

# **Major Sports Events: Do they create the promised externalities?**

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# Externalities:

- Cost or benefit incurred or received by a third party
- Monetary / non-monetary
- Positive / negative

## Event related examples:

- Tourism
- Improvement of public health
- Motivating children to take up a sport
- Festival atmosphere
- ...

# 2017 World Road Cycling Championship, Bergen, Norway

- 1257 participants from 77 nations.
- 700,000 spectators.
- Cultural program: 51,000 spectators.
- 300 million TV-viewers.
- 2,000 volunteers from 80 nations.

# Financial results:

- Organizer bankrupt with a deficit of \$7 million
  - 80% of revenues from the public sector
- More expensive for the public sector than expected
  - Financial support to organizer: \$13,3 mill.
  - Services: \$18,8 mill.
  - Total costs: \$32,1 mill.

# What about externalities?

- Fewer visitors than expected
- Folk festival in city – an event to remember (the best ever)

## **This research:**

- Did the Championship stimulate people to cycle when exercising and in daily traffic?

# Respondent in Bergen municipality:

- *...“one should not have events just to have events...it is totally uninteresting to host a World Championship, unless we have any ripple effects”*

## From the application for Governmental funding:

- *“Few major events have the same possibility as the World Road Cycling Championship to solve the social challenges related to **public health, urban development and the environment**...the championship will be used to stimulate and inspire more people to choose an **active life**, so that it creates several long term impacts, and in many ways...strengthen the use of **cycle as a mean in the traffic**, and hence contribute to **reduce pollution**.*

# Programs:

- A bicycle education program for children (2015-2017)
- Public health program called: Cycle to the World Championship (2017)
- Cycling World Championship for older people (2017)
- Teaching plan for primary schools and comprehensive schools. (2016-2017)
- Earmarked financial support: US\$ 515,000



# Data collection:

## Intentions:

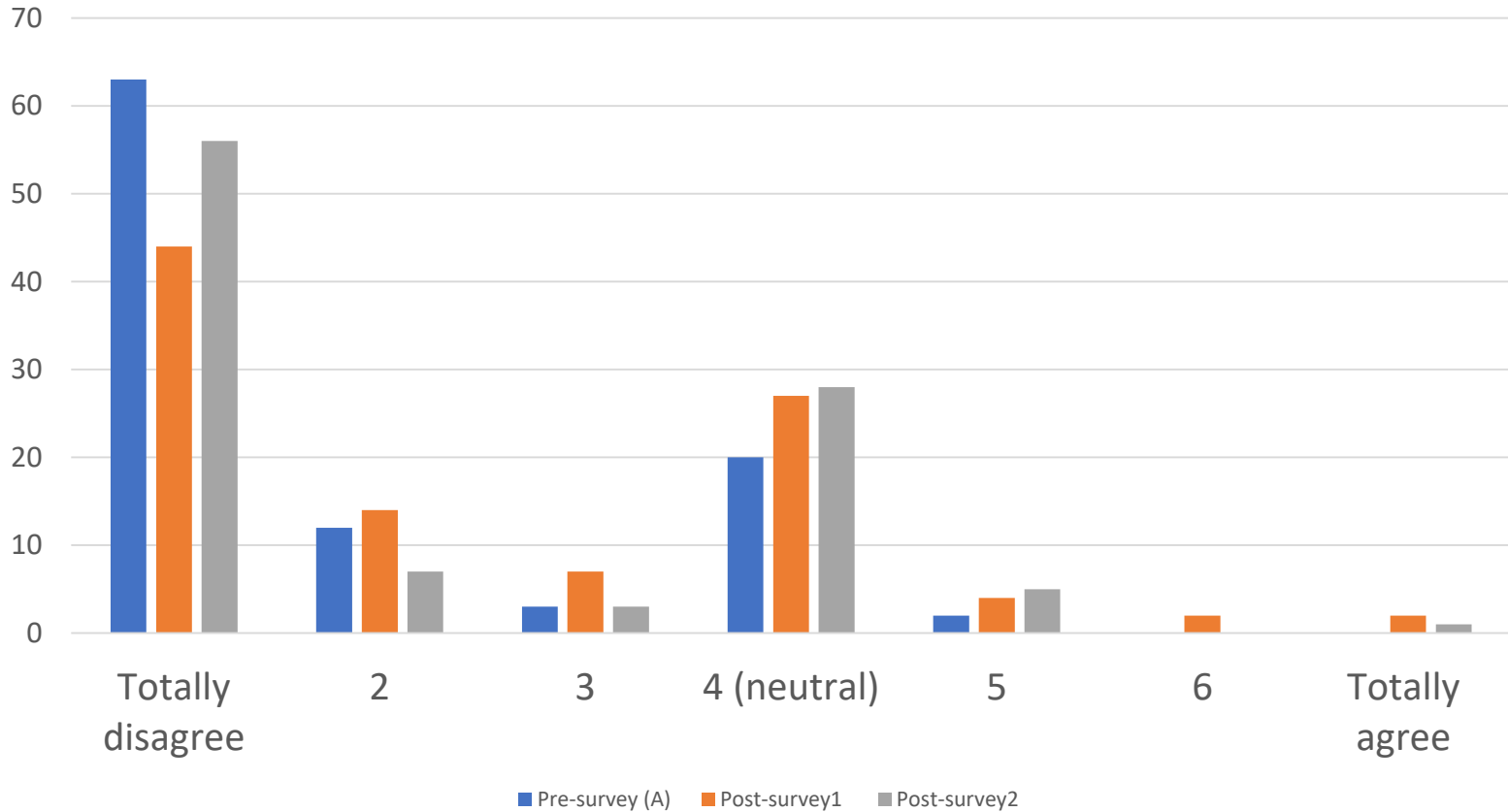
1. Three surveys of local residents:
  - 712 respondents / 450 (63%) / 254 (36%)

## Activities:

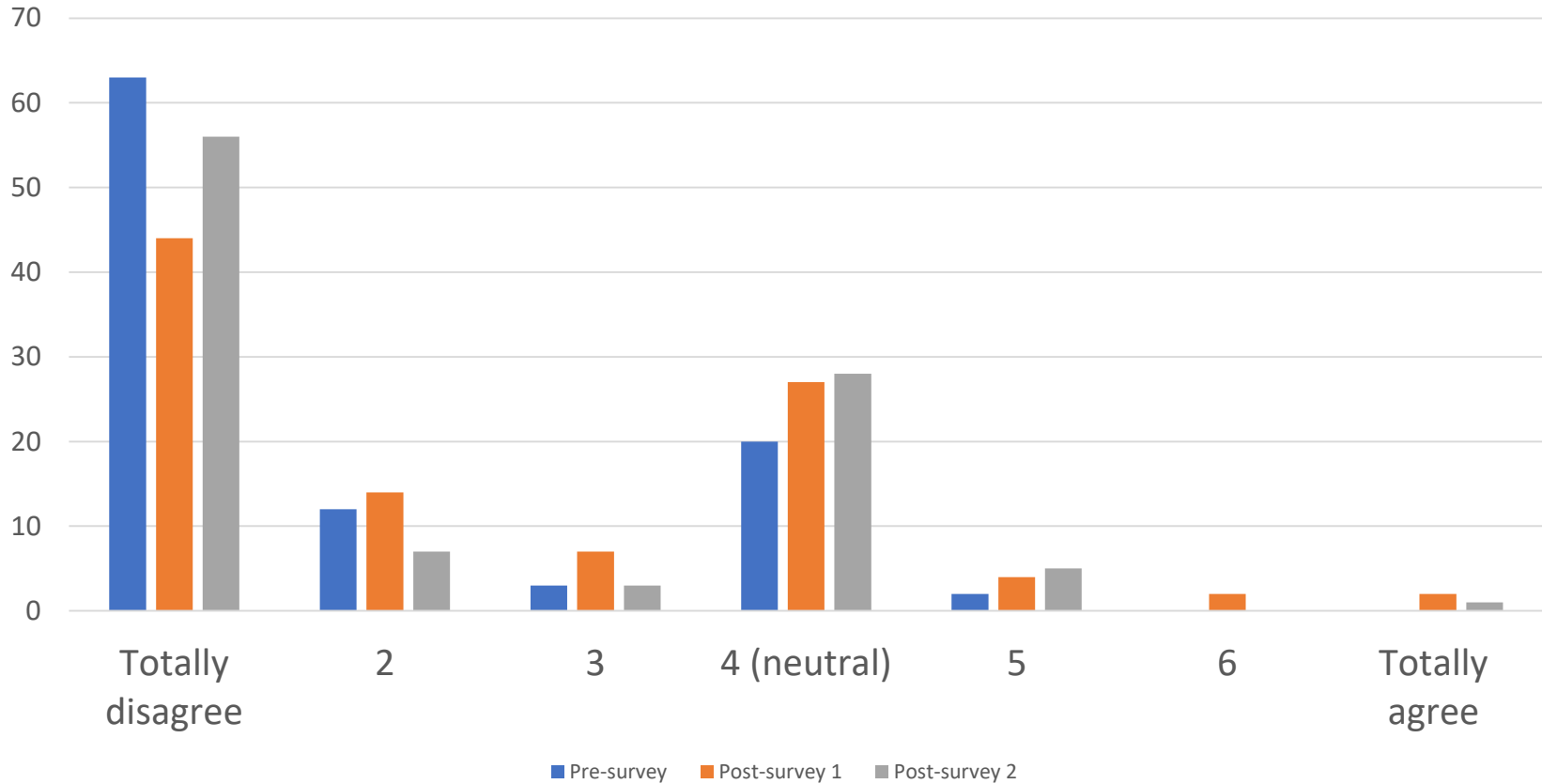
2. Registration of cycling activities at 18 locations in Bergen and neighboring municipalities. January 2014 - December 2018.
3. Norwegian National Person Travel Surveys (NPTS). Conducted every four year. All transport modes, including cycling. 2014 and 2018.

# Results:

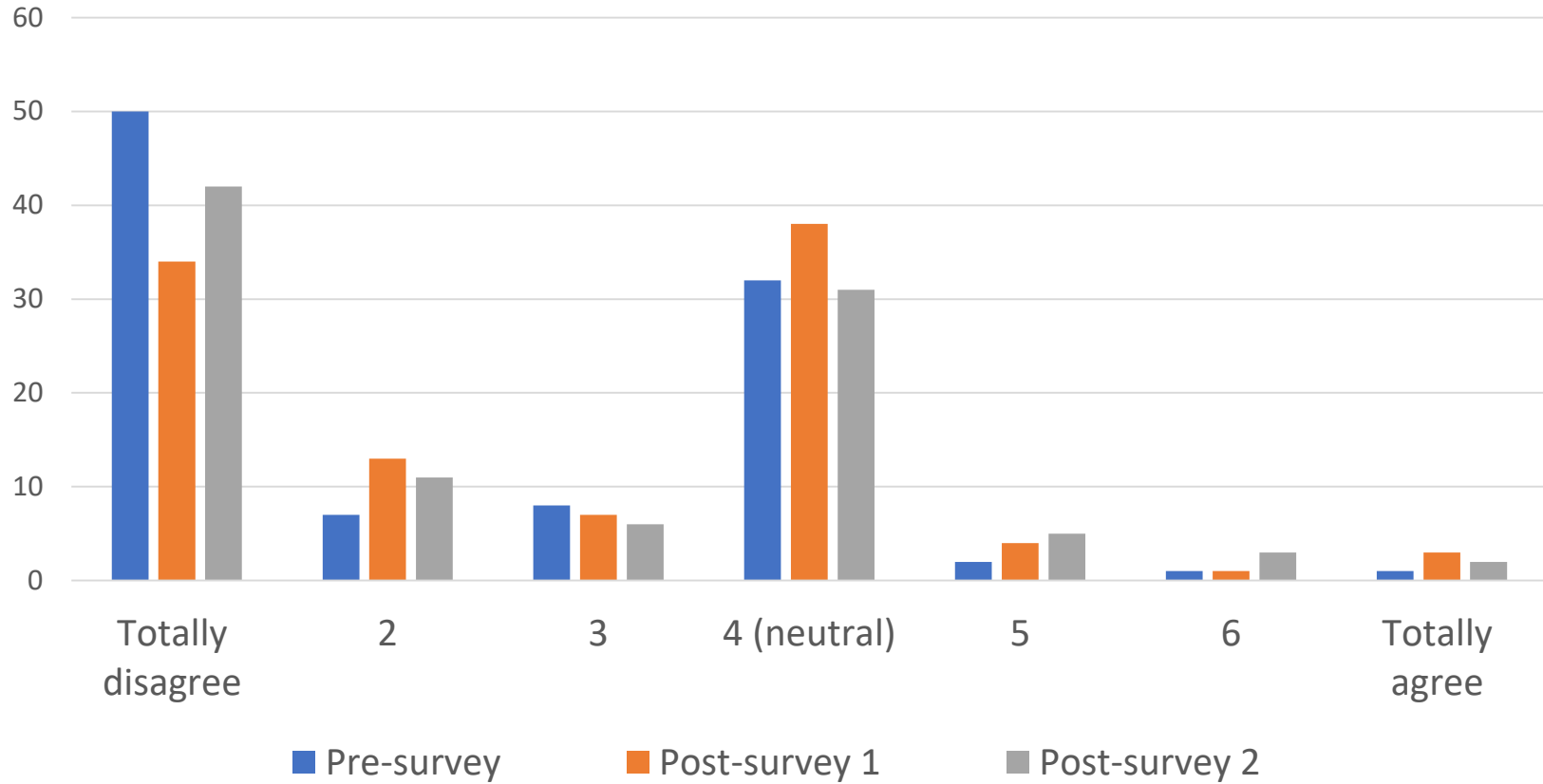
# Inspired to use Cycle more often in daily transport (%)



# Inspired to cycle more often when exercising (%)



## Inspired to exercise more (%)



# Cycling activities:

2) 18 registration points in Bergen and neighboring municipalities from January 2014 to December 2018

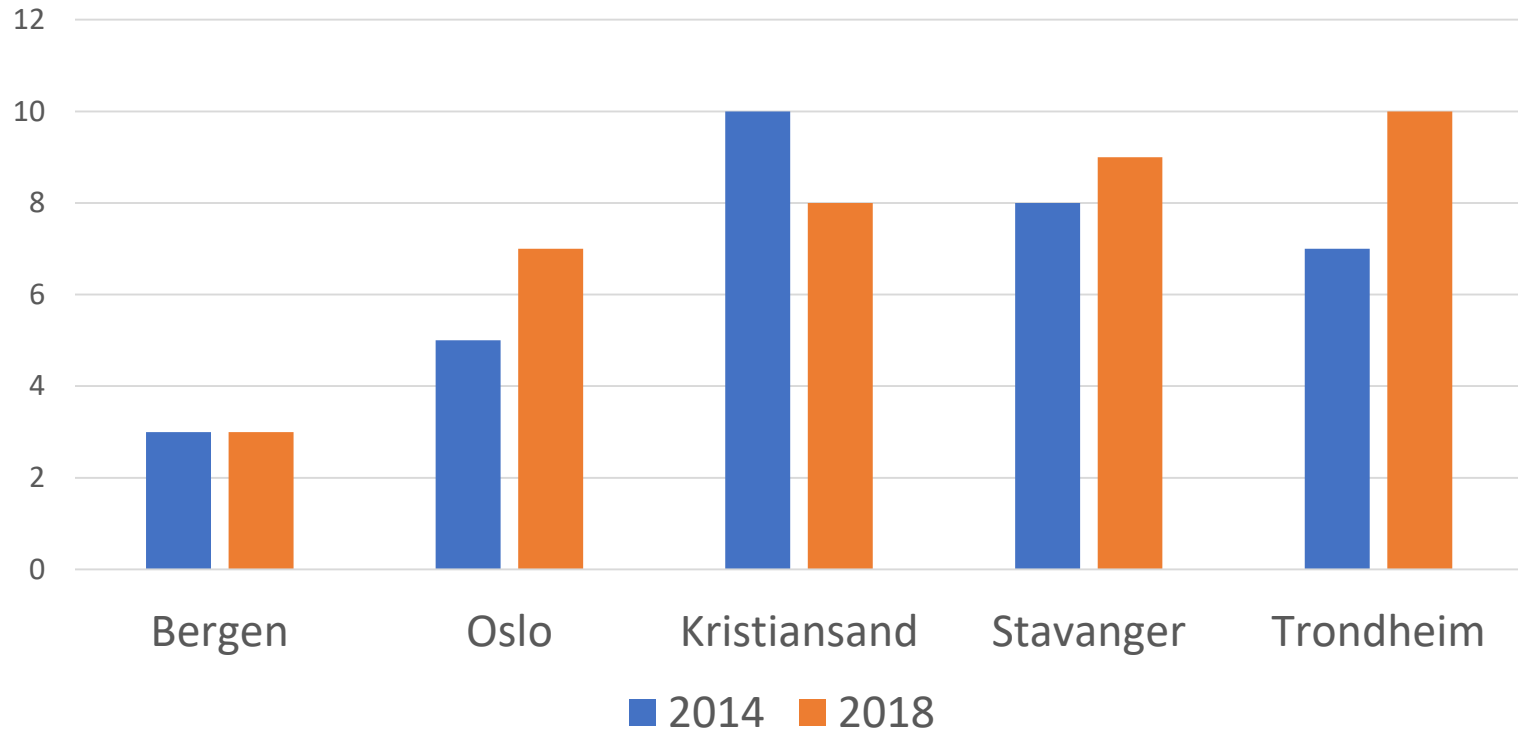
3) National surveys of transport means



		N	Mean	t-values
January	Before	47	237	907
	After	17	198	
<b>February</b>	Before	<b>48</b>	<b>258</b>	<b>1,928*</b>
	After	<b>17</b>	<b>169</b>	
<b>Mars</b>	Before	<b>49</b>	<b>330</b>	<b>2,454**</b>
	After	<b>17</b>	<b>198</b>	
April	Before	49	465	,059
	After	17	460	
Mai	Before	49	604	-,372
	After	17	646	
June	Before	49	602	-,002
	After	16	602	
July	Before	49	380	-,191
	After	16	395	
August	Before	49	600	-,041
	After	15	604	
October	Before	36	496	1,201
	After	29	394	
November	Before	38	344	1,175
	After	31	274	
December	Before	39	195	,871
	After	28	165	

### 3) National survey:

Cycle as main transport mean (%)





# Conclusion

- The World Championship did not inspire residents to cycle more than they did before
- Other cities more successful in encouraging people to use cycle than the host of the World Championship

# Boris Johnson, UK prime minister / former Mayor of London:

- *"I will not waste cycling money on something that would only deliver very brief benefits, ... "You've got to take some tough decisions in government, and I think £35 million on a one-off event was just not worth it for London ...the money could be spent on long-term infrastructure to make cycling in London safer".*

**Thanks for your attention 😊**