotel Overnigheters | Daily Spending per Hotel Overnigheter | # of Days | TOTAL Hotel Overnigheter Spending |
|------------------------------|---------------------------|-------------------------|-------------------------------|----------------------------|--------------------------|--------------------------|---------------------------------------|-----------|-----------------------------------|
| Estimate #1 (1,000 visitors) | 10,000 | 1,000 | 90.85% | 909 | 2.5% | 22.7 | \$ 150 | 2 | \$ 6,814 |
| Estimate #1 (2,000 visitors) | 10,000 | 2,000 | 90.85% | 1,817 | 2.5% | 45.4 | \$ 150 | 2 | \$ 13,628 |

Spending from Non-Hotel Overnigheters

| | Total Festival Attendance | Estimated # of Visitors | % Who Visited Due to Festival | Economic Impact Attendance | % of Non-Hotel Overnigheters | # of Non-Hotel Overnigheters | Daily Spending per Non-Hotel Overnigheter | # of Days | TOTAL Non-Hotel Overnigheter Spending |
|------------------------------|---------------------------|-------------------------|-------------------------------|----------------------------|------------------------------|------------------------------|---|-----------|---------------------------------------|
| Estimate #1 (1,000 visitors) | 10,000 | 1,000 | 90.85% | 909 | 3.75% | 34.1 | \$ 100 | 2 | \$ 6,814 |
| Estimate #1 (2,000 visitors) | 10,000 | 2,000 | 90.85% | 1,817 | 3.75% | 68.1 | \$ 100 | 2 | \$ 13,628 |

The **Economic Impact Attendance** listed in the table above is calculated by multiplying the Estimated # of Visitors times the % Who Visited Due to Festival (e.g., 1,000 X 90.85% = 909 Economic Impact Attendance). This is the true number of people who came to the area for the festival (and were not just coming to Shreveport/Bossier anyway).

Total Economic Impact

In addition to the money spent in the local economy by the visitors, there is an indirect economic impact, as well. For example, if someone spends \$1 in a local economy, a percentage of that dollar is re-spent in this area. Workers at local hotels, restaurants, etc. will take part of their earnings and spend them on their daily living expenses. Based on other projects that this consultant has done and in consultation with a major Convention and Visitors Bureau in the south, a multiplier of **1.75** was selected. That is, for every \$1 spent in the economy, 75 cents is re-spent. Below is a table that totals all of the economic impact (including direct and indirect spending) of the 2014 Christmas on Caddo Fireworks Festival on the Shreveport-Bossier community.

In addition to visitor spending (direct and indirect), the festival organizers spent **\$12,500** to put on the event and they reported that **17** local vendors had a booth at the event. It was estimated that each of these vendors had **\$1,500** in sales.

Total Economic Impact of the 2014 Christmas on Caddo Fireworks Festival

| | Estimate #1 1,000 Visting Fans | Estimate #2 2,000 Visting Fans |
|--|--------------------------------------|--------------------------------------|
| Visitor Spending | | |
| Overnighter Spending | \$ 13,628 | \$ 27,255 |
| Day Tripper Spending | \$ 43,846 | \$ 87,693 |
| Total Visitor Spending | \$ 57,474 | \$ 114,948 |
| Event Production Expenses | \$ 12,500 | \$ 12,500 |
| Local Vendor Booth Sales | \$ 25,500 | \$ 25,500 |
| Total Direct Spending Due to the Event | \$ 95,474 | \$ 152,948 |
| Total Indirect Spending (Using a 1.75 Multiplier) | \$ 71,605 | \$ 114,711 |
| TOTAL ECONOMIC IMPACT | \$ 167,079 | \$ 267,659 |

As the table above reveals, the Total Economic Impact for the 2014 Christmas on Caddo Fireworks Festival ranges from **\$167,079** to **\$267,659** (using the high and low estimates for visitor attendance; Estimate #1 and Estimate #2).

OTHER FINDINGS

Media Value

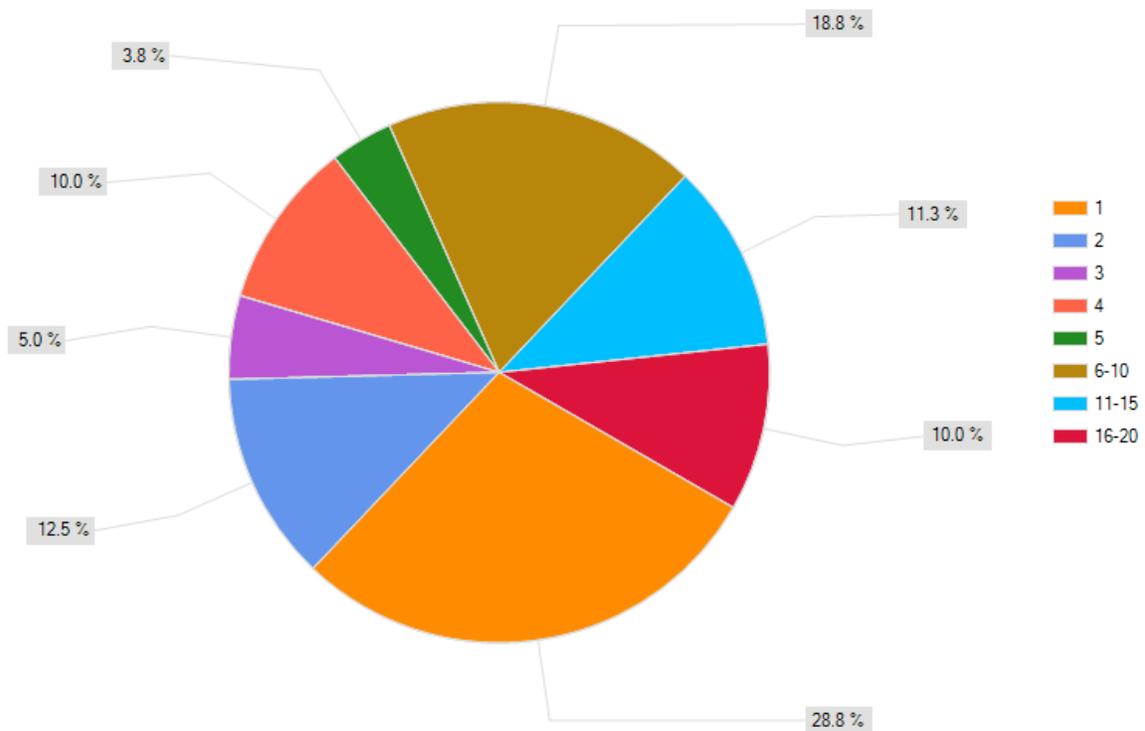
The Shreveport-Bossier Convention & Tourist Bureau analyzed the media exposure from the festival and determined that it generated **\$28,868** in exposure for the Shreveport-Bossier area.

Online Survey

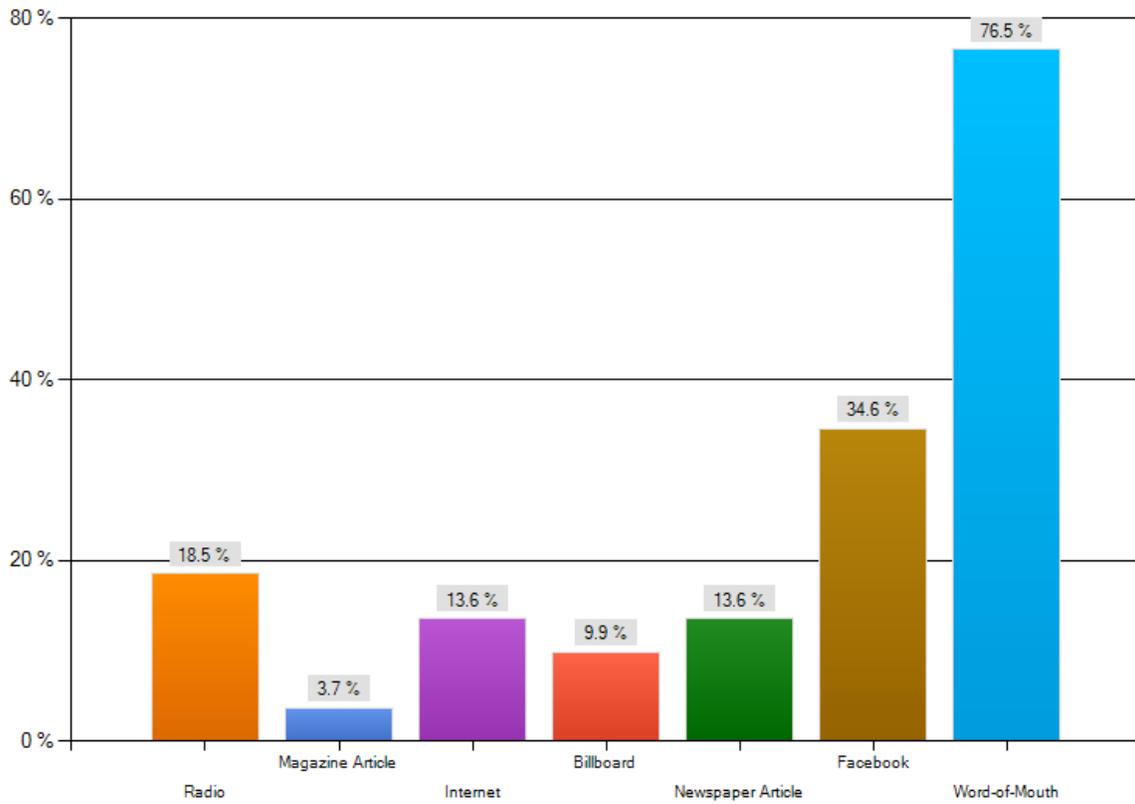
Some of the other key results from the online survey were the following:

1. Over forty percent (**40%**) of the online respondents (n=83) indicated that they had attended the Christmas on Caddo Fireworks Festival for five or more years (See graphic below).
2. Most online respondents heard about the festival from word of mouth or the Facebook page (See graphic below).
3. The festival was rated a **4.76** (on a 6 point scale where 6 = Excellent) (See graphic below).
4. The fireworks were the highest rated (average rating = **5.33**) aspect of the festival and parking (average rating = **3.68**) was the lowest rated aspect (See graphic below).

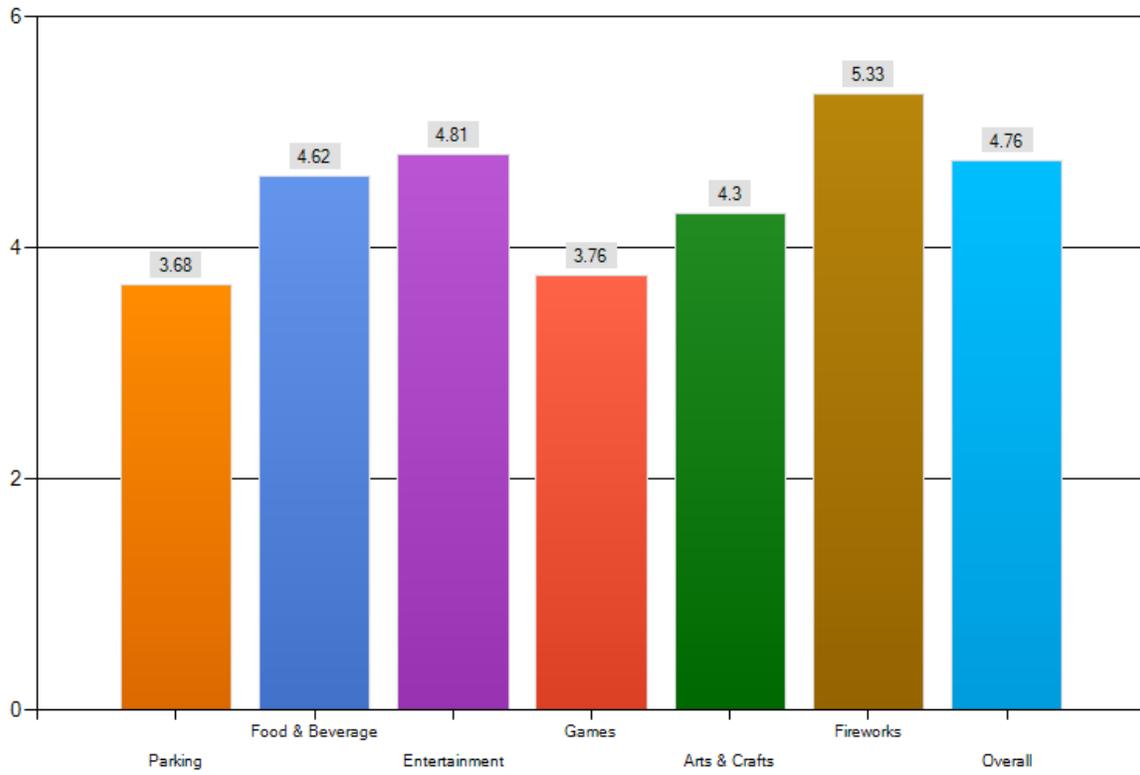
How many years (including this year) have you attended the Christmas on Caddo Fireworks Festival?



How did you hear about Christmas on Caddo (Check all that apply)?



How would you rate the following with regard to your experience at Christmas on Caddo?



LIMITATIONS

There are inherent and natural biases in both the in-person survey and the online survey responses. With the in-person surveys, we asked people to forecast how much they think they will spend while visiting. In contrast, with the online survey, we asked people to remember how much they actually spent when they visited. This is why an average between the two methods was utilized in this report.

ABOUT THE CONSULTANT

Scott Wyson, Ph.D. is an Associate Professor and the Academic Program Director for the Sports & Entertainment MBA program at the University of Dallas. Dr. Wyson holds a MBA and Ph.D. in Marketing from the University of Texas at Arlington and a BA in Economics from Vanderbilt University. He has published a number of research articles in academic outlets and conducted survey research for numerous firms including economic impact studies for the American Airlines Center, City of Addison (TX), Texas Stampede, Dallas Convention & Visitors Bureau and the Dallas CityArts Festival. He resides in Shreveport, Louisiana with his wife Kristen.

APPENDIX

Hometowns Listed (In-Person Surveys)

Atlanta, TX
Atlanta, TX
Louin, MS
Ft. Worth, TX
Haughton, LA
McCloud, TX
Gary, TX
Ruston, LA
Longview, TX
Sumrall, LA
Gloster, LA
Baton Rouge, LA
Elysian Fields, TX
Minden, LA
Campti, LA
McNary, LA
Elysian Fields, TX
Minden, LA
Longview, TX
Plain Dealing, LA
Texarkana, AR
Monroe, LA
Texarkana, AR
Keithville, LA
Emery, TX
McCloud, TX
Heflin, LA
Woodlong, TX
Ft. Worth, TX
Hampton, TX
Ecuador
Perth, Australia
McNary, LA
Texarkana, AR
Vivian, LA
Hughes Springs, TX
Texas
Tree City, LA
Blanc, LA
Texas