

2014 Southern Heritage Classic Market Assessment



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2014 SOUTHERN HERITAGE CLASSIC MARKET ASSESSMENT

PROJECT PURPOSE

The research project fulfilled the following objectives:

- [1] Trend analyses.
 - [a] Demographic data were collected to compare with previous analyses yielding an up-to-date event patron composite.
 - [b] Behavioral and attitudinal data was collected to compare with previous analyses.

- [2] Media usage. Data was generated for the purpose of determining “traditional” as well as “new” media responsiveness.

- [3] Sponsor affinity and recall.
 - [a] Data was generated for the purpose of determining patron affinity for Classic sponsors.
 - [b] Data was generated for the purpose of assessing patron familiarity with Classic sponsors as determined by unaided sponsor recall.

- [4] Economic benefits analysis.
 - [a] Data was generated for the purpose of projecting a Classic Economic Benefit to the city of Memphis.
 - [b] Data was generated to reflect event patron spending and does not include corporate sponsor, media partner, or organizer spending.

RESEARCH PROTOCOL

In order to properly execute the objectives of this research project an intercept survey format was employed. A survey team of ten University of Memphis students was trained prior to the event under the supervision of Dr. Richard Irwin. Each survey was self-administered following an introduction by the survey team member. In order to enhance the sample size, data was also collected online using an electronic version of the instrument posted on the Classic website after the game. A total of 566 responses were collected and deemed usable for analysis. Data were entered and analyzed using the Statistical Package for the Social Sciences (version 12.0). Dr. Cody Havard, Assistant Professor in the Department of Health & Sport Sciences at the University of Memphis, served as a consultant, providing insight on survey sponsorship item inclusion, analysis and interpretation.

KEY FINDINGS

- While more than half of event patrons (50.4%) were visitors to the Memphis area.
- The direct economic benefit was \$10.8 million with the total economic benefit to \$21.6 million. The economic benefit analysis is drawn from patron spending and does not include corporate activation, media partner or organizer spending.
- Classic attendees continue to enjoy tailgating as 78% of the respondents engaged in tailgating, 14% more than attending the game. The results do indicate a slight drop in tailgate volume from 2011 returning to 2008 levels. Extrapolation of the data indicates that approximately 65,000 attended 2014 Classic events.
- The Classic continues to draw a veteran audience (averaging more than 9 years of attendance) with more than half (52%) attending at least 6 times.
- Similar to previous analyses conducted by this research team the event target audience appears to be 35-45 years of age, college educated, with income more than \$50,000.
- Patrons continue to consider the Classic as a “gathering” of great importance. The average group size for friends and family was 13 while those entertaining business associated hosted on average 18 people. Respondents displayed greater interest in social interaction than “watching football.” Undoubtedly, the game has become an ideal mechanism for annual gatherings.
- Classic attendees demonstrate significant interest in Southern Heritage Classic sponsors more than half indicating a “likeliness” that they would sample or purchase sponsor products/services. Likewise, almost half indicated they had notice or engaged with sponsor activation.
- While word-of-mouth continues to prevail as a primary source of Classic information, no doubt based on the average attendance frequency, respondents provided insightful responses regarding use of Classic new media. In fact, Facebook was cited as the 2nd most popular source of Classic information as appears on pace to surpass Word of Mouth.

EVENT PATRON ECONOMIC BENEFITS ANALYSIS

An Economic Benefits Analysis was conducted in an effort to determine the amount of “new/retained” dollars poured into the Memphis economy by (or on behalf of) event patrons due to the 2014 Southern Heritage Classic. Results of this analysis reveal:

- Approximately 65,000 patrons participated in events associated with the 2014 Southern Heritage Classic.
- Approximately 50% of the respondents were visitors to the Memphis area.
- Those event patrons visiting Memphis spent an average of 1 night in a local hotel. In fact, 10% of the visitors indicated utilizing more than one hotel room to accommodate their party.
- 13% of the visitors accompanied by a travel party member who did not partake in Classic events yielding an additional 4,172 visitors to Memphis.
- The average weekend spend per party was \$332.
- Research supports the counting spending by local residents toward economic impact because these residents would have spent that money outside the geographic area attending some other event or spent money at the same event had it been held in another market. In support of this theory, approximately ten percent (10%) of local respondents cited spending at least one night in a Memphis hotel during the Classic weekend.
- \$10,790,000 of direct economic benefit resulting in “new” or “retained” dollars infused into the Memphis economy by event patrons and participants.

Typically, an indirect expenditure analysis (multiplier) is applied to the initial economic stimulus (direct expenditures) to determine the total economic benefit. Budgetary restraints of the study (prohibitive costs of an *input-output model*) limited the opportunity for a categorical indirect expenditure analysis. However, a multiplier of two (2) is commonly used (signifying one additional *turnover* of each new dollar brought into the economy) which would result in a total economic benefit of approximately **\$21.6 million**, if local event-induced spending is included.

It is important to recognize that this figure represents the event’s economic *benefit* and does not represent the economic *impact*, which necessitates a comprehensive analysis of costs incurred. Such costs may include production costs to the event manager and local government (security, police, and stadium management) as well as opportunity costs for the hospitality industry (alternative bookings or lost bookings due to the demand) or the facility.

Likewise, this figure does not include spending by out-of-market corporate sponsor activation or media partners who are not local businesses or spending from an account that is not managed locally (only personal travel expenses were estimated). For instance, it is highly likely that a media partner such as FOX SportSouth or Heritage Sport Radio Network incurred local expenditures during broadcast production (e.g. equipment rentals, employee per diem). Similarly, rights fees paid by out-of-market event sponsors, in turn spent locally to produce the event, are commonly considered “new” monies, but were not tabulated for this report.

EVENT PATRON PROFILE

Classic Attendance Frequency

Item	Percentage Recognized				
	1999	2002	2008	2011	2014
1 Year	39%	21.1%	18.6%	18.8%	10.8%
2 – 5 Years	30%	40.8%	28.5%	34.3%	37.6%
6 – 9 Years	17%	17.2%	12.8%	10.1%	11.2%
10 + Years	14%	20.9%	40.1%	36.6%	40.4%
Average Years Attended		5.11	8.11	7.74	9.38

Respondent Residential Zip Code

Location	Percentage Recognized			
	2002	2008	2011	2014
Memphis	79.5%	71.0%**	41.3%	49.6%
Nashville, TN	4.8%	2.1%	4.4%	6.5%
Jackson, MS	5.3%	8.3%	2.1%	7.9%
Other	10.4%	18.6%	52.2%	36.0%

**Reported as Memphis Metropolitan Statistical Area

- 68.3% of patrons were residents of Memphis and surrounding suburbs.

Respondent Age

Item	Percentage Recognized				
	1999	2002	2008	2011	2014
18-24	18%	15.4%	15.5%	24%*	12.5%
25-34	26%	35.8%	25.4%	16.7%	18.1%
35-44	27%	25.2%	24.4%	25.5%	24.1%
45-54	19%	14.4%	21.2%	18.3%	23.5%
55+	10%	9.3%	13.5%	15.5	21.7%
Average Age	37.64	36.44	39.28	37.65	41.82

*Due to the emphasis on social media sampling younger respondents was encouraged.

Respondent Total Annual Household Income

Item	Percentage Recognized			
	2002	2008	2011	2014
<\$25,000	18.7%	15.9%	17.2%	14.5%
\$25,000-\$49,999	42.4%	28.8%	34.7%	31.8%
\$50,000-\$74,999	19.2%	26.4%	21.6%	26.2%
\$75,000-\$99,999	10.6%	10.5%	13.7%	10.1%
\$100,000 - \$124,999	4.3% (\$100-124)	10.8% (\$100-124)	7.2%	8.3%
\$125,000 +	4.8%	7.5%	5.2%	6.4%

What Classic events will you attend?

Event	Volume Attending		
	2008	2011	2014
Classic Tailgate	78.7%	88.0%	78.4%
Classic Football Game	64.5%	60.0%	64.1%
Classic Parade	6.5%	8.8%	22.3%
Classic Battle of the Bands	5.4%	5.5%	19.6%
Classic Concert	N/A	4.0%	8.3%

- Extrapolation of the data indicates that nearly 65,000 people attend Southern Heritage Classic events.
- The volume of tailgaters only was more than 10,000.
- As previously reported, those attending the game spent more than those who chose to only tailgate.

Within your immediate party, please indicate the number in each category.

Item	Frequency			Percentage Recognized
	2008	2011	2014	
Friends	64.0%	61.3%	62.2%	14.2
Family	55.1%	65.9%	63.4%	12.7
Business Associates	9.9%	9.3%	13.6%	18.5*
Other	3.8%	7.2%	6.2%	18.9

- Average based only those who reported attending with friends, family or business associate.
- *Average influenced by several respondents hosting large groups.

Rank the order the following six items for their importance to your attending the Classic. Rank the most important item with a 1, the next most important item with a 2, and so on until the least important item is ranked a 6. Please be sure to use a different number for each item.

Item	Average Rank	Ranked Most Important
Socialize	1.97	49.8%
Enjoyment	2.78	14.8%
Heritage/Culture	3.18	19.9%
Watch Football Game	3.59	18.4%
Business Purposes	4.89	9.5%
Meet New People	4.11	4.5%

- Not surprisingly, the football game ranks as the fourth (4th) most important variable to Classic patrons.
- Interestingly, 10% of the respondents indicated Business Purposes as most important item. Respondents did not include individuals staffing sponsor displays, etc.

Which team do you most likely identify with?

	Percentage
Jackson State University	32.57%
Tennessee State University	42.48%
Neither	14.86%
Both	10.67%

SOUTHERN HERITAGE CLASSIC SPONSOR ASSESSMENT

Sponsor Affinity Items		
Item	Frequency	
	Average score ¹	Agree ²
How attractive was sponsor promotional material at Classic events?	4.35	49.1%
How engaging was sponsor promotional material at Classic events?	4.24	46.9%
How much attention did you pay to sponsor promotional material at Classic events?	4.06	45.1%

Sponsor Affinity Items		
Item	Frequency	
	Average score ¹	Agree ²
I am more likely to use Classic sponsor goods/services.	4.57	54.6%
I am more likely to buy from a Classic sponsor.	4.54	53.0%
I am more likely to consider Classic sponsors the next time I choose.	4.50	51.2%
I am more likely to follow Classic sponsors via social media.	4.47	51.8%
I have used Classic sponsor goods/services because of their relationship with the event.	4.32	48.7%
I have considered Classic sponsors when making a purchase decision because of their relationship with the event.	4.16	42.0%
I have started using a specific brand or product due to a company's sponsorship of the Classic.	3.92	36.9%
I have switched product brands due to a company's sponsorship of the Classic.	3.73	34.9%

¹Survey items included a 7-point scale with 7 = Strongly Agree and 1 = Strongly Disagree.

²Responses of 5,6,and 7 were combined to represent an Agree.

Respondents appear more likely to "test" or "sample" Class sponsor products than to fully commit patronage.

Results indicating that over one-third of respondents are willing to or have already "switch brands" are noteworthy.

SPONSORSHIP RECALL

Sponsor	Top of Mind Sponsorship Recall ¹			2011	2014 ²
	1	2	3		
Allstate	32	24	4	18.7%	55.7%
AutoZone	17	9	2	12.2%	24.3%
Nike	15	4	9	7.1%	24.3%
Verizon	11	8	5	N/A	20.9%
Coca-Cola	8	4	2	6.1%	12.2%
McDonald's	7	2	3	11.3%	10.4%
Coors Light	7	3	2	4.8%	10.4%
City of Memphis	4	1	2	N/A	6.1%
Tennessee Lottery	3	3	1	9.1%	6.1%
Ford	2	4	0	N/A	5.2%
Blue Cross/Blue Shield	5	1	0	0.6%	5.2%
Channel 5	5	0	0	N/A	4.3%
First Tennessee Bank	3	0	1	2.1%	3.5%
Grizzlies	2	1	0	N/A	2.6%
Comcast	2	0	0	11.3%	1.7%
WDIA	2	0	0	N/A	1.7%
Harrah's	0	1	0	3.6%	1.0%

¹ Respondents were purposely asked to exclude FedEx from their listing due to the company's prominent role in the Classic and previously high response rate.

² Results are a percentage of respondents who provided a response to this item.

SOUTHERN HERITAGE CLASSIC MEDIA

Main Source of Southern Heritage Classic Information		
Source	Frequency	
	2011	2014
Word of Mouth	26.3%	44.2%
Facebook	13.4%	40.0%
Radio	12.7%	37.5%
Email	12.7%	30.6%
TV	8.5%	28.1%
Internet Searches	8.2%	14.7%
Newspaper	5.6%	13.4%
Twitter	4.7%	12.4%
Other	4.2%	7.3%
Mail Outs	1.6%	6.4%

- Respondents were encouraged to cite all sources whereas in 2011 respondents were encouraged to cite the primary source.
- Perhaps as a result of the findings from 2011, dependence on social media, Facebook in particular, has skyrocketed, almost equaling Word of Mouth.
- Of those citing Other, Instagram was the most popular response.