

Chapter 4.

Comparative Analysis:

Do Different Types of Global Events Yield Distinctive Benefits?

This book covers four main types of global event, defined as:

1. 'Trade fairs & exhibitions' (e.g. Expos, World Petroleum Congress).
2. 'Cultural events' (e.g. EU Capitals of Culture, Eurovision).
3. 'Sports events' (e.g. Olympics, World Cup, Commonwealth Games, America's Cup).
4. 'Political summits & conferences' (e.g. G8, Earth Summit, Sustainable Development).

As has been seen, the nature and requirements of these types of events vary quite considerably. The scale of new infrastructure required to host a major sporting competition, in terms of appropriate sporting venues, for instance, does not compare to that required to host a 3-day political conference. Inevitably, therefore, different types of event will place a greater or lesser emphasis on different benefits available to the host city. This being said, many of the more indirect benefits associated with hosting a global event, such as image and identity impacts, events strategy or collaborative governance, can be secured from all types of event.

Precise quantitative analysis of the comparative benefits yielded by different types of event is neither particularly practical nor desirable given patchy data sources, variable techniques and the context-specific nature of much of this data in the first place. Fundamental to the premise of the discussion so far has been, after all, the fact that different events strategies are appropriate for different cities, in varying circumstances, seeking their own development goals. To say, therefore, that for every pound, dollar or euro invested in infrastructure for one type of event, the expected value yield is 'x' and then compare this with another type of event in another city

would, frankly, be misleading. However, some qualitative analysis is possible and reveals some important broad distinctions that can be made between the events categories presented.

Trade fairs and exhibition events by their very nature are intended to attract people and commercial interests and this is something that can be actively exploited by a host city. On the one hand, healthy sponsorship accounts can be developed to relieve much of the financial burden of running the event from the city authorities, possibly stimulating future business connections as well. On the other hand, trade events represent an ideal setting to promote a city image or country brand. For events structured around a single industry, as is increasingly common now as industry stakeholders strive to excel against global competitors, acting as the host provides an opportunity to assert the position of the country within that industry, an act which can have unparalleled economic ramifications. These events, however, are unlikely to result in significant infrastructural investment since they are, in comparison to broader trade events like Expos, much smaller in scale (both spatial and temporal). Conference facilities might well receive some attention, but it is unlikely that significant urban development will be achieved. For city authorities serious about using a trade event to catalyse urban transformation, a more ambitious, larger event like the Expo can, if well managed *beyond* the event itself, provide the basis for lasting regeneration that touches *people* as well as the fabric of the city.

Cultural events of course stimulate large investment in cultural, urban and transport infrastructure. New builds are often iconic in their design and serve as a powerful visible legacy. Provided that the cultural events are broad enough in scope, there is a strong potential for a wide visitor base to be attracted to the city. However, it is only the events that are more serious in terms of duration (such as the EU Capital of Culture) that lend themselves well to direct integration of urban regeneration and development plans - events such as Eurovision, while bringing the benefits already outlined, simply do not last long enough to truly justify spending on longer term development plan. This being said, cultural events do have the benefit of giving city authorities freedom to interpret any aims they stipulate themselves, thus allowing cities to use the hosting of the event for wider urban projects they see as relevant. What cultural events gain in flexibility, though, some might say there is potential that they lose in firm direction. Sporting events have very specific and clear requirements, which the host city can build from, whereas cultural events tend to leave more to the imagination and desires of the organisers. Provided the management capabilities of the organisers are up to this challenge and a rigorous business approach employed, substantial rewards may be secured for the host city. But there is a risk that the approach does not adhere well enough to a

business model and hence loses sight of its long-term goals. Failure to deliver in this respect can leave something of a sour legacy amongst the urban residents.

Sporting events will almost always trigger investment in sporting infrastructure, and quite possibly the transport infrastructure to connect these venues to the rest of the city. However, cultural and urban infrastructure is not directly necessitated and so may be neglected, which might prove costly for a cityscape in need of such forms of investment. If the event is a single-sport competition (*e.g.* Grand Prix, America's Cup, Tennis Grand Slam), the visitor base is likely to vary significantly depending on what sport is being played. Stratifications may take the form of gender, socio-economic status and age and this might have important ramifications for business impacts. Multi-sport events (such as the Olympics or Commonwealth Games) attract a much broader visitor base and are more likely to attract non-sporting crowds keen to enjoy the atmosphere of a large multi-sport competition. Foreign visitors are likely to attend either type of competition if the event is high-profile enough by global sporting standards. The visible legacy of sporting events is most likely to be in the form of the sporting venues refurbished or built for the competition. In the case of multi-sport competitions, however, there is greater potential for more significant urban development schemes to have been actively integrated into the event plans. The key challenge for hosts of sports events seems to be using an event that comes with a very precise list of infrastructural needs as a catalyst for much broader participation by visitors and much wider urban development projects. This differentiates between sporting events that are successful for the sport and sporting events that are successful for the host city as well.

Political events, such as international summits or conferences, arguably have the benefit of relative simplicity in that they tend to last no more than a week and, more often, only a few days. In organisational terms, there is simply less ground to cover in this sense. Furthermore, there is not always the necessity for investment in new infrastructure to be made if a city and its region is already well equipped to temporarily absorb the influx of delegates and journalists. This is not to say, however, that hosting such an event cannot be problematic or beneficial. Political events of global importance bring with them security and organisational concerns of an incomparable level in the context of trade, sporting or cultural events. Hosting a political event is never as simple as just managing the event itself - more often than not, protests must be managed simultaneously, as well as hordes of journalists and the security of leading heads of state maintained. Nevertheless, the media exposure generated by such an event can be significant. Television, radio and the printed press from around the world will all lead with stories from a key political summit in a manner unknown

to other types of event. On the one hand, this has potential to raise the international profile of the city (or country) in a way that could not be achieved in only a few days at the whim of the city authorities alone, attracting business and tourist interest alike. On the other hand, however, it does carry with it the risk that harmful stories based in the city are likely to be equally as well publicised around the world. A successfully managed political event can be a very efficient way of promoting a city, and indeed used as a means of accelerating existing development plans, but it does of course carry with it some serious responsibilities and hazards.

What is of greatest importance for stakeholders is that the different potential benefits for different types of events are well understood in plenty of time before money and time is committed to making a bid for a particular event; different sorts of event will suit the development needs and wishes of individual cities to different degrees. Hand-in-hand with variable benefits, of course, is a set of variable costs, challenges and risks. It is of equal importance that these are appreciated so that cities do not, as has happened in the past, have a negative experience, for any number of reasons, of hosting a global event. Above all, it is imperative that a city decides exactly what it wants to achieve in terms of development before deciding to bid for an event; if the event cannot justify the urban transformations intended, it is not the right event for the city to host.

Three tables are now presented as a visual representation of the above qualitative analysis. In Table 4.1, all categories of event are rated as having one of four levels of impact according to particular impact diagnostics: no impact (-), minor impact (✓), medium impact (✓✓) or major impact (✓✓✓).

Key points to note from Table 4.1 are that:

- Visitor economy and city image are affected by all events to some degree, but at the other extreme, cultural and sporting infrastructure are only affect by a certain few events.
- In general, what are termed ‘bigger’ events have greater impact than their ‘smaller’ counterparts, but not always.
- ‘Smaller’ trade events can have a more significant direct impact on business interest, whereas the impact of ‘bigger’ events is more diffuse.
- Not all of the events carry the same cost implications or risk factors, thereby affecting the relative importance of their impact diagnostics.

Table 4.2 shows how these benefits develop over the timeframe involved in hosting a global event. The numbers refer to the impact diagnostics in the key to the bottom right:

Table 4.1. The benefits of hosting different types of events

Impact Diagnostic Event Category	Visitor economy	Transport Infr.	Urban Infr.	Cultural Infr.	Sporting Infr.	Visible Legacy	City Image	Business Interest
	Trade - bigger ^a	✓✓✓	✓	✓	✓	-	✓✓	✓✓✓
Trade - smaller ^b	✓	-	-	-	-	-	✓✓✓	✓✓✓
Culture - bigger ^c	✓✓✓	✓✓	✓✓	✓✓✓	-	✓✓	✓✓	✓
Culture - smaller ^d	✓	-	-	✓	-	-	✓✓	✓
Sports - bigger ^e	✓✓✓	✓✓✓	✓✓	✓	✓✓✓	✓✓✓	✓✓✓	✓
Sports - smaller ^f	✓✓✓	✓✓	✓	✓	✓✓	✓✓	✓✓	✓
Political - bigger ^g	✓✓	✓	✓	-	-	-	✓✓	✓✓
Political - smaller ^h	✓	✓	✓	-	-	-	✓	✓

^a e.g. World's Fair^b e.g. World Petroleum Congress^c e.g. European Capital of Culture^d e.g. Eurovision^e e.g. Olympics; Commonwealth Games^f e.g. World Cup; America's Cup^g e.g. G8^h e.g. World Summit on Sustainable Development

Table 4.2. The timing of benefits by event

Timing		Deciding to bid	Bidding	Winning	Preparing	Hosting	Host + 1 yr	Host + 5 yrs	Host + 10 yrs
Event Category									
Trade - bigger ^a		8	6 8	6 7 8	2 3 7 8	1 2 3 6 7 8	1 2 3 5 6 7 8	1 2 3 5 6 7 8	2 3 6 7 8
Trade - smaller ^b		8	6 7 8	6 7 8	7 8	1 5 7 8	6 7 8	7 8	7 8
Culture - bigger ^c		8	6 8	6 7 8	2 3 7 8	1 2 3 6 7 8	1 2 3 5 6 7 8	1 2 3 5 6 7 8	2 3 5 6 7 8
Culture - smaller ^d		8	6 8	6 8	8	1 6 7 8	1 6 8	8	8
Sports - bigger ^e		8	6 8	6 7 8	2 3 4 7 8	1 2 3 4 6 7 8	1 2 3 4 5 6 7 8	1 2 3 4 5 6 7 8	2 3 4 5 6 8
Sports - smaller ^f		8	6 8	6 7 8	2 3 4 7 8	1 2 3 4 6 7 8	1 2 3 4 5 6 7 8	2 3 5 4 6 7 8	2 3 4 5 6 8
Political - bigger ^g		8	6 8	6 8	2 8	1 2 6 7 8	1 2 6 7 8	2 6 7 8	2 7 8
Political - smaller ^h		8	6 8	6 8	2 8	1 2 6 7 8	2 6 7 8	2 7 8	2 8

- ^a e.g. World's Fair
^b e.g. World Petroleum Congress
^c e.g. European Capital of Culture
^d e.g. Eurovision
^e e.g. Olympics; Commonwealth Games
^f e.g. World Cup; America's Cup
^g e.g. G8
^h e.g. World Summit on Sustainable Development
- Visitor economy 1
 Transport & urban infr. 2
 Cultural infr. 3
 Sporting infr. 4
 Visible legacy 5
 City image 6
 Business interest 7
 Managerial & events strategy dev't 8

Key points to note from Table 4.2 are that:

- Managerial and events strategy development benefits are present at all times, for all events.
- More benefits do accrue as around the ‘peak’ phases of hosting the event, but there are plenty of benefits, before and after, to be considered.
- City image is a key benefit that can be affected from an early stage.
- Infrastructure is assumed to last for at least 10 years after the event - this of course relies on appropriate levels of investment being made in the preparation stage.
- Visitors are unlikely to arrive in many numbers before the event, although in some cases new facilities do attract people as they are opened and before the event itself takes place.

Finally, Table 4.3 presents an analysis of the different geographical scales at which the various benefits of hosting different types of event may be experienced. This is important in strategically assessing how, geographically, hosting an event will impact a city or even a country.

Scales range from localised areas within the city (most probably at the event location itself), to a city-wide scale whereby the whole city experiences some level of the benefits and finally to a ‘beyond city’ scale. At this largest scale, benefits are experienced anywhere from the city’s own regional hinterland right up to the national scale. Differentiating more precisely at this scale was considered undesirable seeing as a complex array of factors, often specific to the exact event, would contribute to determining the most accurate scalar definition. It should be noted that these scales are ‘cumulative’ in the sense that classifying an impact at the ‘beyond city’ scale implies that the impacts are most certainly also present at the ‘city-wide’ scale and so on.

Key points to note from Table 4.3 are that:

- A single event will have different benefits that are experienced at very different geographical scales.
- The type of event does, however, affect the scale at which any particular type of benefit is experienced - the benefits for transport infrastructure, for instance, are more widely dispersed for sporting and cultural events than trade and political events.
- Benefits that are experienced beyond the city are more likely to be ‘invisibles’ such as image, business interest and visitor economy.

Table 4.3. The geographical scale at which benefits of hosting different types of events are experienced

Impact Diagnostic Event Category	Visitor economy	Transport Infr.	Urban Infr.	Cultural Infr.	Sporting Infr.	Visible Legacy	Image	Business Interest
	Trade - bigger ^a	●	●	●	●	-	•	●
Trade - smaller ^b	●	-	-	-	-	-	●	●
Culture - bigger ^c	●	●	●	●	-	•	●	●
Culture - smaller ^d	●	-	-	●	-	-	●	●
Sports - bigger ^e	●	●	●	●	●	•	●	●
Sports - smaller ^f	●	●	●	●	●	•	●	●
Political - bigger ^g	●	•	•	-	-	-	●	●
Political - smaller ^h	●	•	•	-	-	-	●	●

^a e.g. World's Fair
^b e.g. World Petroleum Congress
^c e.g. European Capital of Culture
^d e.g. Eurovision
^e e.g. Olympics; Commonwealth Games
^f e.g. World Cup; America's Cup
^g e.g. G8
^h e.g. World Summit on Sustainable Development

Localised within city •
 City-wide ●
 Beyond city ●

- Sports events tend to have more consistently widely dispersed benefits.
- Political events are, in general, events that produce the least widely dispersed benefits of the four types of event discussed.
- It does not necessarily follow that in order to achieve ‘beyond city’ benefits, the event must be of the bigger variety - smaller trade and sport events, for instance, can result in benefits experienced beyond the city.

Table of contents

Preface	11
Executive Summary	15
Chapter 1. Introduction: Making Global Events Work Locally	19
Are global events still important?	19
Why have global events become more popular not less?	22
What are the local benefits of hosting global events?	23
How cities and nations can capture local benefits from global events	26
Bibliography	31
Chapter 2. A Framework for the Local Benefits of Global Events	39
Costs and benefits	39
Key ingredients	40
Bibliography	50
Chapter 3. Learning from Experience: Case Studies on Hosting Events	51
Trade fairs and exhibition events	51
Case studies	53
Cultural events	61
Case studies	72
Sports events	94
Case studies	96
Political summits and conference events	120
Case studies	122
Bibliography	134
Chapter 4. Comparative Analysis: Do Different Types of Global Events Yield Distinctive Benefits?	137
Chapter 5. Making a Habit of It: Hosting More than One Event?	147
What goes into the first event?	147
So how can hosting two or more events benefit the city?	148
How does already having hosted one event affect the bidding process for the second?	149
But how can cities actually proceed given the uncertainty of securing a second event?	150
What about cities that host the same event every year?	153
Bibliography	158

Chapter 6. Bidding to Host a Global Event but Not Winning? 159

What are the benefits of bidding but not winning?	160
How to prepare for bidding but not winning?	166
Bibliography	168

Chapter 7. Leveraging Local Benefits for Global Events:**Conclusions and Principles for Success 169****Tables**

Table 1.1. Visitor numbers to two global events.....	20
Table 1.2. Summary of events case studies.....	32
Table 3.1. Expo evolution.....	52
Table 3.2. Capital of culture time line and funding structure.....	64
Table 3.3. ECOC visitor stays.....	70
Table 3.4. City of Culture rankings.....	72
Table 3.5. Copenhagen key data	73
Table 3.6. Visitors to Greater Copenhagen.....	76
Table 3.7. Thessaloniki key data.....	77
Table 3.8. Trends in visits to Thessaloniki Prefecture	79
Table 3.9. Porto key data	80
Table 3.10. Serralves Museum visitor numbers, Porto	84
Table 3.11. Bruges key data.....	85
Table 3.12. Salamanca key data.....	88
Table 3.13. Salamanca Office of Tourism Information requests	90
Table 3.14. Athens Eurovision turnover	92
Table 3.15. Stockholm Eurovision visitor economy	93
Table 3.16. Sporting events.....	96
Table 3.17 Application and use of economic resources of the 1992 Barcelona Olympic Games	98
Table 3.18. Ranking of European cities	101
Table 3.19. Sydney, summary costs and revenues.....	106
Table 3.20. Economic impact of the 2000 Sydney Olympic Games.....	107
Table 3.21. Statistical benefits of 2002 Commonwealth Games, Manchester.....	111
Table 3.22. Expenditure for the 2006 Turin Winter Olympics	115
Table 3.23. Economic benefits of 2002 FIFA World Cup, Japan	117
Table 3.24. Economic impact of the 2003 America's Cup	120
Table 3.25. Case studies: Political summits and conference events.....	121
Table 3.26. Forecasted economic impact of 1995 G7, Halifax	123
Table 3.27. Investment from the 2002 World Summit on Sustainable Development.....	128
Table 3.28. Economic value of G8 Summit, Edinburgh 2005	131
Table 4.1. The benefits of hosting different types of events	141
Table 4.2. The timing of benefits by event	142

Table 4.3. The geographical scale at which benefits of hosting different types of events are experienced.....	144
Table 5.1. Financial flows into Toronto.....	155
Table 5.2. International Events in Toronto.....	155
Table 5.3. Economic impacts of Edinburgh Festival.....	157
Table 7.1. Urban development benefits over the next eight years.....	170
Table 7.2. Key principles for optimising success.....	175
Table 7.3. Recommended principles for success in capturing local benefits from global events.....	177
Table 7.4. Risks to address in capturing local benefits from global events.....	178

Figures

Figure 2.1. Ten key stages in managing a global event.....	42
Figure 2.2. Process to brand image.....	44
Figure 3.1. The Biosphère - United States Expo '67 pavilion, Montreal.....	55
Figure 3.2. Alamillo Bridge, Seville.....	56
Figure 3.3. Which events benefit cities the most, in order of priority.....	63
Figure 3.4. Programme expenditure per city.....	66
Figure 3.5. Programme expenditure per city in relation to their total expenditure.....	66
Figure 3.6. Income sources across all cities.....	67
Figure 3.7. Average breakdown of public sector income.....	67
Figure 3.8. Glasgow index of bed nights.....	69
Figure 3.9. Map of Denmark.....	73
Figure 3.10. Cutty Sark Tall Ships' Race.....	74
Figure 3.11. Map of Greece.....	77
Figure 3.12. Map of Portugal.....	80
Figure 3.13. Casa de Musica, Porto.....	82
Figure 3.14. Portuguese Centre for Photography, Porto.....	83
Figure 3.15. Map of Belgium.....	85
Figure 3.16. Map of Spain.....	88
Figure 3.17. Regional economic impacts of 1994 Winter Olympics, Lillehammer.....	103
Figure 3.18. Tourism development in the core area of the Lillehammer Olympic region.....	104
Figure 3.19. Sydney Opera House.....	105
Figure 3.20. Visitor numbers to Australia.....	108
Figure 3.21. Downtown perception: Origins of increased revenue.....	112
Figure 3.22. Museum of Modern Art, Rio de Janeiro.....	126
Figure 3.23. Political protests during the 2002 World Summit on Sustainable Development.....	129
Figure 3.24. Anti-globalisation protesters at the G8 summit, Edinburgh.....	132
Figure 5.1. Visitor numbers to the Edinburgh Festival.....	156



From:

Local Development Benefits from Staging Global Events

Access the complete publication at:

<https://doi.org/10.1787/9789264042070-en>

Please cite this chapter as:

OECD (2008), "Comparative Analysis: Do Different Types of Global Events Yield Distinctive Benefits?", in *Local Development Benefits from Staging Global Events*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264042070-6-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.