Economic Impacts in ASAA
Sanctioned Events in Anchorage

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Prepared for:
Alaska School Activities Association
McDowell Group

• Multidisciplinary research and consulting firm since 1972
• 17 professional staff in Anchorage, Juneau, and Bellingham
• Education clients and studies include:
  • School Districts (Parent surveys and cost studies)
  • Alaska Native Corporations, Non-Profits, and Tribal Organizations (program evaluations, K-12 indicator analysis, literature reviews, economic impacts)
  • University of Alaska (strategic planning, economic impacts, surveys of high school grads, UA alum, UA staff)
  • Education and social services organizations (facilitations, economic impacts, data analysis, dashboard development)
Study Purpose

- ASAA contracted with McDowell Group to estimate the economic impacts of ASAA high school event-related travel to Anchorage
  - Travel for sports as well as student government, music festivals, student government, art, and drama/debate/forensics activities
  - 2016/2017 school year
Study Methodology
Methodology

- Survey sent to 234 athletic directors, principals, and activities clerks at 187 schools statewide
- Responses from 71 school districts, representing 57 percent of students in the state
- Requested number of student/coach trips, expenditures for air, vehicle rent and fuel, accommodations, and food.
- Data analyzed by geographic region
- Ratios applied to districts that did not respond
- Conservative assumptions
Methodology

- Est. Student and coach personal spending
  - Interviews with coaches and AD’s
  - Est. for food and shopping

- Parent and supporter trips and spending
  - Interviews with coaches and parents
  - Est. for air, rooms, meals, ground transportation, shopping

- Data analyzed by geographic region
Key Findings
Key Findings

• ASAA-related activities generated $6 million in direct spending with Anchorage-based businesses during the 2016/2017 school year.

• Including multiplier effects, total economic output in the Anchorage economy for ASAA-related activities for the school year was $8.6 million which generated 65 jobs with $2.9 million in wages.
Key Findings (cont.)

- Students, coaches, parents, and supporters made 21,580 trips to Anchorage for ASAA events.
- School districts spent $3.65 million with Anchorage-based businesses in support of student and coach travel.
- Parents and supporters spent $1.25 million in Anchorage.
- Students and coaches had personal expenditures of $1.1 million while in Anchorage.
Direct Expenditures
Total Direct Expenditures

- Airfare: $2.6 million
- Meals: $1.5 million
- Accommodations: $975,000
- Shopping: $615,000
- Ground transportation: $320,000
- Other expenditures: $26,000
School District Direct Expenditures

- **Airfare:** $2.3 million
  - Alaska Airlines
  - PenAir
  - Ravn, and others
- **Accommodations:** $746,000
- **Meals:** $315,000
- **Vehicle rental:** $216,000
- **Fuel:** $50,000
- **Other expenditures:** $26,000

**Total= $3,651,000**
Student and Coach Expenditures

- Total spending: $1,130,000
- Total of 37,660 days in Anchorage
- Conservative average of $30 per person per day
  - $75 trip total at avg. of 2.5 days
  - Primarily meals and shopping
Parent and Supporter Expenditures

- Total spending: $1,250,000
  - Airfare, ground transportation, accommodations, meals, and shopping
- An estimated 3,980 parents and supporters traveling to events
  - Conservative estimate due to high variability and a lack of complete data
- Estimated average spending of $315 per person/trip
- Estimated length of stay highly variable
How to Leverage ASAA Impacts
Accommodations

• ASAA-related travel accounted for:
  • 7,850 room nights in Anchorage
  • Nearly $1 million in room revenue
  • $32,500 in bed tax

• ASAA events take place during the fall, winter, and spring, when Anchorage hotels and other businesses typically experience lower sales compared to the summer visitor season.
Accommodations (cont.)

- Negotiate school year rates
  - GM or sales manager
- Increase leverage by district to district cooperation
  - The larger the group, the greater the leverage
- Who should negotiate?
  - AD’s, business managers, others? At the Region level?
Accommodations (cont.)

• Specific events
• Negotiate for parent and supporter rates
Community Support

- Understand impacts (this study)
- Communicate message
  - Visit Anchorage
  - Chamber of Commerce and others
- Build relationship with Visit Anchorage
  - Understand what services they offer to large group events
- Media messaging