

Leicester City Council

Economic Development Culture and Tourism Scrutiny
Commission

A review of the value for money provided by the grants and subsidies made by the City Council to the following key iconic venues within the city:

- De Montfort Hall
- Curve Theatre
- Phoenix Square

Appendix to final report

Economic impact of audience expenditure by venue

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Appendix: Economic impact of audience expenditure by venue

The main report provided a generic overview of the impact of audience expenditure for the three venues and for the city. The figures presented in that report are based on the post code analysis of the audiences that participated in online surveys administered by the three venues.

This additional report provides a more detailed analysis in order to provide the venues and the city council with a deeper understanding of the economic impact of the audiences' expenditure¹. This work includes figures for audience expenditure with two different profiles:

1. Online sample (ol): the post code analysis of audiences obtained from the three online surveys administered by each venue
2. Mailing list profile (ml): the post code analysis of the audiences at the three venues based on the mailing list data provided by each venue.

In all cases these are expressed as Non LE (Other), Other LE (County) and LE1-5 (City). There is little difference between the two samples.

This report offers more information about how much and where the audience's expenditure was made and more information on how the different areas of expenditure correlated with the distance travelled i.e. where the audience comes from (other:county:city).

The key figures for all three venues are:

- Total expenditure by the audiences at the three venues: Online sample = £12.17m, Mailing list profile = £12.21m (A difference of only 0.33%).
- Audiences attending DMH spend more per head than audiences at Curve (+41%) and Phoenix (+265%).
- In venue expenditure by all audiences in the three venues totalled between £9.91m (ol sample), and £9.92m (ml sample).
- Out of venue expenditure by all audiences in the three venues totalled between of £1.57 (ol), £1.60m (ml sample).
- Applying a multiplier of 1.5 then the total economic impact of the audience's 'out of venue' expenditure may be between £2.36m (ol) and £2.4m (ml), or up to £0.25m more than the value of the city council's grants to the three venues.

¹ The contributors to the online surveys carried out in October and November 2012 are the source of the financial data used in this report. The economic impact discussed is related to audience attendances reported for 2011/12. Audience responses to the online surveys provided financial data from their last visit. It is possible that some have provided information from 2010/11 but these instances will be limited. Some of the audience provided no financial information so the figures in this report are underestimates.

And more than the £ph subsidy that the audiences receive as a consequence of the financial support by the city council.

- Expenditure by Non LE audiences 'out of the three venues' is around £0.5m. Of which 50% is from expenditure by Curve audiences, 48% by DMH and 2% by Phoenix.
- There may be scope for the development of specific packages for tourists /Non LE residents. The evidence from this research of this group's willingness to spend significantly higher levels per head/group could increase the economic impact and benefits for the city. But for this to happen the business sector needs to be proactive in recognising the potential benefit to them and to work with the cultural sector/venues/LPL on the development and promotion of appropriate packages.
- If time had allowed then the economic impact of each venue's own expenditure could have been calculated and this would have increased this estimate of the economic benefit to the city significantly.
- Jobs supported: in addition to the 150 posts supported by the three venues a further 93 jobs may be supported by the 'out of venue' expenditure by the audiences (utilising an average weekly earnings value of £500pw).

'Out of venue' expenditure is that expenditure which is most likely to remain in the local economy and over time help to support businesses and employment complementary to that within the venues.

The key figures by venue are:

Curve:

- Audience expenditure was between £5.33-£5.37m of which 80% was spent 'in venue', 14% 'out of venue' and 6% on 'transport'.
- Those who travel further spend more, overall the Non LE audience spent 26% more per head than city residents; 'out of venue' the Non LE audience spent 200% more per head than city residents. The total 'out of venue' expenditure by all audience may lie between £746k and £757k (£1.12m and £1.14m when a multiplier is applied).
- Non LE residents account for between 14% and 16% of the venue's audience profile but 'out of venue' they account for between 31% and 34% of the expenditure calculated. The total expenditure by Non LE may lie between £228m and £260m (£340k-£360k when a multiplier is applied).
- There is little evidence of large numbers booking hotel accommodation but this may increase if the packages proposed below are developed and

promoted jointly through respective mailing lists/websites – Curve/business partner/LPL etc.

- The development of packages of accommodation/eating/shopping for targeted events/weekends may boost these figures. A shift of 2% each from city and county to Non LE (16% to 20%) could result in an increase of around £50,000 in out of venue expenditure. On the basis of the data obtained through the surveys each 1% change from city/county to other (Non LE) may result in an increase of more than £10k in 'out of venue' expenditure.
- 'In venue', audiences from the city and county appear to be making more use of the venue's café and bar than those from Non LE which may be more likely to include a meal out in their visit to Leicester.
- 'Transport': the data support the general trend that those who travel further spend more.

DMH:

- Audience expenditure was between £5.73-£5.81m of which 83% was spent 'in venue', 11% 'out of venue' and 6% on 'transport'.
- Overall the Non LE audience spent 24% more per head than city residents in attending the venue; 'out of venue' Non LE spent 159% more per head than city residents. The total 'out of venue' expenditure by all the audience at DMH may be between £616k and £636k (£924k and £954k when a multiplier is applied).
- Non LE residents account for between 17% and 19% of the venue's audience profile but 'out of venue' they account for between 35% and 38% of the expenditure calculated. The total by Non LE may lie between £217k (ol) and £243k (ml) (£326k and £365k when a multiplier is applied).
- There is little evidence of large numbers from Non LE booking hotel accommodation but this may increase if the packages proposed are developed and promoted jointly through respective mailing lists/websites – DMH/business partner/LPL etc.
- The development of packages of accommodation/eating/shopping for targeted events/weekends may boost these figures. A shift of 1% each from city and county to Non LE (19% to 21%) could result in an increase of around £15,000 in out of venue expenditure.
- 'In venue', audiences from the city and Non LE appear to be making more use of the venue's bar than those from the county but the difference is only £8.60 across the three categories.

- 'Transport': the data support the general trend that those who travel further spend more.

Phoenix:

- Audience expenditure was between £1.07-£1.08m of which 76% was spent 'in venue', 19% 'out of venue' and 5% on 'transport'.
- In contrast to Curve and DMH the more local appeal of Phoenix is reflected in the fact that overall the local audience (LE1-5) spent more per head than the audiences from the county and Non LE; 'out of venue' Non LE spent 17% more per head than city residents. The total 'out of venue' expenditure by all the audience at Phoenix may be between £207k and £208k (£311k and £312k when a multiplier is applied).
- Non LE residents account for around 4% of the venue's audience profile and 'out of venue' they account for around 5% of the expenditure calculated. The total by Non LE may be around £10k (ol & ml), (£15k when a multiplier is applied).
- There is no evidence of Non LE audience booking hotel accommodation but this may increase if packages are developed and promoted jointly through respective mailing lists/websites – Phoenix/business partner/LPL etc.
- Given the dominance of local and county residents in the audience profile for the ongoing programme then the development of packages of accommodation/eating/shopping may be more appropriate for niche events/festivals. A shift of 5% each from city and county to Non LE (2% to 12%) could result in an increase of around £6,000 in out of venue expenditure on the basis of current figures.
- 'In venue', audiences from the city and Non LE appear to be making more use of the venue's bar/restaurant than those from the county but the difference is only £2.23 across the three categories.
- 'Transport': the data support the general trend that those who travel further spend more.

Appendix: All audience expenditure (In Venue, Out of Venue, Transport)

In this and the following tables data is presented for the audience as follows: Sample = online sample, Database = mailing list profile supplied by venue. Figures are percentages in the following format: Non LE/county/city.

All £							
Curve		£ph	% diff £ph	Sample £ % 14:57:29	% contribution by sample	Database £ % 16:45:39	% contribution database
	Non LE	86.19	26%	863,079	16%	986,376	18%
	County	75.60	10%	3,082,312	57%	2,433,404	46%
	LE1-5	68.54		1,421,817	26%	1,912,098	36%
	Total			5,367,208		5,331,879	
All £							
DMH		£ph	% diff £ph	Sample £ % 17:55:28	% contribution by sample	Database £ % 19:33:48	% contribution database
	Non LE	121.65	24%	1,189,111	21%	1,329,006	23%
	County	93.66	-4%	2,962,112	52%	1,777,267	31%
	LE1-5	97.87		1,575,737	28%	2,701,263	47%
	Total			5,726,959		5,807,536	
All £							
Phoenix		£ph	% diff £ph	Sample £ % 4:36:60	% contribution by sample	Database £ % 4:39:57	% contribution database
	Non LE	28.63	-2%	44,668	4%	44,668	4%
	County	25.07	-14%	351,981	33%	381,313	36%
	LE1-5	29.12		681,461	63%	647,388	60%
	Total			1,078,110		1,073,369	
Total £ All audience for all three venues				12,172,277		12,212,784	

Notes: Overall, the Non LE audience at Curve/DMH spend significantly more than city/county audience.

At Phoenix the LE1-5 audience spend more than the audience from the county/Non LE indicating perhaps that local audiences may be more likely to have a meal or a drink in the venue prior to seeing a film.

Appendix: Audience expenditure - In Venue

In Venue £							
Curve		£ph	% diff £ph	Sample £ % 14:57:29	% contribution by sample	Database = % 16:45:39	% contribution database
	Non LE	52.30	-10%	523,755	12%	598,577	14%
	County	63.00	8%	2,568,684	60%	2,027,908	48%
	LE1-5	58.40		1,211,416	28%	1,629,146	38%
	Total			4,303,855		4,255,631	
In Venue £							
DMH		£ph	% diff £ph	Sample £ % 17:55:28	% contribution by sample	Database = % 19:33:48	% contribution database
	Non LE	88.90	4%	868,998	18%	971,233	20%
	County	80.30	-6%	2,539,488	53%	1,523,693	31%
	LE1-5	85.62		1,378,482	29%	2,363,112	49%
	Total			4,786,967		4,858,037	
In Venue £							
Phoenix		£ph	% diff £ph	Sample £ % 4:36:60	% contribution by sample	Database = % % 4:39:57	% contribution database
	Non LE	18.60	-17%	29,016	4%	29,016	4%
	County	18.64	-17%	261,692	32%	283,500	35%
	LE1-5	22.38		523,627	64%	497,445	61%
	Total			814,335		809,961	
Total £							
All audience for all three venues				9,905,157		9,923,629	

Notes: the pattern of expenditure noted above is less evident in the audiences' expenditure 'in venue'; indeed Non LE spent less in Curve than city and county residents.

Phoenix: As noted before the LE1-5 audience spent 17% more per head than the county and Non LE audiences in the Phoenix suggesting that local residents who visit Phoenix are more likely to include expenditure at the bar/café than those from the county and beyond.

In venue expenditure, the ticket yields at Curve and DMH were difficult to compare for this report due to different accounting procedures but the greater capacity at DMH contributes to the higher expenditure recorded. The larger per head expenditure is partly accounted for by the larger group size noted for DMH compared to Curve.

Appendix: Audience expenditure – Out of Venue

Out of Venue £							
Curve		£ph	% diff £ph	Sample £ % 14:57:29	% contribution by sample	Database = % 16:45:39	% contribution database
	Non LE	22.74	200%	227,742	31%	260,277	34%
	County	8.84	17%	360,455	48%	284,570	38%
	LE1-5	7.59		157,397	21%	211,671	28%
	Total			745,594		756,518	
Out of Venue £							
DMH		£ph	% diff £ph	Sample £ % 17:55:28	% contribution by sample	Database = % 19:33:48	% contribution database
	Non LE	22.23	159%	217,298	35%	242,863	38%
	County	8.26	-4%	261,223	42%	156,734	25%
	LE1-5	8.57		137,977	22%	236,532	37%
	Total			616,498		636,128	
Out of Venue £							
Phoenix		£ph	% diff £ph	Sample £ % 4:36:60	% contribution by sample	Database = % % 4:39:57	% contribution database
	Non LE	6.73	17%	10,504	5%	10,504	5%
	County	4.50	-22%	63,237	30%	68,506	33%
	LE1-5	5.75		134,442	65%	127,720	62%
	Total			208,183		206,730	
Total £							
All audience for all three venues				1,570,274		1,599,376	

Notes: the Non LE audiences at Curve and DMH spend far more out of the venues than city and county audiences. This is consistent with the view that audiences travelling further are more likely to make a 'special event' of a trip to a show at these venues with the addition of a meal out/shopping etc. Hotel accommodation did not register highly as an expenditure item.

Phoenix does not routinely attract audiences from outside of the city/county in the same quantities. Expenditure outside of Phoenix is less per head than that recorded for the other two venues.

Appendix: Audience expenditure - Transport

Transport £							
Curve		£ph	% diff £ph	Sample £ % 14:57:29	% contribution by sample	Database = % 16:45:39	% contribution database
	Non LE	11.14	336%	111,582	35%	127,522	40%
	County	3.76	47%	153,173	48%	120,926	38%
	LE1-5	2.56		53,004	17%	71,281	22%
	Total			317,759		319,730	
Transport £							
DMH		£ph	% diff £ph	Sample £ % 17:55:28	% contribution by sample	Database = % 19:33:48	% contribution database
	Non LE	10.52	186%	102,833	32%	114,931	37%
	County	5.10	39%	161,288	50%	96,773	31%
	LE1-5	3.68		59,248	18%	101,568	32%
	Total			323,369		313,272	
Transport £							
Phoenix		£ph	% diff £ph	Sample £ % 4:36:60	% contribution by sample	Database £ = % % 4:39:57	% contribution database
	Non LE	3.30	230%	5,148	9%	5,148	9%
	County	1.93	93%	27,053	49%	29,307	52%
	LE1-5	1.00		23,392	42%	22,222	39%
	Total			55,593		56,677	
Total £							
All audience for all three venues				696,720		689,679	

Notes: This item provides an objective check on the overall validity of the data obtained from this consultation exercise. It was expected that those who travelled furthest should report higher levels of expenditure on transport. This is the case for all three venues when expenditure on transport is compared against the figures reported by those from within the LE1-5 cohort.

The sums reported are not high as a proportion of total expenditure, nonetheless compared to LE1-5 residents expenditure by those from outside of the county ranged from 186% (DMH) to 336% for Curve. Figures for those from within the county range from 39% (DMH) to 93% (Phoenix) of the amount spent on transport reported by those from within LE1-5 (the city).

A detailed analysis of distance travelled would reveal more about the catchment of the different venues but the evidence presented here indicates that the audiences that travel for shows at Curve and DMH include some who travel larger distances than the travelling audience for Phoenix.