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:

- 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:

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 exercise more (%)

- Totally disagree
- 2
- 3
- 4 (neutral)
- 5
- 6
- Totally agree

- Pre-survey
- Post-survey 1
- Post-survey 2
Cycling activities:

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

3) National surveys of transport means
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<th>After</th>
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3) National survey:

Cycle as main transport mean (%)

- Bergen
- Oslo
- Kristiansand
- Stavanger
- Trondheim

2014

2018

NTNU Norwegian University of Science and Technology
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 😊