

Adelaide to Port Lincoln YACHT RACE & REGATTA

FACTS SHEET No. 7

OCTOBER 2000

INTRODUCTION



Sporting and recreational events can play an important role in economies of all sizes. They are however especially important to regional economies as such events provide a major injection of economic activity which impacts on the wider community in many ways.

The 50th Annual Adelaide to Port Lincoln Yacht Race was one such event which brought social and economic stimulus to Port Lincoln and the wider Eyre Peninsula Region. This year's race was witness to more competitors than ever before with over one hundred boats entering, making it bigger than the Sydney to Hobart Yacht Race in terms of race competitors.

Port Lincoln is both a popular tourist destination and a major commercial centre for the rest of the Eyre Peninsula. The surrounding area offers a kaleidoscope of tourist options -surf beaches, spectacular lookouts, secluded picnic spots, rugged coastal scenery and picturesque hill country, history and wildlife. The surrounding islands give offshore fishermen and blue water sailors a large range of unique destinations regardless of prevailing winds. It is little wonder that this natural affinity to water activities tends to reflect in Port Lincoln's events.

The 50th Annual Adelaide to Port Lincoln Yacht Race and Regatta is the biggest event on the Port Lincoln calendar. In a joint initiative of the Office for Recreation and Sport (ORS), the Port Lincoln Yacht Club and the Eyre Regional Development Board, visitor numbers to Port Lincoln were collected, visitor surveys were undertaken and an analysis was made of 'new money' coming into Port Lincoln, directly resulting from the yacht race.

A study of visitor expenditure was devised by the ORS, the objective of which was to measure the numbers and the associated spending of those who had travelled to Port Lincoln specifically for the yacht race as a boat owner, crew member or accompanying the above two groups as friends or family.

The major findings of the report were that:

- Approximately 1,000 people had travelled to Port Lincoln solely for the Adelaide to Port Lincoln Yacht Race
- The average length of stay by visitors was approximately 4 nights
- Total aggregate spending by visitors to Port Lincoln was just under \$750,000, providing a significant economic benefit to Port Lincoln with the additional 'new money' to the region.





Methodology

The study attempts to quantify the amount of 'new money' coming into Port Lincoln as a result of the yacht race. The methodology was particularly stringent in calculating only the expenditure of those who were not from Port Lincoln, as it is probable that if local residents had not spent money as a result of the race, they would have spent it elsewhere in Port Lincoln. The report is focussed on the expenditure of those visiting Port Lincoln specifically for the yacht race, which highlights the event as an economic stimulus for the region.

A framework outlined by the Australian Bureau of Statistics was utilised in formulating the questionnaire, ensuring that visitors to the area (and their subsequent expenditure) remained the focus of the study. The survey sought to:

- identify the number of nights spent in Port Lincoln by visitors
- examine the disparities in spending patterns between boat owners, boat crew and accompanying friends or family
- analyse aggregate expenditure in a variety of areas including accommodation, meals, food and drink and transport.

A survey was conducted by an ORS survey team at the conclusion of the Adelaide to Port Lincoln Yacht Race. In addition to the survey, several interviews were conducted with leading local businesses, which were markedly impacted on by the race. These insights from the perspective of local businesses, provide real examples of the importance of the race to the Port Lincoln community.

The results of the survey and interviews clearly highlight a significant economic benefit to Port Lincoln as a result of the yacht race.



Study Findings

Financial Results

The results from our study indicate that the Adelaide to Port Lincoln Yacht Race and Regatta injects approximately \$750,000 into the Port Lincoln economy.

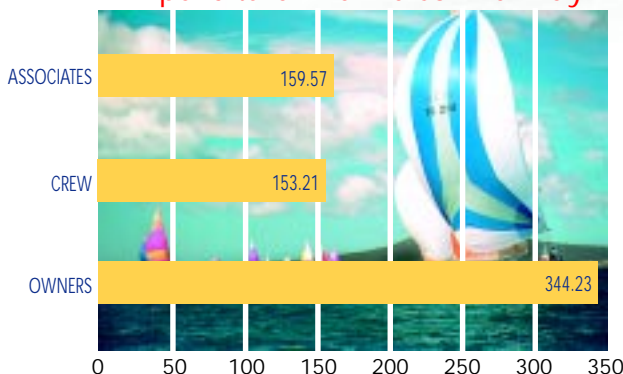
Further analysis of the figures compares the spending patterns of boat owners, crew members and those accompanying participants in the race, measures average nights spent in Port Lincoln and examines the main expenditure items on which visitors to Port Lincoln spent their money.

The graph opposite highlights that the average daily spend of yacht owners was (\$344), substantially greater than crew members (\$153) and associates (\$159).

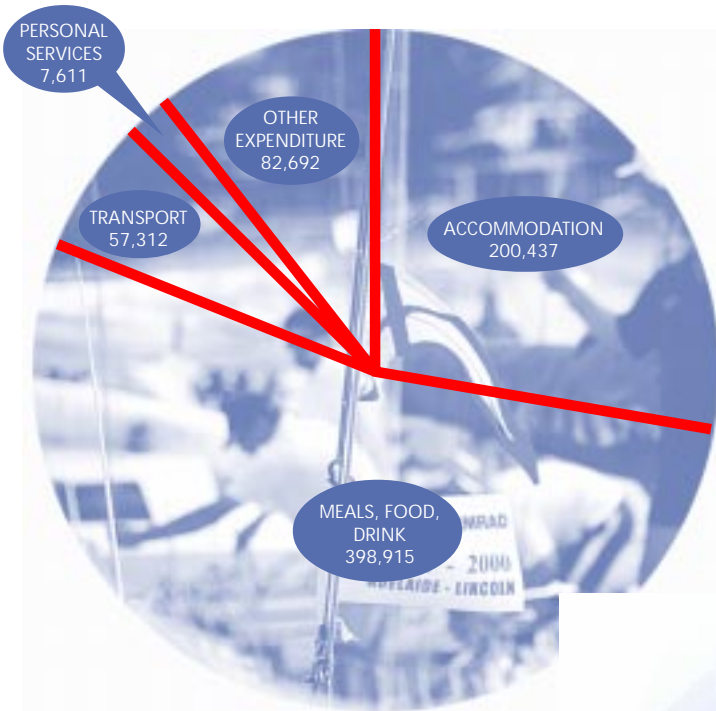
The disparity between owners and 'others' was largely expected as some yacht owners paid for accommodation and meals for their crew whilst in Port Lincoln.

The survey was largely focussed around the expenditure patterns of visitors per day whilst in Port Lincoln. The survey asked visitors to categorise their spending in the following areas - accommodation, meals, food and drink, transport, personal services and finally, other expenditure.

Expenditure - Per Person Per Day



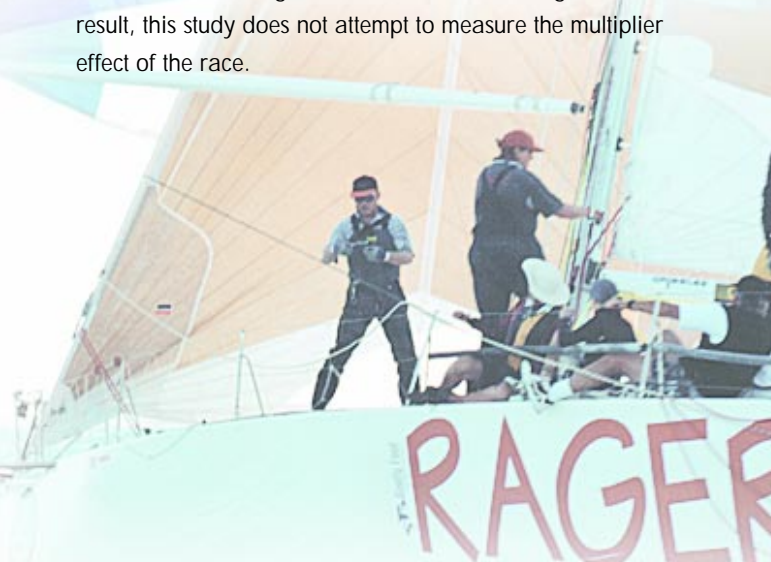
Expenditure Breakdown



The pie chart opposite highlights aggregate spending by visitors to Port Lincoln.

- The most significant spending by visitors occurred in the area of meals, food and drink with just under \$400,000 being spent
- Accommodation aggregated to over \$200,000 and included apartment rental, hotel rates and mooring fees for those who slept on their yachts.

The increased demand for such commodities and services throughout the period of race week creates flow-on effects in the community. For example, a visitor's expenditure on a meal benefits the hotel owner who provides the meal, but it may also indirectly benefit other local businesses and producers, such as bakeries or fishermen. This is often referred to as the multiplier effect. It is often difficult to measure the multiplier effect of regional level events as there is usually insufficient information about the local industries to assess how much of their inputs are produced locally and how much are brought in from outside of the region. As a result, this study does not attempt to measure the multiplier effect of the race.



Average Nights Spent in Port Lincoln



Average Nights in Port Lincoln

The average length of stay varied between owners, crew and associates. Survey results highlighted that the average length of stay over the race week period for owners was 5.62 nights, crew 3.98 and associates 4.11.

The data above suggests that visitors to Port Lincoln chose to spend additional nights, over and above those required for the race itself. Some stayed on to participate in other yachting events as part of the regatta, others chose to sail in a less competitive nature, simply enjoying the breathtaking conditions the Eyre Peninsula offers to non-competitive and competitive sailors alike.



Impact Of Sport And Recreation On Regional Economies

Sport and recreation has long been considered a major economic stimulus. However in more recent times this theory has gained much impetus with the realisation that events of all types have the capacity to attract visitors to the host town, in turn creating significant expenditure and 'new money' into the region.

Adding to the obvious economic effects are the less tangible benefits to the region, such as the sense of community and belonging, as these events often bring together the individuals of that region.



Impact On Local Business

As mentioned earlier, sporting and recreational events which bring visitors into a region can have major economic benefits. The injection of 'new money' into a community through the presence of visitors who otherwise would not have been there, can be significant.

As part of the process to capture what the Adelaide to Port Lincoln Yacht Race and Regatta means to the wider Eyre Peninsula region, several businesses in the Port Lincoln area were consulted so as to gauge their views and the impact it had directly on their organisations.

■ Matt Rodgers, Proprietor - Grand Tasman Hotel

The Grand Tasman Hotel is one of Port Lincoln's most popular entertainment venues offering residents of Port Lincoln and visitors to the area high quality accommodation, the choice of two restaurants and excellent bar facilities.

Matt Rodgers, one of the owners of the Grand Tasman and a sponsor of the Adelaide to Port Lincoln Yacht Race believes that the race has surpassed the Tunarama as Port Lincoln's premier major event. "The direct impact the race has on not only us, but the town in general, is enormous. Our accommodation is fully booked out and we have served a record number of meals for a weekend. In addition, the bottle shop is doing a huge trade, as a result of sailors stocking up, cruising the bay and coming back to re-stock."

■ Ian Tresstrail - Cruisers

'Cruisers' is a general store offering meals, drink, ice, fuel and other supplies to its patrons. Situated in the newly developed Lincoln Cove and a sponsor of recreation and sport in Port Lincoln, Cruisers also saw a direct financial benefit from the race. "Race day weekend, was witness to us breaking all records for weekend turnover. In purely financial terms we had to double our staff and served 4 times as many breakfasts than we normally would. It is undoubtedly our busiest period for the year."

■ Steve Boust and Steve Toth - Lincoln City Taxis

Lincoln City Taxis prides itself on providing efficient customer service to Port Lincoln's residents and visitors to the region - despite the fact it is the only service of its kind in Port Lincoln. "Race week has been growing in size every year for as long as I can remember - it is certainly the premier event in this region. It is fantastic for Lincoln as well as providing us a considerable boost in income due to the increased demand for our service. On a normal Saturday night, we may run 3 to 4 cabs; during race week we had our full fleet of 12 cars on the road.

Lincoln City Taxis is a sponsor of community sport, believing it is important to put something back into the district. They clearly recognise the importance of sport and recreation to regional areas.

■ Wayne Barber - Boat Supplies

Boat Supplies is a major retailer of all things boat-related. Ironically for Wayne, whilst acknowledging the impact that the race has on Port Lincoln is vast, this year due to the relatively smooth sail of the race and pristine conditions, the direct impact to his business was limited. In previous years, in which the seas had been a lot rougher and greater damage had been done to the yachts' equipment, Boat Supplies witnessed an increase in turnover.





Active Communities

The Port Lincoln community has recognised the important role that sport and recreation can play in regional development issues. By establishing the Port Lincoln Community Sport and Recreation Advisory Committee and through the creation of an Active Communities Project Officer position, Port Lincoln has embraced the ideals of a sport and recreation-led economic resurgence.

[Mark Fisher, Active Communities Project Officer in Port Lincoln](#) shares some of his thoughts below.

The City of Port Lincoln in partnership with the Office for Recreation and Sport have recently completed a Sport and Recreation Strategy Plan for the city. This plan identifies economic opportunities for the city and region as a priority focus. A key strategy as a combined industry project, is to review and enhance services to visitors and residents that support recreation and leisure.

In a regional environment, partnerships are vital to the well-being of the community. The links created by recreation and sport groups are strategically targeted to assist the every day running of clubs and associations. At the same time, funding is increasingly difficult to source for those groups to maintain and improve their facilities. The Port Lincoln Community Sport and Recreation Advisory Committee is endeavouring to develop partnerships which encompass business, local government, sport and recreation groups and tourism to help overcome some of the difficulties currently being experienced.

The aim is to demonstrate that sport and recreation events generate considerable amounts of money for a regional economy. By assisting to improve and increase regional events, local businesses and indeed the community will benefit from money attracted to the community under the banner of Recreation and Sport Tourism.



The following thoughts were provided by [Mark McIlvena, Events Facilitator, Eyre Regional Development Board](#) -

Something to smile about.....

In an episode of the highly acclaimed ABC television series, *Seachange*, locals of the fictitious town of Pearl Bay were lamenting over the trials and tribulations of running their umpteenth Pork Festival. The event had been dragged out each year for so long that few could remember how it had begun, and even less could understand why it kept going.

It was the local scribe, digging up an essay he had written on the festival as a boy, who put things in perspective. He observed that despite the grunting, grumbling and blood, sweat and tears during the lead up, the annual Pearl Bay Pork Festival was the one day of the year when everyone in the town was smiling!

From Pearl Bay to Port Lincoln, a successful event or festival can provide many reasons for a town to smile. The focus may be on drawing attention to the attractions of a region, lifting a community's pride and spirit, or for direct economic benefit.

In the case of the Adelaide to Port Lincoln Yacht Race/Lincoln Week Regatta, what started out as a sporting event has now developed into a major attraction in its own right, drawing competitors, spectators and high praise from around Australia. As this study shows, with effective management and promotion, this attention can convert to a vital cash injection straight into the local economy.

Big things like this don't just happen. Behind every regional event or festival you'll find a small band of dedicated individuals, usually club volunteers, who give hours of tireless commitment, ultimately to the benefit of their greater community. In taking on these tasks and responsibilities, these groups should be offered guidance, every assistance and a responsible measure of financial support to ensure that successful events and festivals continue to flourish, the towns that run them prosper... and everyone involved keeps on smiling.





Conclusion.....

The Adelaide to Port Lincoln Yacht Race is undoubtedly a highlight on the Australian yachting calendar. It is a race which is bigger than the much heralded 'Sydney to Hobart' in terms of race competitors and has become a stimulus for Port Lincoln and the greater Eyre Peninsula region. The event brought approximately 1,000 visitors, made up of boat owners, crew members and those accompanying the aforementioned groups, to Port Lincoln staying an average of 4 nights. Aggregate expenditure by the visitors over the 4 nights was \$750,000. That is, the Adelaide to Port Lincoln Yacht Race provided an economic stimulus to the region of three quarters of a million dollars worth of 'new money', or money that otherwise would not have been spent in Port Lincoln had it not been for the race.

In addition to the economic benefit provided, the Adelaide to Port Lincoln Yacht Race brought together a community and highlighted the importance of recreation and sport to a regional area.

Acknowledgments

The Office for Recreation and Sport would like to thank the following people and organisations for their efforts in making this study a highly successful exercise.

- Mark McIlvena, Regional Events Facilitator, Eyre Regional Development Board
- Mark Fisher, Active Communities Project Officer
- Port Lincoln Yacht Club

Finally, thanks to the local Port Lincoln businesses for their time in providing us with accounts of the impact that the race had on their organisations:

- Matt Rodgers, Grand Tasman Hotel
- Steve Boust and Steve Toth, Lincoln City Taxis
- Ian Tresstrail, Cruisers
- Wayne Barber, Boat Supplies

