



Economic Contribution of the Australian Open 2013



CONFIDENTIAL

April 2013



EXECUTIVE SUMMARY

E1 Overview

Australian Bowls is one of the largest sports within Australia's 'sport and recreation' industry. Formal bowls clubs and associations have a long history in Australia dating back to 1880. Many bowls clubs around the country are substantial businesses in their own right as both a hub for the sport of bowls and a venue for social and community events.

The Australian Open, is at the pinnacle of championship events on the annual calendar. It is the Southern Hemisphere's biggest and most lucrative bowls event. A multi-discipline tournament, the Australian Open features singles, pairs and triples for men and women, as well as a festival of bowls which incorporates divisions for specific age group and bowlers with a disability. Since the inaugural event in 2005, the Australian Open has attracted the game's biggest names including Australian stars and international 'raiders'.

Bowls events form an integral part of the new Bowls Australia Strategic Plan, with several specific events strategies:

- ❖ To develop a classification and ranking system of all events and to ascertain the strategic relevance of every event.
- ❖ To develop and implement a strategic events calendar that aligns events with the strategic objectives mapped out in the event classification model.
- ❖ To develop and implement sustainable business models relevant to an event's strategic objective to maximise revenues, branding and promotion opportunities for bowls.
- ❖ To further develop and implement a commercial broadcast product(s).

The Darebin International Sports Centre has been the venue for the event in 2006, 2007, 2008, 2011, 2012 and 2013.

This brief report presents details of the estimated economic contribution of the 2013 Australian Open to the Melbourne Metropolitan area.

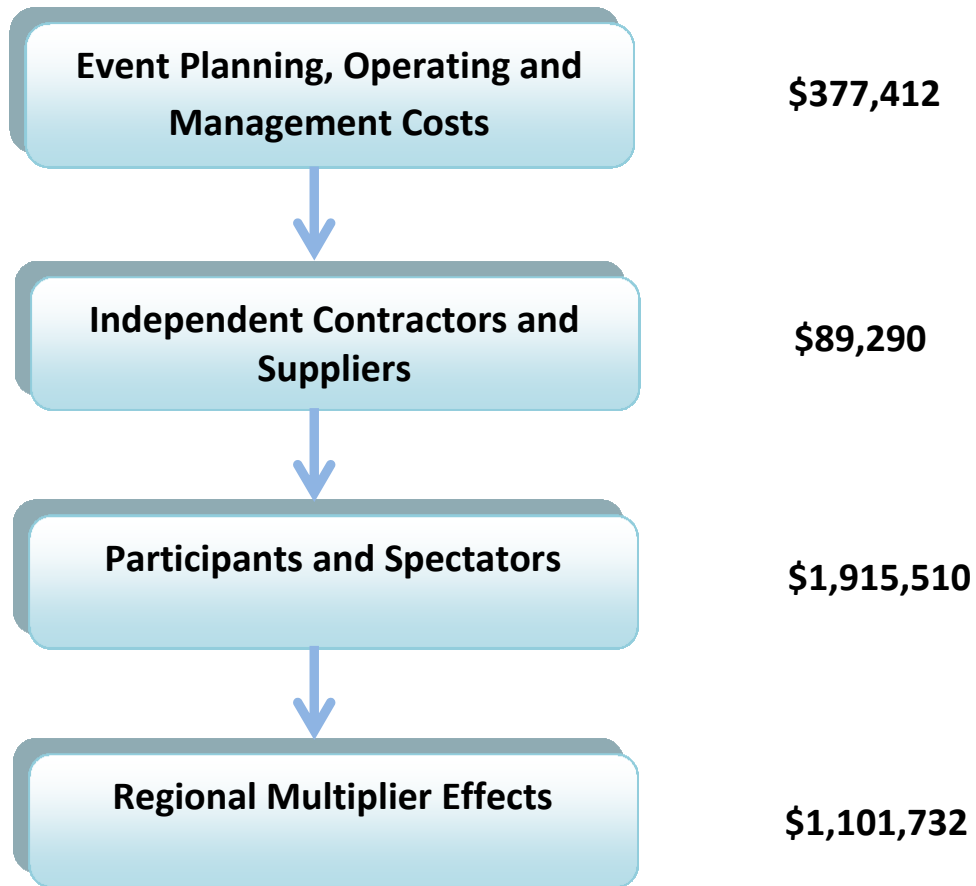
E2 Australian Open Participation

- ❖ There were 1,652 players in the qualifying and main rounds of the 2013 Australian Open, including:
 - 538 Victorian entrants
 - 1,110 entrants from other Australian States and Territories
 - 4 international entrants.
- ❖ There were 635 Victorian and interstate spectators, officials and volunteers at the 2013.
- ❖ The total players, spectators, officials and volunteers made 7,929 total daily attendances at the 2013 Australian Open.

E3 Financial Contribution

- ❖ The total financial contribution of 2013 Australian Open to the Melbourne metropolitan economy is estimated to be \$3.405 million.
- ❖ Figure E1 itemises the estimated contribution from each event segment.

Figure E1 Estimated Economic Contribution of 2013 Bowls Australian Open, by Segment¹



¹ "Other Businesses and Multiplier Effects" includes organisations and sectors that are not part of the 'dedicated' bowls industry, such as media and communications, health, business services, construction, etc

SUPPORTING DETAILS

Most high profile sports are increasingly becoming commercially oriented. They are important industry sub-sectors in their own right. Sport and recreation has always been important to Australia and Australians as an integral part of lifestyle, a source of national pride, and a part of the country's culture. During the past few decades 'sport and recreation' has emerged as a full-scale industry within the Australian economy, making substantial employment and financial contributions in all regions and at all levels (local, State and National).

Bowls is a large sector within the 'sport and recreation' industry in terms of:

- Number of participants (from entry level social and 'grass roots' competition players through to elite competitors involved in the domestic and international competition).
- Numbers of spectators and other stakeholders.
- Employment and contracting.
- Expenditure generated.

All this bowls activity generates economic activity directly and has an economic flow-on effect to other sectors of industry, such as:

- Insurance, legal, marketing and information technology
- Printing and media
- Health and education
- Retailing
- Sporting goods
- Construction (especially in construction trades)
- Food Service and Accommodation
- Transport.

This section presents the results of calculations in an assessment of the economic contribution of the 2013 Australian Open Bowls event, based on data provided by Bowls Australia, tourism and other industry sources.

Table 1: Australian Open Participation 2013

	Attendees	Visit Days
Victorian	1,063	3,109
Intrastate	319	933
Melbourne	744	2,176
Interstate and International	1,224	4,820
TOTAL	2,287	7,929

* Attendees includes competitors (both qualifying and main draw), spectators, officials and volunteers

Table 2: Average Expenditure by Day Trip Visitors to Melbourne

Type of expenditure	%	Per Day Expenditure
Food and Drink	31.41%	\$32.36
Transport fares and packages	6.41%	\$6.61
Fuel	19.90%	\$20.49
Shopping	26.37%	\$27.17
Entertainment	9.49%	\$9.77
Other	6.41%	\$6.61
Total	100.00%	\$103

SOURCE: Tourism Research Australia

Table 2: Average Expenditure by Overnight Visitors to Melbourne

Type of expenditure	%	Per Day Expenditure
Accommodation	19.47%	\$57.25
Food and drink	22.57%	\$66.35
Airfares	20.15%	\$59.24
Transport	6.30%	\$18.53
Fuel	5.08%	\$14.94
Shopping	16.07%	\$47.25
Entertainment	6.21%	\$18.27
Packages	0.65%	\$1.92
Other	3.49%	\$10.26
Total	100.00%	\$294

SOURCE: Tourism Research Australia

Table 3: Estimated Expenditure by Australian Open Participants 2013

Type of expenditure	Local	Intrastate	Interstate and International	Total
Accommodation	\$0	\$53,413	\$275,938	\$329,351
Food and drink	\$70,407	\$61,906	\$319,816	\$452,129
Airfares	\$0	\$55,267	\$285,517	\$340,784
Transport	\$14,375	\$17,286	\$89,301	\$120,962
Fuel	\$44,591	\$13,936	\$71,997	\$130,525
Shopping	\$59,112	\$44,082	\$227,734	\$330,928
Entertainment	\$21,269	\$17,047	\$88,065	\$126,381
Packages	\$0	\$1,794	\$9,270	\$11,064
Other	\$14,375	\$9,570	\$49,440	\$73,385
Total	\$224,128	\$274,302	\$1,417,080	\$1,915,510

SOURCE: Street Ryan estimates

Table 4: Estimated Planning, Operating, Management, Contract Supplier and Flow-On Effects, Australian Open 2013

Expenditure	\$
Travel and Accommodation	\$9,600
Consultants and Contractors	\$100,790
Independent Suppliers	\$20,000
Depreciation	\$1,000
Entertainment	\$5,000
Equipment Hire	\$1,000
Event Management	\$55,000
Freight and Cartage	\$15,000
Permits	\$500
Other Hospitality/Catering	\$1,000
Insurance - Travel	\$22,000
Printing and Stationery	\$4,500
PA/Audio	\$5,000
Photography	\$6,000
Players - Prize Money	\$3,500
Printing – Programs and Tickets	\$132,500
Seating	\$7,000
Security	\$25,000
Signage	\$5,500
Sponsorship Commissions	\$25,000
Administration Fees	\$31,812
Participant Expenditure	1,915,510
Flow-on Impacts	\$1,101,732