

Convention & Visitors Bureau

2023 Resort Events Economic Impact Studies

This item relates to F.A.P Initiative #1.5

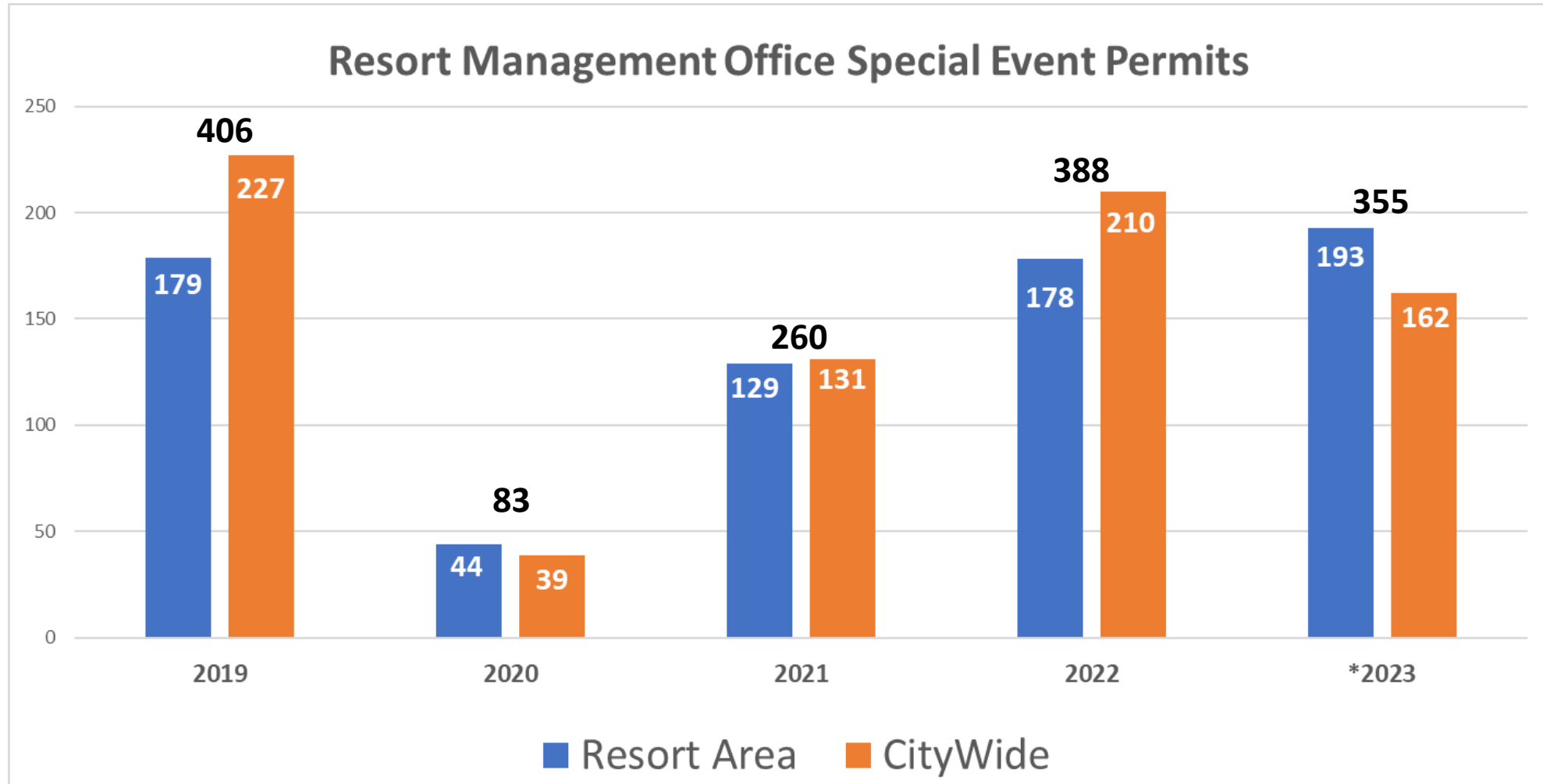
Nancy Helman, Director, Convention and Visitors Bureau

Dr. Vincent Magnini, Director, Institute for Service Research

October 17, 2023



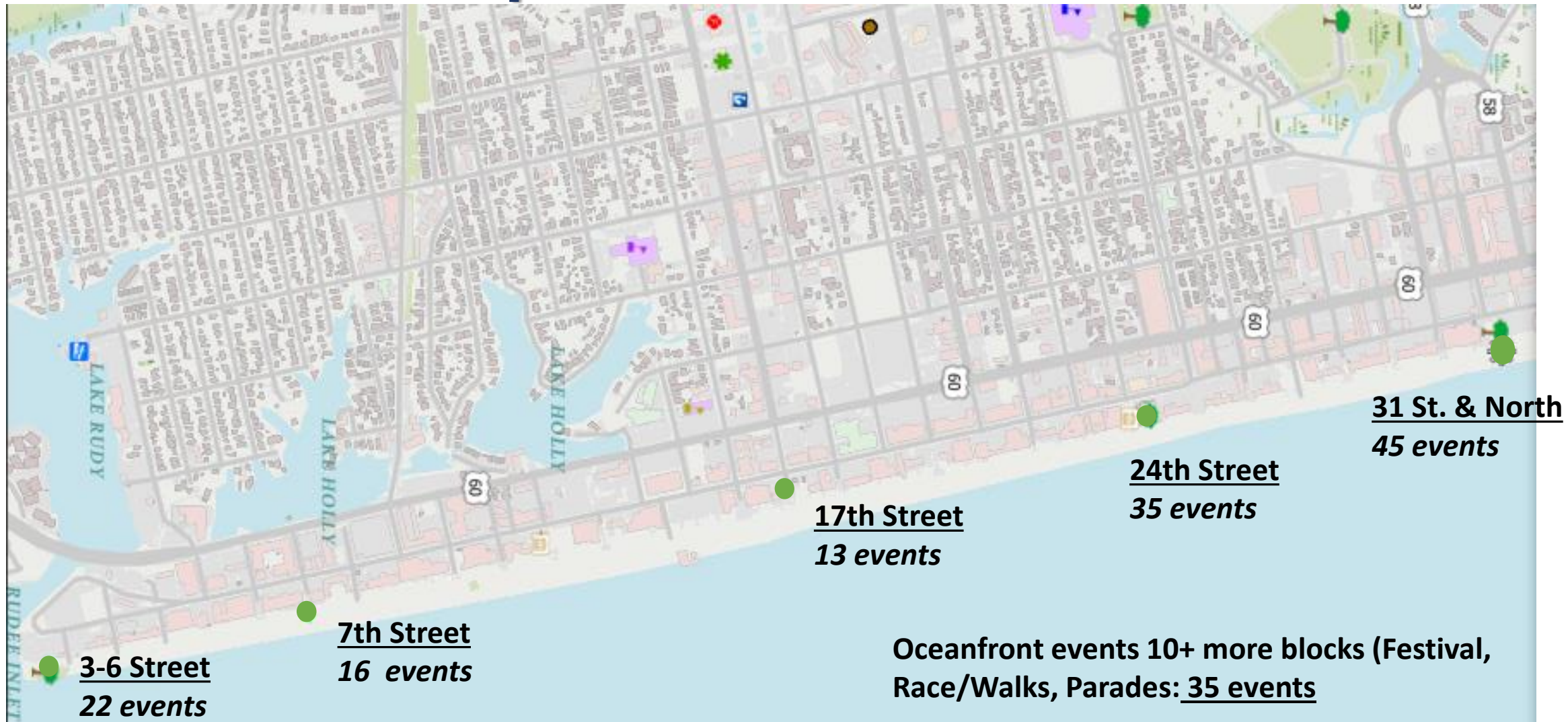
Overview of Resort Management Events



On average all permits equal to one event, however, there are about 5-10 permits that are for multiple events (Ocean front Concert Series, TVA, Surf camps).

*Event data as of October 11, 2023

Event Map 2023 Calendar Year



*Event data as of October 11, 2023

**Map represents events east of Atlantic Ave 27 events took place west of Atlantic Ave in Resort Area

Economic Impact on Events

Why did we select these events?



Dr. Vincent Magnini

Dr. Vincent Magnini is the Executive Director of the Institute for Service Research. He was ranked as one of the top 12 most prolific hospitality researchers worldwide in the most recently published global ranking study. Further, he is a U.S. Fulbright Scholar. He has published seven books and more than 250 articles and reports. Vince has also been featured on National Public Radio's (NPR) All Things Considered, With Good Reason, Pulse on the Planet and cited in the New York Times and Washington Post. The Institute for Service Research (ISR) is a market research and economic modeling firm headquartered in Virginia Beach. The firm is incorporated in Virginia and trademarked with the U.S. patent office.

Examples of work:

- Virginia State Parks Economic Impact Report (conducted annually)
- The Economic Impacts of the Audacy Oceanfront Concert Series held in conjunction with the 60th Annual East Coast Surfing Championships
- The Economic Impacts of Virginia's Civil Rights in Education Heritage Trail (with Chuck Wyatt)
- Demand Estimation and Site Selection Criteria for Additional Conference Space in Pikeville, Kentucky (with Esra Calvert and Dr. Muzzo Uysal)
- The Economic Impacts of Michigan's Ports and Harbors (with Dr. John Crotts)
- The Economic Impacts of the Southern Virginia Higher Education Center
- The Fiscal and Economic Impacts of Virginia's Agritourism Industry (with Esra Calvert and Dr. Martha Walker)



**THE ECONOMIC AND FISCAL
IMPACTS OF FIVE 2023
VIRGINIA BEACH EVENTS**

Vincent P. Magnini, Ph.D.

Thank you...

Overview of Research Methods

Modeling Inputs

Visitor Surveys

Event Data Sheet

Ticketing Data

STAR Reports

VB Municipal Records

qualtrics^{XM}

IMPLAN

Modeling results presented as ranges

Modeling Outputs

Economic Impact

Value-Added Effect

VB Tax Revenue Generation

VB Hotel Room Nights

Return Intent

Return on Investment for VB



Saturday, April 15 | 3pm

Sunday, April 16 | 3pm

On the beach at 3rd Street

Location

2nd Street and Atlantic Ave
Virginia Beach, VA

Price

\$15.00 to \$45.00

Screenshots retrieved from:

<https://www.vabeach.com/virginia-beach-events/kids-events/bulls-and-barrels-beach-rodeo/>

<https://virginiabeach.guide/events/barrels-beach-rodeo/>

<https://www.wavy.com/events-calendar/#!/details/Bulls-Barrels-Beach-Rodeo-Saturday/11548010/2023-04-15T15>

SUMMARY OF RODEO TICKET VOLUMES

Ticket category	Saturday, April 15th	Sunday, April 16th
Number of general admission tickets:	1,800	1,800
Number of VIP tickets:	100	100
Total:	1,900	1,900

Source of ticket volume data: Ticket sales data reported by event organizer.

Metric	Virginia Beach Residents	Non-Resident Patrons
Average party size:	3.83 persons 45%	3.36 persons 55%
Average length of stay in Virginia Beach:	N/A	1.68 days
Average spending (per person):	Lodging: \$1.17	Lodging: \$36.61
	Restaurants / bars: \$29.76	Restaurants / bars: \$59.39
	Groceries / convenience items: \$1.48	Groceries / convenience items: \$13.82
	Entertainment: \$23.43	Entertainment: \$35.34
	Gas: \$2.39	Gas: \$22.24
	Transportation (other than gas): \$2.64	Transportation (other than gas): \$5.09
	Souvenirs and other: \$4.01	Souvenirs and other: \$12.59
	Total: \$64.88	Total: \$185.08
Non-ticket holders in visiting party:	N/A	Zero: No non-resident parties reported un-ticketed members in their travel groups.
Primacy of visit:	N/A	88.82%
Local economic leakage curtailed:	34.92%	N/A

**Estimated hotel room nights in VB:
414 - 466**

THE ECONOMIC IMPACTS OF THE 2023 BULLS & BARRELS BEACH RODEO

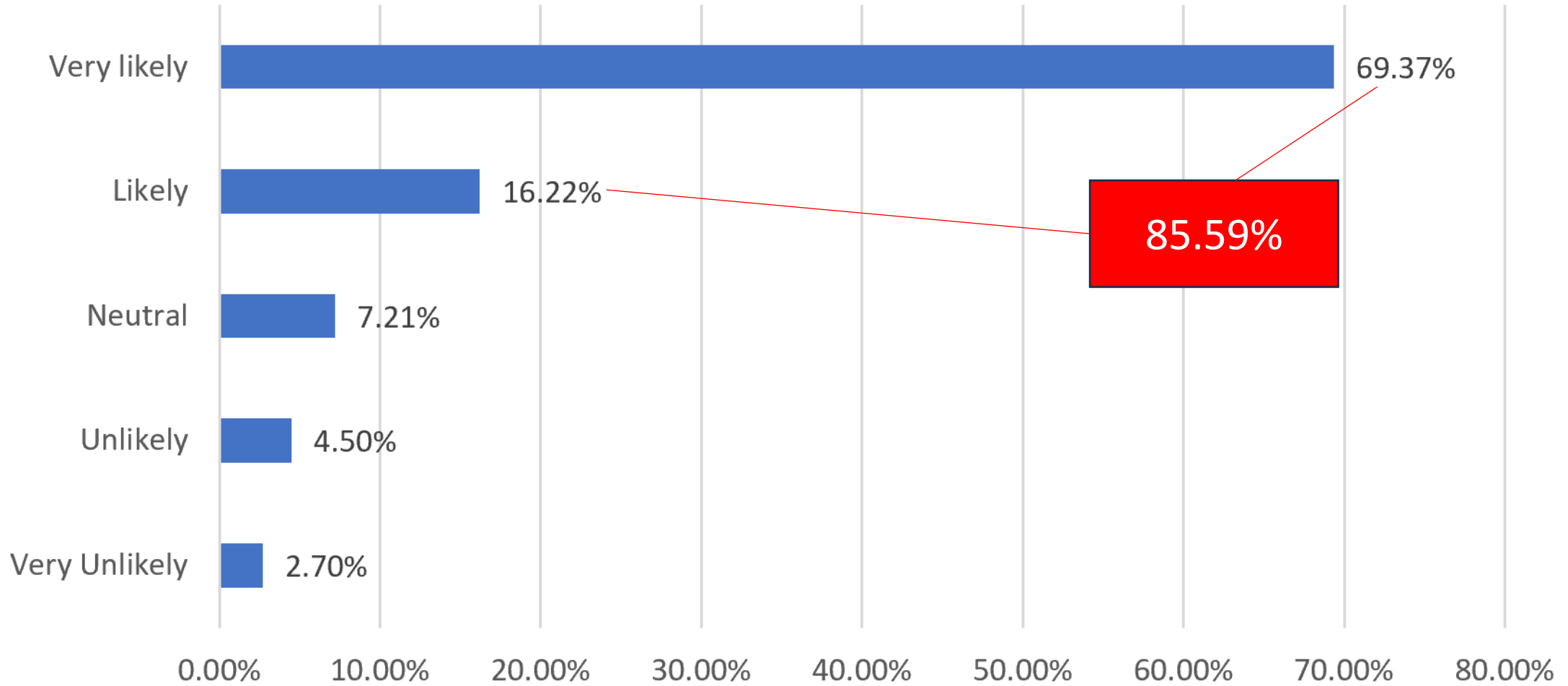
Effect Type	Economic Impact (Range) ^a	Economic Impact (Mean) ^b
Direct	\$351K → \$396K	\$373K
Indirect	\$152K → \$171K	\$162K
Induced	\$137K → \$155K	\$146K
Total Output	\$640K → \$722K	\$681K

- a. As previously explained in this report, modeling results are presented as ranges to account for margin of error.
- b. The mean economic activity is the high and low ends of the range summed and divided by two.

THE FISCAL IMPACTS OF THE 2023 BULLS & BARRELS BEACH RODEO

Effect Type	Value-Added	Estimated Virginia Beach Tax Revenues
Direct	(\$203K → \$229K) M=\$216K	<p>Range: \$31K → \$35K</p> <p>Mean = \$33K</p>
Indirect	(84K → \$95K) M=\$90K	
Induced	(\$82K → \$93K) M= \$88K	
Total Value-Added	(\$370K → \$417K) M = \$394K	

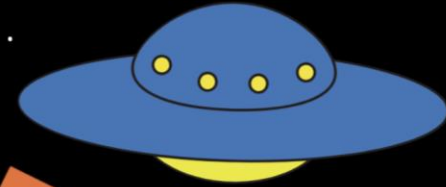
THE LIKELIHOOD THAT YOU WOULD PURCHASE TICKETS FOR THIS EVENT NEXT YEAR...



RETURN ON INVESTMENT

The City earned between \$31K → \$35K in tax revenues, along with approximately \$90K in ticket revenues. The City's expenditures, on the other hand, are tabulated at approximately \$148K. Therefore, employing these figures, it can be estimated that every \$1 spent on this event by the City yielded a return between **\$0.79 → \$0.89**

APRIL 28-30, 2023



**SOMETHING
IN THE
WATER**

SUMMARY OF SITW TICKET VOLUMES

TICKET CATEGORY	FRIDAY, APRIL 28TH	SATURDAY, APRIL 29TH	SUNDAY, APRIL 30TH
Number of general admission tickets:	28,199	28,199	Weather cancellation
Number of VIP tickets:	4,801	4,801	
Total:	33,000	33,000	

Source of ticket volume data: Ticket volume data reported by event organizer.

METRIC	VIRGINIA BEACH RESIDENTS	NON-RESIDENT PATRONS
Average party size:	2.23 persons 33%	2.19 persons 67%
Average length of stay in Virginia Beach:	N/A	3.06 days
Average spending (per person):	Lodging: \$98.62	Lodging: \$270.14
	Restaurants / bars: \$97.52	Restaurants / bars: \$108.46
	Groceries / convenience items: \$26.48	Groceries / convenience items: \$24.77
	Entertainment: \$280.84	Entertainment: \$277.83
	Gas: \$12.89	Gas: \$27.76
	Transportation (other than gas): \$23.55	Transportation (other than gas): \$33.49
	Souvenirs and other: \$86.18	Souvenirs and other: \$80.63
	Total: \$626.08	Total: \$823.08
Non-ticket holders in visiting party:	N/A	1 member of travel party did not purchase a SITW ticket: 2.68%
		2 members of travel party did not purchase SITW tickets: 1.73%
		3 members of travel party did not purchase SITW tickets: 0.77%
Primacy of visit:	N/A	93.63%
Local economic leakage curtailed:	34.15%	N/A

**Estimated hotel room nights in VB:
12,630 – 16,719**

THE ECONOMIC IMPACTS OF THE 2023 SOMETHING IN THE WATER FESTIVAL

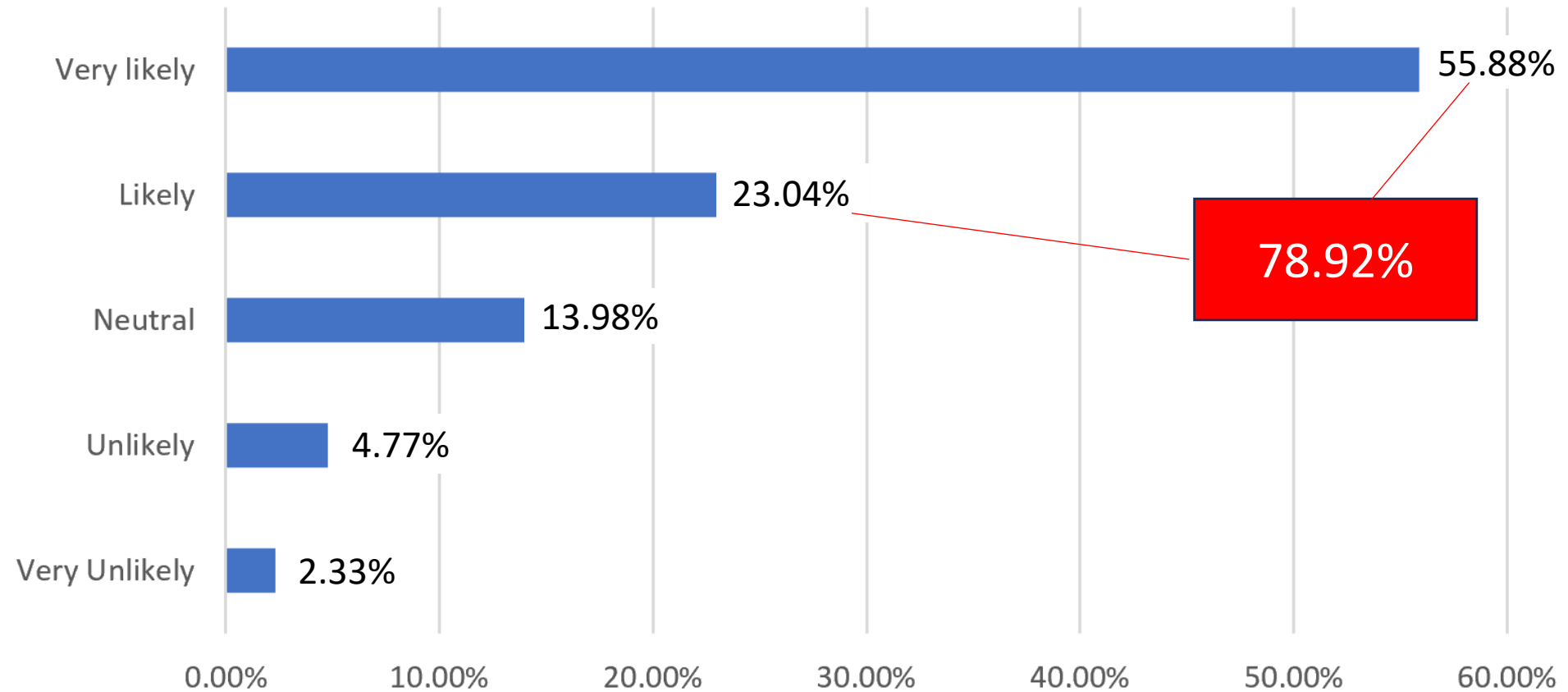
EFFECT TYPE	ECONOMIC IMPACT (RANGE) ^A	ECONOMIC IMPACT (MEAN) ^B
Direct	\$15.2M → \$17.0M	\$16.1M
Indirect	\$5.9M → \$6.6M	\$6.3M
Induced	\$5.0M → \$5.6M	\$5.3M
Total Output	\$26.1M → \$29.2M	\$27.7M

- a. As previously explained in this report, modeling results are presented as ranges to account for margin of error, particularly with regard to the estimation of event displacement costs.
- b. The mean economic activity is the high and low ends of the range summed and divided by two.

THE FISCAL IMPACTS OF THE 2023 SOMETHING IN THE WATER FESTIVAL

EFFECT TYPE	VALUE-ADDED	ESTIMATED VIRGINIA BEACH TAX REVENUES
Direct	(\$8.8M → \$9.9M) Mean = \$9.4M	<p data-bbox="1745 592 2356 649">Range: \$1.49M → \$1.68M</p> <p data-bbox="1872 735 2229 792">Mean = \$1.59M</p>
Indirect	(\$3.4M → \$3.7M) Mean = \$3.5M	
Induced	(\$3.0M → \$3.4M) Mean = \$3.2M	
Total Value-Added	(\$15.2M → \$17.0M) Mean = \$16.1M	

THE LIKELIHOOD THAT YOU WOULD PURCHASE TICKETS FOR THIS EVENT NEXT YEAR



RETURN ON INVESTMENT

The City earned between \$1.49M → \$1.68M in tax revenues, plus approximately \$54K in municipal parking revenues. The City's expenditures, on the other hand, are tabulated at approximately \$1.48M.² Therefore, employing these figures, it can be estimated that every \$1 spent on this event by the City yielded a return between \$1.04 → \$1.18 for the municipality.



JUNE 2-4 2023
VIRGINIA BEACH OCEANFRONT, VA

Free to the public

Book your stay
jackalopefest.com



METRIC	VIRGINIA BEACH RESIDENTS		NON-RESIDENT PATRONS	
	No	Yes	No	Yes
Athlete / competitor in group:		48%		52%
Average party size:	2.22 persons	2.56 persons	2.36 persons	2.15 persons
Average length of stay in Virginia Beach:	N/A	N/A	3.76 days	4.06 days
Average spending (per person):	Lodging: \$13.91	Lodging: \$2.79	Lodging: \$216.10	Lodging: \$191.92
	Restaurants / bars: \$57.75	Restaurants / bars: \$52.51	Restaurants / bars: \$118.36	Restaurants / bars: \$108.45
	Groceries / convenience items: \$8.34	Groceries / convenience items: \$16.89	Groceries / convenience items: \$26.54	Groceries / convenience items: \$30.69
	Entertainment: \$13.35	Entertainment: \$36.96	Entertainment: \$42.58	Entertainment: \$37.75
	Gas: \$4.84	Gas: \$11.49	Gas: \$35.06	Gas: \$33.99
	Transportation (other than gas): \$7.37	Transportation (other than gas): \$8.53	Transportation (other than gas): \$22.75	Transportation (other than gas): \$29.54
	Souvenirs and other: \$40.26	Souvenirs and other: \$34.83	Souvenirs and other: \$70.71	Souvenirs and other: \$57.86
	Total: \$145.82	Total: \$163.70	Total: \$532.10	Total: \$490.20

Estimated hotel room nights in VB:
7,672 – 9,864



SUMMARY OF ATTENDANCE VOLUMES

CATEGORY	FRIDAY, JUNE 2ND	SATURDAY, JUNE 3RD	SUNDAY, JUNE 4TH
Clicker data from three beach entry points:	10,000	25,000	15,000
Adjusted attendance to account for re-entry:	6,530	16,325	9,795
Adjusted total:	32,650		



Primacy of visit:	N/A	N/A	95.62%	97.51%
Local economic leakage curtailed:	28.76%	42.48%	N/A	N/A

THE ECONOMIC IMPACTS OF THE 2023 VIRGINIA BEACH JACKALOPE FESTIVAL

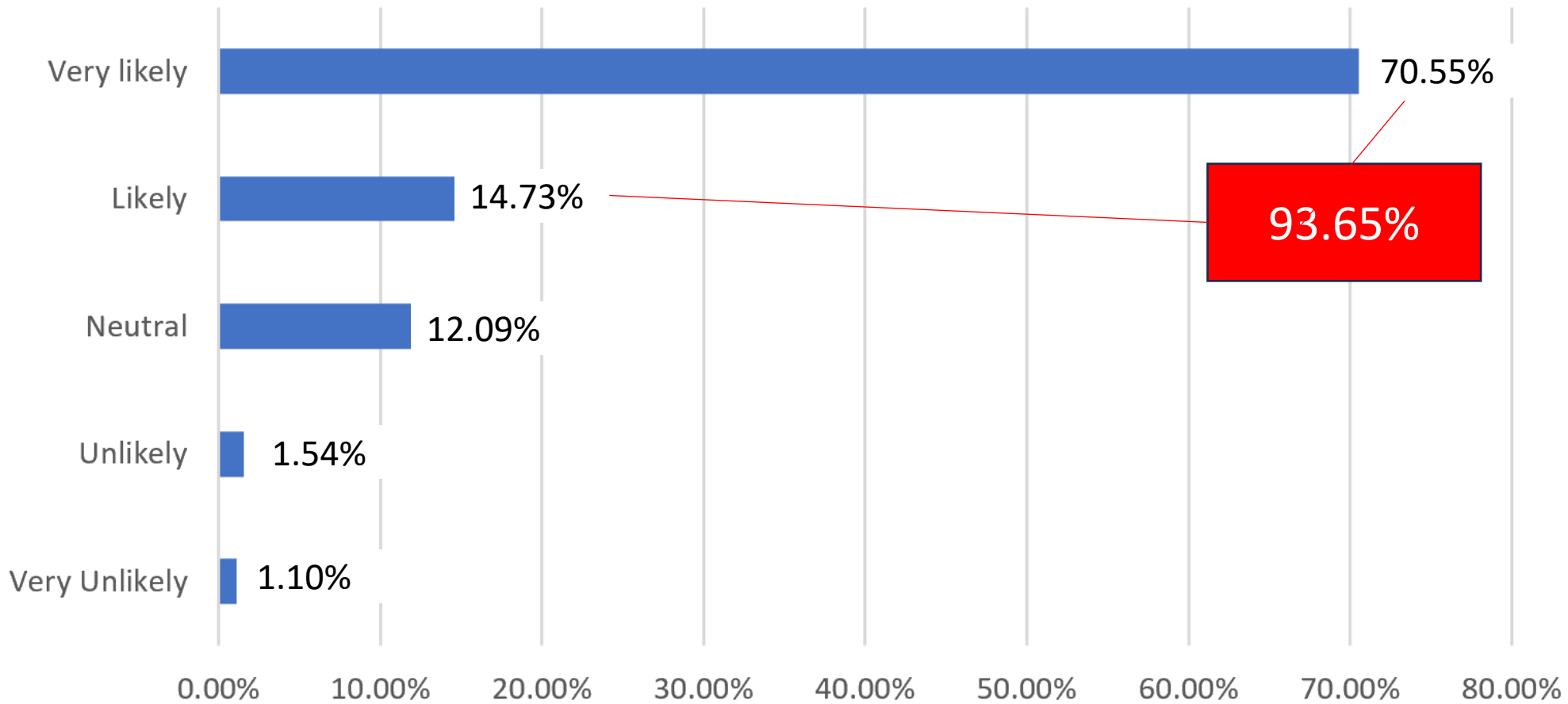
EFFECT TYPE	ECONOMIC IMPACT (RANGE) ^A	ECONOMIC IMPACT (MEAN) ^B
Direct	\$7.6M → \$8.6M	\$8.1M
Indirect	\$2.7M → \$3.0M	\$2.8M
Induced	\$2.3M → \$2.6M	\$2.4M
Total Output	\$12.5M → \$14.1M	\$13.3M

- a. As previously explained in this report, modeling results are presented as ranges to account for margin of error.
- b. The mean economic activity is the high and low ends of the range summed and divided by two.

THE FISCAL IMPACTS OF THE 2023 VIRGINIA BEACH JACKALOPE FESTIVAL

EFFECT TYPE	VALUE-ADDED	ESTIMATED VIRGINIA BEACH TAX REVENUES
Direct	(\$4.4M → \$5.0M) M=\$4.7M	<p data-bbox="1809 671 2407 728">Range: \$592K → \$668K</p> <p data-bbox="1923 813 2280 871">Mean = \$630K</p>
Indirect	(\$1.5M → \$1.7M) M=\$1.6M	
Induced	(\$1.4M → \$1.5M) M= \$1.5M	
Total Value-Added	(\$7.3M → \$8.3M) M = \$7.8M	

THE LIKELIHOOD THAT YOU WOULD ATTEND THIS EVENT AGAIN NEXT YEAR...



RETURN ON INVESTMENT (Free to the Public)

The City earned between \$592K → \$668K in tax revenues, plus an estimated \$29K in municipal parking revenues. The City's expenditures, on the other hand, are tabulated at approximately \$1.32M.³ Therefore, employing these figures, it can be estimated that every \$1 spent on this event by the City yielded a return between **\$0.47 → \$0.53** for the municipality.



North American Sand Soccer Championships

June 9-11, 2023

SUMMARY OF NASSC ATTENDANCE VOLUMES

CATEGORY	FRIDAY, JUNE 9TH	SATURDAY, JUNE 10TH	SUNDAY, JUNE 11TH
Total estimated attendance:	30,000	35,000	35,000
Attendance break-down:	<ul style="list-style-type: none"> -Athlete / coach / team registration: 10,000 -Spectators: 2.5 per athlete -Volunteers: 500+ -Organizing committee: 50 (3 days) -Referees: 150 (2 days) -Referees: 15 (3 days) 		

Metric ¹	VIRGINIA BEACH RESIDENTS	NON-RESIDENT PATRONS
Average party size:	4.84 persons 23%	5.01 persons 77%
Average length of stay in Virginia Beach:	N/A	2.67 days
Average spending (per person) within Virginia Beach:	Lodging: \$57.67	Lodging: \$150.18
	Gas: \$7.88	Gas: \$15.71
	Restaurants: \$26.69	Restaurants: \$58.84
	Shopping: \$5.66	Shopping: \$14.45
	Tournament vendors / sponsors: \$28.76	Tournament vendors / sponsors: \$30.84
	Other expenditures: \$5.45	Other expenditures: \$9.03
	Total: \$132.11	Total: \$279.05
Primacy of visit:	N/A	100%
Local economic leakage curtailed:	67.98%	N/A

Estimated hotel room nights in VB:
8,565 – 11,124

THE ECONOMIC IMPACTS OF THE 2023 NORTH AMERICAN SAND SOCCER CHAMPIONSHIPS

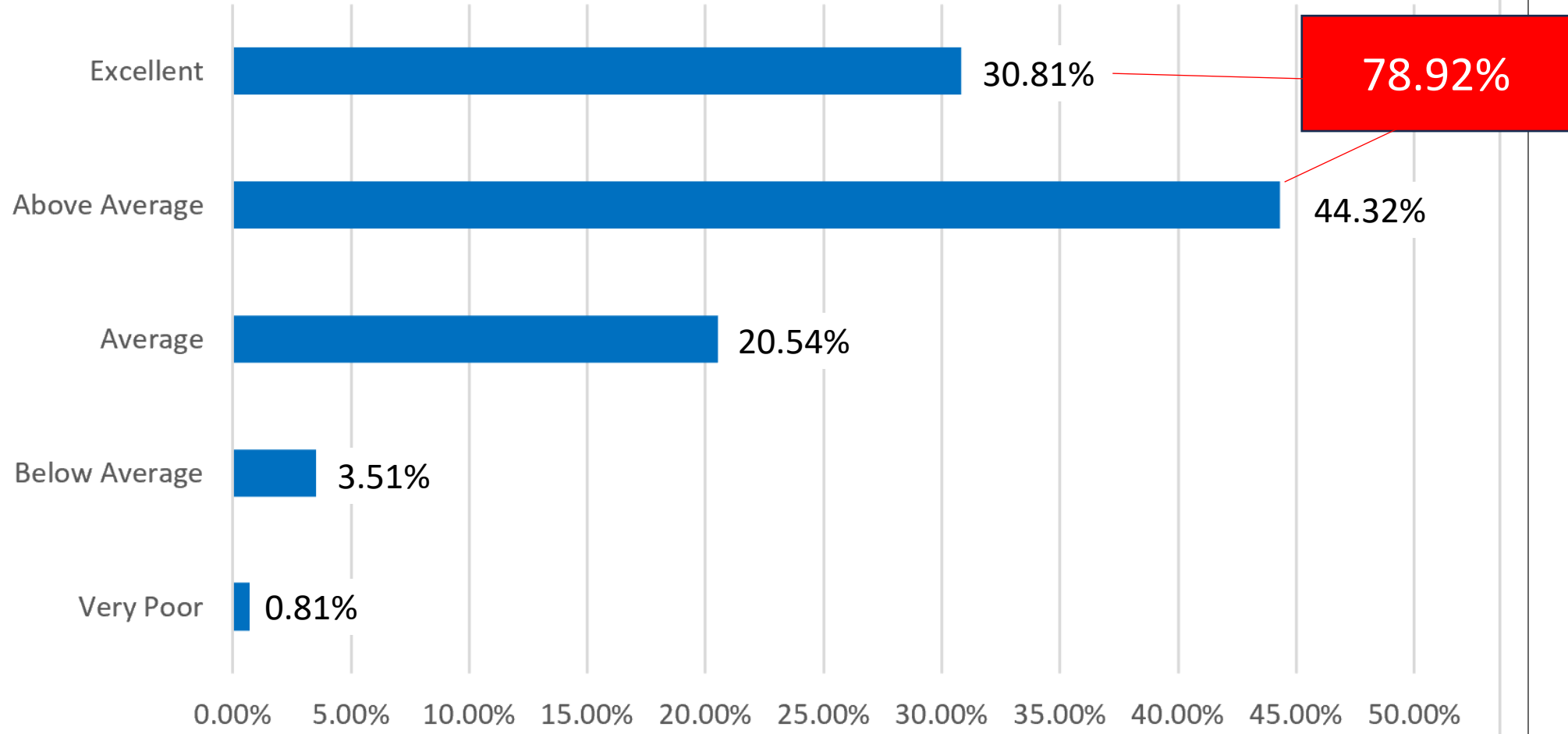
EFFECT TYPE	ECONOMIC IMPACT (RANGE) ^A	ECONOMIC IMPACT (MEAN) ^B
Direct	\$7.2M → \$8.1M	\$7.7M
Indirect	\$2.8M → \$3.1M	\$2.9M
Induced	\$2.4M → \$2.7M	\$2.5M
Total Output	\$12.3M → \$13.9M	\$13.1M

- a. As previously explained in this report, modeling results are presented as ranges to account for margin of error.
- b. The mean economic activity is the high and low ends of the range summed and divided by two.

THE FISCAL IMPACTS OF THE 2023 NORTH AMERICAN SAND SOCCER CHAMPIONSHIPS

EFFECT TYPE	VALUE-ADDED	ESTIMATED VIRGINIA BEACH TAX REVENUES
Direct	(\$4.3M → \$4.9M) M=\$4.6M	<p data-bbox="1778 715 2354 768">Range: \$648K → \$730K</p> <p data-bbox="1888 858 2244 911">Mean = \$689K</p>
Indirect	(\$1.6M → \$1.8M) M=\$1.7M	
Induced	(\$1.4M → \$1.6M) M= \$1.5M	
Total Value-Added	(\$7.4M → \$8.4M) M = \$7.9M	

How Would You Rate the Event Overall?



RETURN ON INVESTMENT

The City earned between \$648K → \$730K in tax revenues, plus an estimated \$25K in municipal parking revenues. The City's expenditures, on the other hand, are tabulated at approximately \$44K. Therefore, employing these figures, it can be estimated that every \$1 spent on this event by the City yielded a return between \$15.25 → \$17.19 for the municipality.



SUMMARY OF BEACH IT! COUNTRY MUSIC FESTIVAL TICKET VOLUMES

Ticket category	Friday, June 23rd	Saturday, June 24th	Sunday, June 25th
Scanned ticket attendees:	9,317	11,007	8,360

Source of ticket volume data: Ticket sales data reported by event organizers.

Metric	Virginia Beach Residents	Non-Resident Patrons
Days of attendance:	Friday: 85.68% Saturday: 91.58% Sunday: 84.84%	Friday: 87.98% Saturday: 92.50% Sunday: 86.77%
Average spending (per person within Virginia Beach):	Merchandise: \$85.41 Food and beverage: \$146.50 Lodging: \$13.91 Ground transportation: \$12.21 Total: \$258.03	Merchandise (within venue): \$68.74 Food and beverage (within venue): \$167.54 Lodging: \$207.63 Ground transportation: \$39.00 Shopping: \$68.72 Restaurants / bars: \$176.69 Entertainment / other (not including concert tickets): \$3.88 Total: \$732.20
Non-ticket holders in visiting party:	N/A	1 member of travel party: 2.82% 2 members of travel party: 2.23% 3 members of travel party: 1.53%
Primacy of visit:	N/A	92.0%
Local economic leakage curtailed:	40.86%	N/A

34%

66%

Estimated hotel room nights in VB:
4,315 – 5,837

THE ECONOMIC IMPACTS OF THE 2023 BEACH IT! COUNTRY MUSIC FESTIVAL

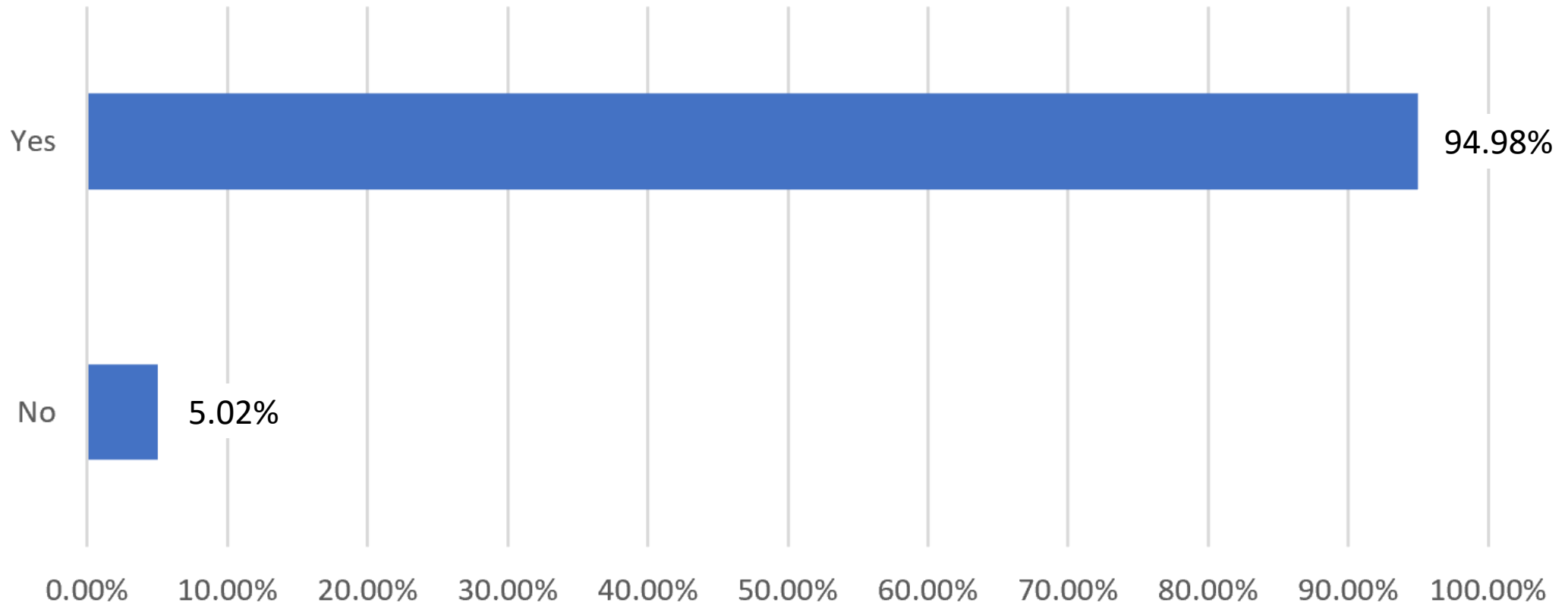
Effect Type	Economic Impact (Range) ^a	Economic Impact (Mean) ^b
Direct	\$7.0M → 7.9M	\$7.5M
Indirect	\$2.3M → \$2.6M	\$2.5M
Induced	\$2.0M → \$2.2M	\$2.1M
Total Output	\$11.3M → \$12.8M	\$12.1M

- a. As previously explained in this report, modeling results are presented as ranges to account for margin of error.
- b. The mean economic activity is the high and low ends of the range summed and divided by two.

THE FISCAL IMPACTS OF THE 2023 BEACH IT! COUNTRY MUSIC FESTIVAL

Effect Type	Value-Added	Estimated Virginia Beach Tax Revenues
Direct	(\$3.8M → \$4.3M) M=\$4.1M	<p data-bbox="1803 682 2364 739">Range: \$869K → \$979K</p> <p data-bbox="1913 825 2254 882">Mean = \$924K</p>
Indirect	(\$1.3M → \$1.5M) M=\$1.4M	
Induced	(\$1.2M → \$1.3M) M= \$1.2M	
Total Value-Added	(\$6.3M → \$7.1M) M = \$6.7M	

WOULD YOU ATTEND THIS FESTIVAL AGAIN IN THE FUTURE?



RETURN ON INVESTMENT

The City earned between \$869K → \$979K in tax revenues, along with approximately \$46K in municipal parking revenues. The City's expenditures, on the other hand, are tabulated at approximately \$473K.¹ Therefore, employing these figures, it can be estimated that every \$1 spent on this event by the City yielded a return between \$1.93 → \$2.17.

EVENT	DATES	ECONOMIC IMPACT	CITY REVENUES	CITY EXPENSES	VB HOTEL ROOM NIGHTS
Bulls & Barrels	April 15-16	\$640K - \$722K	\$31K - \$35K (+\$90K)	\$148K	414 - 466
SITW	April 28-30	\$26.1M - \$29.2M	\$1.49M - \$1.68M (+\$54K)	\$1.78M (-\$305K)	12,630 – 16,719
Jackalope	June 2-4 (Free Event)	\$12.5M - \$14.1M	\$592K - \$668K (+29K)	\$1.32M	7,672 – 9,864
NASSC	June 9-11	\$12.3M - \$13.9M	\$648K - \$730K (+\$25K)	\$44K	8,565 – 11,124
Beach It!	June 23-25	\$11.3M - \$12.8M	\$869K - \$979K (+\$46K)	\$473K	4,315 – 5,837
TOTALS:		\$62.8M - \$70.7M	\$3.9M - \$4.3M	\$3.5M	33,596 – 44,010

Summary

2023 Resort Events Community Impact

Event Name	Event Date	Earned Media	Give Back Elements
Bulls and Barrels Beach Rodeo	April 15 – 16	2 Placements 4,228,376 Impressions \$39,112 Advertising Value	<ul style="list-style-type: none"> • Provided 15K+ square feet of free vending/display space for the various Virginia Beach 4H clubs (9 clubs participated) • Donated \$2,000 to the “4-H Clubs of Virginia Beach, Inc”
SITW	April 28 – 30	45 Placements 1,267,238,415 Impressions \$11,721,968 Advertising Value	<ul style="list-style-type: none"> • Incorporated over 70 local musicians throughout the weekend, 40 local restaurants, & 40 small businesses & non-profits. • Worked with the NBA to rehab 3 basketball courts at Lake Elizabeth Park-in progress. • Gave hundreds of small business owners a chance to pitch for \$150,000 in funding. • Directed \$300,000 to 100 STEM focused students in partnership with the United Way. We gifted premium headshots & tickets to 10 students. • Featured & compensated local artists & small businesses in sponsor's national ad campaigns. • Worked with Dominion Energy to rehab the homes of 2 families while they attended the festival. • We’ve donated thousands of meals to those in need in partnership with local restaurants. • We partnered with 6 craft brewers to create custom SITW beers to stimulate business at their breweries. • Partnered with Virginia Beach Chapter of the NAACP, Urban League of Hampton Roads, and United Way of Hampton Roads. • Partnership with VB Restaurant Association and MOCA.



2023 Resort Events Community Impact

Event Name	Event Date	Earned Media	Give Back Elements
Jackalope	June 2 – 4 (Free Event)	37 Placements 573,109,265 Impressions \$5,298,250 Advertising Value	<ul style="list-style-type: none"> • Donation of construction material to local builders and business to build skateboard ramps • Provided VIP tickets to family that just lost father • Sponsored local athletes to travel to Jackalope Montreal 2022 and 2023 • Skate-Art Project with Virginia Beach Schools • Created 3 videos paying homage to the action sports culture in Virginia Beach, celebrating past, present and future (future (JB2, Collin Graham and Sergey))
Sand Soccer	June 9 – 11	None reported	<ul style="list-style-type: none"> • Tournament funds raised benefit the Hampton Road Soccer Complex. • \$10K Scholarship given to 4 Va Beach Students • Hosts US Beach Soccer National Team ID Camp • Donates Sports Gear to Boys & Girls Club, Special Olympics
Beach IT!	June 23 – 25	8 Placements 218,726,115 Impressions \$2,023,248 Advertising Value	
Total Impact		92 Placements 2,062,302,171 Impressions \$19,082,578 Advertising Value	

2023 Observations

- Impacts

- Proper balance/distribution of marquee events (locations, dates, type, size, scale and scope)
 - Operational Impacts
 - Public Safety
 - Public Works – Beach Ops and Traffic Ops
 - Stakeholder Impacts
 - Limited access within event footprints
 - Distribution of events
 - Food vendors
 - Citizen & Guests Impacts
 - Beach & Boardwalk closures
 - Hotel, restaurants, retail access limited
 - Transient Visitor ADR



For Consideration

- Create a Festival/Events Task Force/Commission
 - Advise staff and City Council on following:
 - Review and provide feed back to modernize Resort Events Policy (*updated last: 2005*)
 - Review and provide feedback on City Code 4.1
 - Research and provide feedback on updating fee structure
 - Provide feedback on the vetting process for large scale events
 - Measurement of success (e.g., ROI, media impact, qualitative, etc.)
 - Propose a community festival and events grant program, including award process, for consideration
 - As needed, provide City Council with advice on items related to festival and events



Thank you!

Questions