



# AN ECONOMIC IMPACT STUDY

## 1998 ADELAIDE TEST MATCH

FACTS SHEET No. 4

FEBRUARY 1999

### INTRODUCTION

Since the first Test Match in South Australia in 1884, the Adelaide Oval has been regarded as one of the most picturesque cricket grounds in the world. Its heritage-listed scoreboard and grandstands date back to last century, and combine with the modern style of the new Bradman stand to create a setting which is unmatched in its beauty as a cricket venue.

For over 100 years the Adelaide Oval has played host to an international sporting event - the Adelaide Test. This match regularly attracts many visitors from both interstate and overseas who generate economic activity in this State, but never has this figure been quantified - until now.

In a joint initiative of the Office for Recreation and Sport (ORS) and the South Australian Cricket Association (SACA), visitor numbers were collected, visitor surveys were undertaken and an analysis was made of new money coming to the State, and the impact this makes on South Australia's Gross State Product and employment levels.

1998 heralded the active marketing by the South Australian Cricket Association of the Adelaide Oval Test. On the initiative of the SACA marketing team, segments of the seating packages were promoted to English tour operators. The overall aim of the promotion was to attract overseas and interstate visitors to Adelaide for the Test.

A study of visitor expenditure was devised by the ORS and SACA, the objective of which was to measure the numbers and the associated spending of those who had travelled to South Australia specifically for the Third Ashes Test Match between Australia and England - December 11-15, 1998.

The major findings of this study were that:

- the Adelaide Test attracted over 2,000 interstate and overseas people to South Australia;
- the spending by overseas and interstate parties contributed over \$4 million to South Australia's Gross State Product; and
- this contribution created the equivalent of 67 full time jobs.

This fact sheet analyses how these figures were derived, examines the length of stay by visitors to South Australia and whether they will return to this state as a result of their current visit, and investigates visitor spending patterns while in South Australia.

Finally, the fact sheet comments on the potential for future visitors to be attracted to South Australia by the international television coverage of the Adelaide Oval Test which was broadcast to over 100 million homes throughout the world.



# Methodology

## Background on Economic Impact Studies

In undertaking this study, a framework outlined by the Australian Bureau of Statistics has been utilised. This study has been particularly stringent to include only the "new money" attracted to South Australia as a result of the Test Match being held. This study does not include expenditure by South Australians attending the match, as it is probable that if local residents had not spent this money at the Test, they would have spent it by purchasing goods or services elsewhere in the State.

In addition, in the calculation of visitor numbers, care has been taken to include only those who came specifically for the Test Match, and didn't simply change their timing to coincide with the match. The expenditure of the "time-switchers" cannot be included as it would have been made without the Test

Match taking place, albeit at a different time of the year.

Finally, as with any estimation of economic impact, we have used relevant multipliers to calculate the indirect effect of the initial, or direct, increase in expenditure. The multipliers used are consistent with those utilised in the study undertaken on the 1996 Adelaide Festival of Arts.

## The 1998 Adelaide Test Study

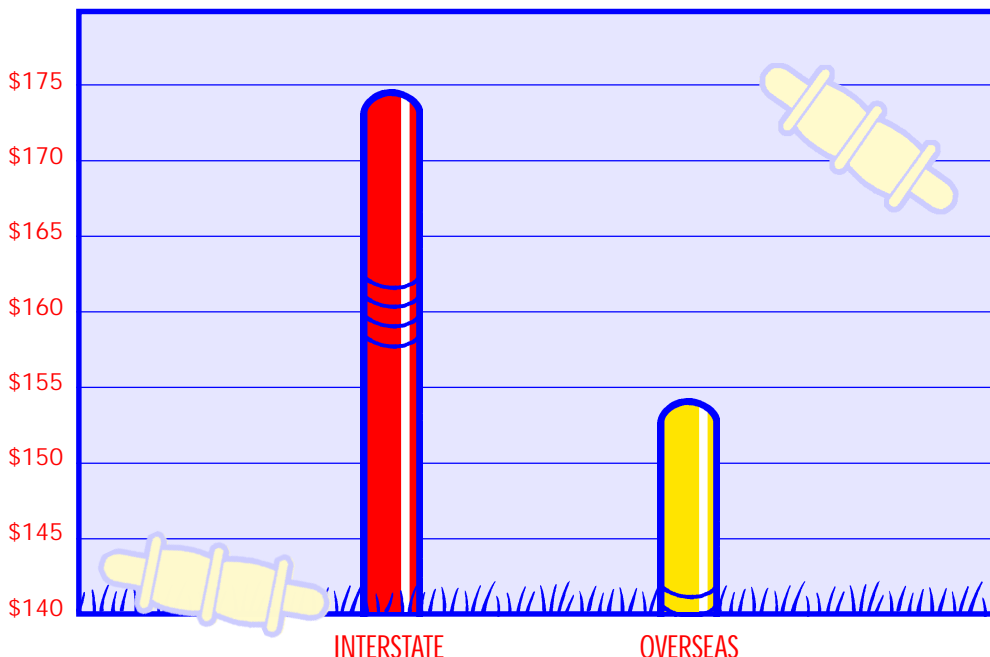
A survey of interstate and overseas visitors attending the Adelaide Test was conducted throughout the five days of the match. It asked questions relating to the visitor's expenditure, length of stay in South Australia and whether they were likely to return to South Australia as a result of their current visit. As an incentive to complete the survey, all participants were entered in a draw to win a cricket bat signed by Sir Donald Bradman.

The results of analysis clearly highlight the economic importance of international cricket to South Australia. The overseas visitor numbers were approximately 1250 per day, consisting of various tour groups, private visitors, and of course, that animated group of vocal England supporters, the Barmy Army. In addition, approximately 750 interstate cricket supporters ventured to South Australia for the Third Ashes Test Match.

Adding the teams and the media contingent who also spent heavily in South Australia during their stay, one can clearly see a substantial impact on South Australia's Gross State Product as a result of their expenditure.

# Calculation of Economic Activity

AVERAGE EXPENDITURE - \$ PER PERSON PER DAY



## Interstate and Overseas Visitors

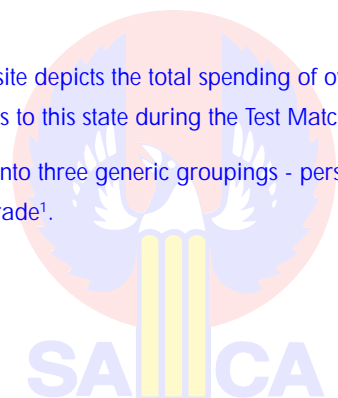
From the information obtained from the survey, average visitor spending for overseas visitors was \$154.22 per day compared with the spending of interstate visitors, which was slightly higher at \$174.70 per day as highlighted by the graph opposite.

Analysis of the survey results highlighted that overseas spending was substantially greater than interstate spending in the area of accommodation. Most of the overseas tour groups were staying at the Hilton, Stamford or Hyatt Hotels, while the interstate guests used a variety of other accommodation.

However, it was observed that interstate visitor spending on food and drink was higher than that of overseas patrons. This may be partly due to the cricket packages offered by the overseas tour operators that included some meals in the package price.

The table opposite depicts the total spending of overseas and interstate visitors to this state during the Test Match period.

It is broken up into three generic groupings - personal services, transport and trade<sup>1</sup>.



	(\$M)	(\$M)	(\$M)
	Personal Services	Transport	Trade
Interstate	0.698	0.076	0.108
Overseas	1.590	0.109	0.222
<b>Total</b>	<b>2.288</b>	<b>0.186</b>	<b>0.330</b>

<sup>1</sup> Personal services include accommodation, food and drink and entertainment costs.

Transport includes only expenditure whilst in South Australia, not the cost of fares to get here.

Trade includes spending on souvenirs, clothing, sporting equipment, etc.

## Barmy Army

The Barmy Army injected enthusiasm and high spirits into the Adelaide Oval throughout the five days of the Test. Their singing and overall support of the English team created a festive atmosphere that added to the occasion.

The survey showed that this group included some individuals who are already based in South Australia on working holidays, or are expatriates and English backpackers who were already in Australia. Many shifted an already planned visit to South Australia to coincide with the Test Match. The expenditure of these individuals was not included in any calculations, as their spending in South Australia did not depend on the Test.

The average spending of a Barmy Army member is considerably lower than that of the other visitor groups. This is primarily due to the use of backpacker style accommodation, and lower expenditure in areas such as restaurants and local transport.

## Media

The media contingent for the Third Ashes Test was the largest seen at an Adelaide Test Match. This contingent consisted of print, radio and television media representatives from interstate and overseas. For the purpose of the study, only information relating to interstate and overseas media was included.

Representatives from these groups were consulted about their spending patterns and length of stay in South Australia.

## Teams

Both the English and Australian teams are made up of more than the 12 players which make up the on-field competitors. In addition to the 12 selected players, the squad consists of players not selected (English team only), team managers, coaches and physiotherapists.

The combined entourage of both the English and Australian teams was 42. While the players were not surveyed, team management was consulted and expenditure was formulated using information obtained from these sources.

## Other Economic Benefits

In addition to the visitor expenditure detailed above, the Adelaide Test Match attracts new funds to South Australia in the form of sponsorship and gate receipts.

The sponsorship includes national and international firms (from outside South Australia) who take sponsorship packages to be associated with the Test Match. This study has included only the sponsorship that is directly attributable to the Test and is sourced from interstate and overseas.

Interstate and overseas sponsors of the Adelaide Test are assumed to be seeking interstate and overseas exposure for their products through television coverage of the Test. Local sponsors are assumed to be seeking South Australian exposure which would otherwise be obtained by sponsoring some other local event.

Under a gate sharing agreement with the Australian Cricket Board, South Australia receives a portion of all gate receipts of the Test Match. For the purpose of this study only gate receipts attributable to the interstate and overseas visitors have been included.

The Barmy Army, media, teams and externally sourced gate receipts and sponsorship collectively impacted on the States' economy by over \$1.2 million.

## Summary of Economic Activity

South Australia's economy has benefited from the economic activity provided by all of the groups listed above. The visitor expenditure and external funds that were attracted to the State resulted in a \$4.021 million stimulus to South Australia's Gross State Product.

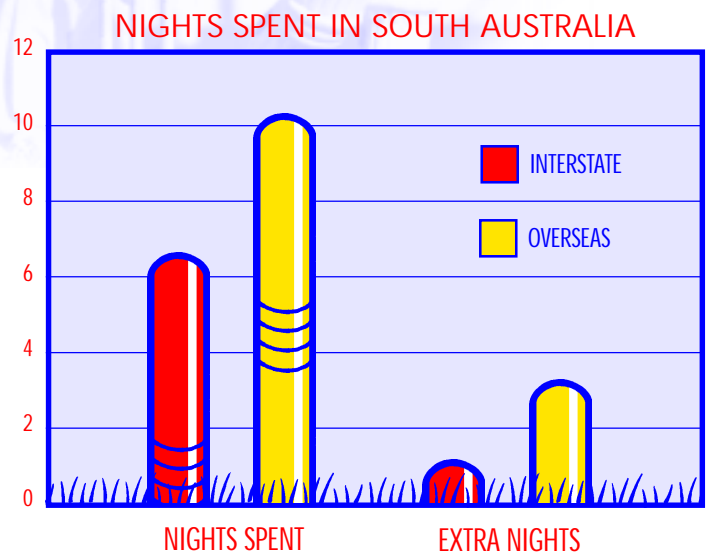
This created the equivalent of 67 full time jobs, although much of this is in additional hours in existing jobs and casual work opportunities.

# Time spent in South Australia

The graph opposite highlights that the average length of stay in South Australia by interstate visitors was 6.52 nights in comparison to the overseas travellers' 10.20 nights average stay.

Average extra nights refers to the number of nights after the Test Match spent in South Australia. As one would expect, overseas extra nights (3.67) is greater than interstate extra nights (1.16).

A possible explanation for the longer stay of the overseas visitors may be the timing of the Test Matches. The Adelaide Test finished on December 15th, while the next Test in Melbourne didn't start until December 26th. This gave the overseas visitors the opportunity to stay on in South Australia and visit some of our many beautiful tourist destinations.



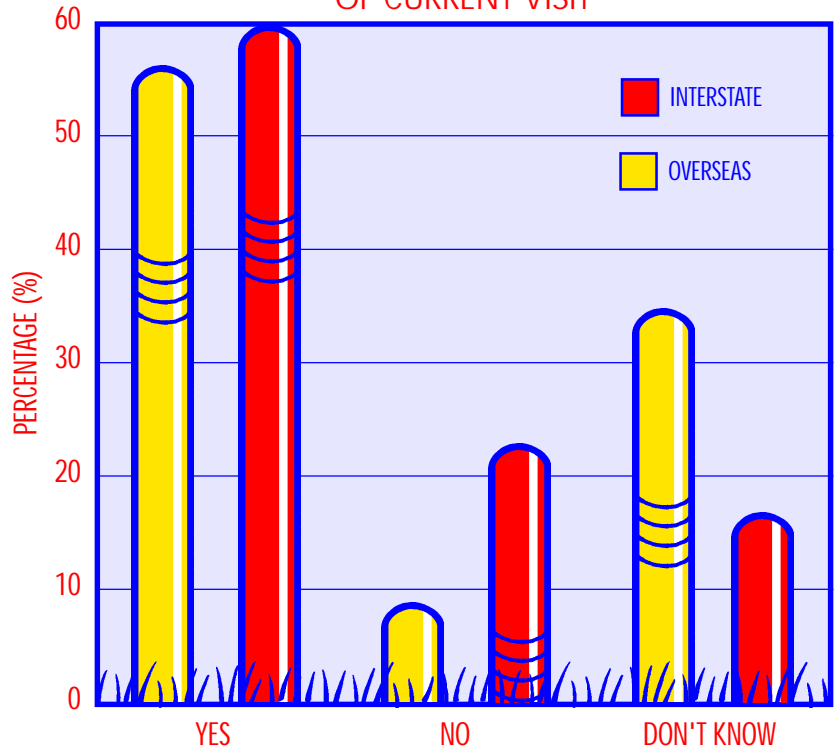
# Return Visits to South Australia

The graph opposite highlights the following facts.

- 56% of overseas people intend to return to South Australia as a result of their current visit compared with the slightly higher 60% of interstate guests.
- 35% of overseas visitors were unsure if they would return to South Australia, while only 17% of interstate visitors were unclear regarding a return visit to the state. A common response by overseas guests indicated that they had not yet established their international travel plans.
- Only 9% of overseas travellers indicated that they did not expect to return to South Australia as a direct result of this visit.

If these future visitors were to make one return visit and to incur similar levels of expenditure, then the 1998 Adelaide Test may have attracted a further \$1.7 million in visitor expenditures and flow ons in future years. The timing and frequency of these future visits is not known, and accordingly no estimate can be made of their scale.

RETURN VISITS TO SOUTH AUSTRALIA AS A RESULT OF CURRENT VISIT

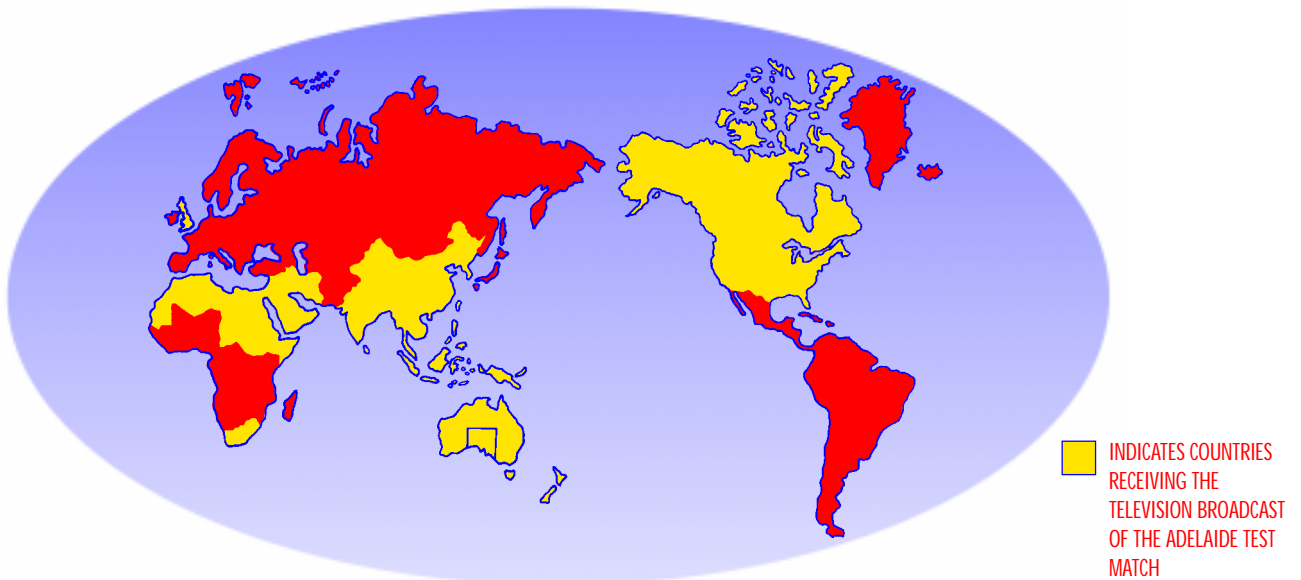


# Television Coverage

The Adelaide Test Match was screened to over 100 million homes throughout the world. From the cricket-loving sub-continent of India to the far reaches of the Middle East in Syria and Bahrain, the City of Adelaide was featured as a beautiful backdrop to the on field Ashes drama.

Images of the Adelaide Oval, the city skyline, and parkland surrounds were on television screens worldwide for over 30 hours during the Test Match.

The associated television exposure may be most effective in attracting future visitors. Coverage overseas of the cricket is accompanied by panoramic shots of popular tourist destinations in 'Greetings from South Australia' segments which are short snippets of images from this state.



# Conclusion

Not only is the Adelaide Oval unmatched in its beauty as a cricket venue, but by hosting the Test Match it is also attracting new money to South Australia that provides an economic stimulus to the state.

As a result of the Third Ashes Test Match, South Australia's economy benefited by over \$4 million dollars and the equivalent of 67 full time jobs were created. The \$4 million was new money to the state, which would not have been injected into the local economy if the Test Match had not been held.

In addition, the benefits of the Test may be increased further with 56% of overseas visitors and 60% of interstate visitors stating that they intend to return to South Australia as a direct result of this visit.

While this fact sheet attempts to quantify only the benefits arising from the Test Match, it must be remembered that the Adelaide Oval also hosts One Day International Matches. Although not the focus of this study, these matches undoubtedly attract further overseas and interstate visitors, thereby further increasing the economic benefit that international cricket has on the State's economy.

## ACKNOWLEDGEMENTS

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## REFERENCES

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## Further Information

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