

ECONOMIC IMPACT AND AUDIENCE RESEARCH REPORT  
PREPARED BY FORWARD ANALYTICS

# Star-Spangled Sailabration

The National Launch of the Bicentennial of The Star-Spangled Banner and the War of 1812

ForwardAnalytics.com

10/18/2012



## Table of Contents

<b>Highlights of the Study</b>	<b>2</b>
<b>I. Introduction</b>	<b>3</b>
<b>II. The Framework</b>	<b>4</b>
<b>A. Purpose of Study</b>	<b>4</b>
<b>B. Methodology</b>	<b>5</b>
<b>C. The Economic Impact Model</b>	<b>5</b>
<b>III. Research Finding</b>	<b>6</b>
<b>A. Demographics or “Visit Characteristics”</b>	<b>6</b>
<b>B. Economic Impact Findings</b>	<b>8</b>
1. Business Volume Impact: The Direct and Indirect Expansion of the Local Economy Attributable to Sailabration	
a. Spending by Visitors to Sailabration	
b. Spending by Sponsors and Vendors	
c. Spending by SS200 and Partner Organizations for Vendors, Services, Products, etc.	
2. Impact on Local Government Revenues: Revenues Received by the City of Baltimore and the State of Maryland Allocable to Sailabration	
a. Sales Tax	
b. Hotel Tax	
c. Parking Tax	
3. Additional Impacts Allocable to Sailabration	
a. Impact on Employment: Expansion of Local Employment Attributable to the Direct and Indirect Impact of Sailabration	
b. Volunteers	
<b>C. Marketing Impact</b>	<b>13</b>
1. Visitor’s Use of Media	
2. Impact on Tourism	
<b>D. Sponsorship Awareness</b>	<b>16</b>
<b>IV. Conclusions</b>	<b>18</b>

## Highlights of the Study

- Sailabration attracted an estimated 1.54 million visitors over the seven-day event, June 13-19, 2012. Survey research shows that more than 1.1 million Marylanders experienced the event, while another 435,000 visitors came from out-of-state. Survey respondents included residents of 23 other states, reaching as far as Massachusetts and Connecticut to the north, Florida, Texas and Mississippi to the south, and California, Colorado and Oregon to the west.
- Ninety percent of survey respondents indicated that Sailabration and its events were the “main reason for visiting the Baltimore area today.” Twenty-eight percent of survey respondents residing outside the city experienced the Inner Harbor/downtown for the very first time this year. Moreover, 56.3% revealed that they would NOT have visited Baltimore (today) if there were no Sailabration.
- The top three activities for Sailabration visitors (according to survey research) were *viewing the tall ships, free tours of the ships, and the Blue Angels’ airshow*. The majority of visitors (70.5%) spent 5 or more hours in Baltimore while enjoying the free entertainment of Sailabration.
- The total economic impact of Sailabration generated by the spending of visitors (residing outside Baltimore City) is estimated at \$166.1 million for the week-long historic event. Sailabration increased the local business volume by \$97.7 million in direct spending impact and \$68.4 million in indirect impact.
- With event operating expenditures totaling \$4.8 million that means for every \$1 spent, more than \$35 was generated in direct and indirect impact for the Maryland economy.
- Sailabration visitors spent an estimated \$44.1 million at local restaurants. Overnight visitors generated approximately 42,159 room nights resulting in a direct impact of \$6.8 million for hotels and other overnight accommodations. Other visitor expenditures included retail, attractions, parking, gasoline, and ground transportation. Each non-local visitor spent an estimated \$80 while enjoying Sailabration.
- The State of Maryland received an estimated \$5.7 million in tax revenue from the economic activity generated by Sailabration visitors. In addition to the \$94.5 million in spending by visitors, the City of Baltimore gained an estimated \$1.5 million in tax revenues.
- Together the Maryland Office of Tourism and Visit Baltimore created and purchased more than \$1.6 million in television, print, billboard and radio advertising in important tourism markets to drive awareness of and visitation to Sailabration. The combined campaign generated more than 402 million gross impressions. The public relations outreach targeted national, international and regional media, generating in excess of \$14.4 million in advertising equivalency, including a live *Today Show* broadcast with Al Roker.

## I. Introduction

Record-setting numbers of visitors turned out for Star-Spangled Sailabration ("Sailabration") to celebrate the national launch of the bicentennial of The Star-Spangled Banner and the War of 1812 in Maryland. Sailabration provided the perfect backdrop to experience Baltimore from the historic waterfront neighborhoods surrounding the Inner Harbor, while simultaneously showcasing the natural beauty, modern skyline and vibrant tourism zones of 21<sup>st</sup> century downtown Baltimore. No place in the United States is better prepared, or has a better claim, to serve as a portal to understanding the significance of the War of 1812. Maryland's rich War of 1812 history is composed of more than 600 related resources, including The Star-Spangled Banner and the National Anthem.

Maryland, specifically Baltimore, made history again in 2012. Sailabration was likely one of the top U.S. historical and civic celebrations of the year. The first leg of the three-year commemoration, Sailabration, offered stem to stern fun. More than 45 vessels from around the world were docked at the Inner Harbor, Fell's Point, and Locust Point, with the largest international tall ships tied up in the Inner Harbor. More than 4,000 crew members accompanied their ships and invigorated visitors with a sense of patriotism and high-seas adventure.

*"That Baltimore ended up hosting the largest War of 1812 kick-off ceremony in the nation this past week should be a source of tremendous civic pride, not just for Charm City but for Maryland. It might have been held in New York, or Boston, or Norfolk, Va., but it wasn't."*

*Baltimore Sun editorial, 6/19/12*

Sailors from a dozen nations personally greeted visitors who had the opportunity to "climb aboard" the vessels docked in Baltimore. Baltimore provided a smorgasbord of free entertainment, including 75 concerts, 55 food stalls, more than 30 exhibitors, 21 cooking demonstrations and more. This was all in addition to the entertainment that the Inner Harbor and Baltimore already have to offer its residents and visitors.

More than 260,000 people toured the tall ships and Navy vessels docked at the Inner Harbor, Fell's Point and Locust Point. Nearly 65,000 people visited the Fort McHenry National Monument and Historic Shrine, show center for the two-day Star-Spangled Air Show featuring the Navy's elite flying demonstration squad, the Blue Angels. More than 70 local restaurants participated in "Sailors' Night," honoring uniformed men and women from all represented navies with hospitality and discounts. Twelve miles to the east, more than 15,000 visitors gathered at Martin State Airport to meet the Blue Angels. In the Mount Vernon Cultural District, the Star-Spangled Symphony sold out more than 2,440 seats at the Meyerhoff Symphony Hall for the world premiere of *Overture for 2012*.

These hallmark events and many more draws, including the National Aquarium, the Maryland Science Center, and outdoor spaces such as Federal Hill and Rash Field helped attract and entertain an estimated 1.54 million visitors to the Baltimore region to participate in Sailabration. Over the seven days, occupancy at hotels was high and it's estimated that more than 10,000 people stayed on boats in the Inner Harbor and Canton marinas.

Sailabration, the national launch of the bicentennial commemoration of the War of 1812, is a real win for the City of Baltimore and the State of Maryland. Events will continue over the next two years and enrich the area in culture, education, history and economics. However, the focus of the following report is to outline the economic impact of Sailabration. The study explains the direct and indirect business volume and government revenues generated as a result of Sailabration. This study seeks to provide tangible and reliable information to some of the measurable economic returns resulting from investments and spending on the event.

## **II. The Framework**

The assessment of the economic impact of Sailabration is a complex undertaking and the accomplishment of this task requires a systematic approach. The intent of this framework section is to acquaint the audience with the approach used.

### **A. Purpose of Study**

Forward Analytics, Inc. was contracted by Star-Spangled 200, Inc. ("SS200")<sup>1</sup> to conduct audience research for key signature events between June 2012 and December 2014 commemorating the War of 1812 Bicentennial and to measure the economic impact of the events. Such information is crucial to analyze the return on investment (ROI) for citizens, event managers, sponsors, government entities and the affected communities.

The first event of the series, Sailabration, was the national launch of the War of 1812 Bicentennial hosted June 13-19, 2012. The purpose of the following report is to measure the economic impact of this specific event and analyze audience research for the use of promotion and enhancing future SS200 events. In addition to the standard economic impact questions, audience research was designed to measure the following:

- overall event satisfaction;
- socio-graphics and psychographics of attendees;
- attendance motivators;
- interest in the history of the War of 1812 and its commemoration events;
- communications and marketing activities; and
- sponsorship awareness.

---

<sup>1</sup> Star-Spangled 200, Inc. is the non-profit 501(c)(3) organization that supports the fundraising goals of the Maryland War of 1812 Bicentennial Commission ("Commission") and is charged with helping to ensure the realization of successful programs, events and community investment during the three-year commemoration period. Established by Governor Martin O'Malley, the Commission is staffed by the Maryland Department of Business and Economic Development, Division of Tourism Film and the Arts. The bicentennial period runs from June 2012 through February 2015. It commemorates Maryland's unique contributions to the defense and heritage of the nation, including the pivotal battle that led to an American victory and the birth of "The Star-Spangled Banner."

## **B. Methodology**

The study utilized a customized survey to collect data from a random sample of Sailabration visitors. Prior to the event, Forward Analytics collaborated with staff from SS200, the Commission, the Maryland Office of Tourism and Visit Baltimore to create a 3-page questionnaire. During five days of the event, in-person interviews were administered by Forward Analytics staff to 1,438 adult attendees (ages 18+). The sample size represents a statistical significance of +/-3.5% margin at the 99% confidence interval. This means that the results reflect the answers between 91.4% and 98.5% of the total population at 99% of the time. Generally, a +/-5% margin of error at a 95% confidence level is considered significant for making business decisions.

In order to gather representative data, Forward Analytics conducted surveys during diverse hours of the day and at various sites where tall ships, Navy ships, aircraft and the Blue Angels could be observed. These locations included the Inner Harbor, Fell's Point, Locust Point and Martin State Airport.

In addition to the audience survey, a 2-page impact questionnaire was distributed to non-local Sailabration sponsors, vendors and event affiliates. The survey measured the costs to partake or do business at Sailabration events and evaluated the amount of new money spent exclusively in the local community. More specifically, sponsors/vendors were asked to indicate dollars spent locally on advertising and promotions, cost of products sold, payroll, as well as accommodations and travel attributable to the event.

Forward Analytics also conducted interviews and collected pertinent data from downtown hotels, restaurants, transportation, retailers, boat docks and tourist attractions. A questionnaire was distributed to measure the change in business volume and revenue during the dates of June 13<sup>th</sup> – 19<sup>th</sup> in 2012 vs. 2011. The purpose of the data was to validate visitor impact measured by survey research.

Lastly, the methodology incorporated detailed information supplied by SS200. The event planners reported back the expenditure levels and geo-spatial distribution (spending locally vs. non-locally) along with staffing and other related economic information.

In summary, the economic reporting utilizes survey research to measure direct impact, or business volume, generated by three sectors: a) Sailabration visitors, b) sponsors/vendors, and c) SS200 and partner organizations.

## **C. The Economic Impact Model**

The economic impact study measures the direct and indirect business volume and government revenues attributed to Sailabration. This impact study employs a linear cash flow methodology first developed by Cafferty & Isaacs for the American Council on Education. The Cafferty & Isaacs methodology is the most widely-used impact study tool and has been used throughout the United States in impact analyses for both profit and not-for-profit organizations, corporations, institutions and events.

The economic impact of an event such as a special commemoration is largely a function of the spending made by the visitors. When calculating the economic

impact of an event, it is necessary to know the crowd size or attendance. Sailabration was a one-time, week-long free event spread out over multiple venues. While there were no ticket sales or admission gates to quantify people participating in Sailabration events, we used several reliable sources to accurately estimate crowd size. These include the Mayor's Office of Emergency Management, Baltimore City Fire Department MIS/GIS, the Maryland Office of Tourism, Visit Baltimore, Baltimore Office of Promotion and the Arts, Sail Baltimore, in addition to Commission and SS200 staff. The group analyzed aerial photos illustrating crowd density (as well as the area of available space and proportion of the space that is occupied), factoring in crowd ebb and flow during the course of each day and the variations in weekday and weekend visitation. The crowd estimates also incorporated survey data from the questions pertaining to length of time spent in Baltimore, top activities while participating in Sailabration, and reference data supplied by such partners as the National Park Service and Martin State Airport. Based on all available data, Sailabration drew an estimated 1.54 million visitors over seven days.

Economic impact generally measures *new money* brought into the economy by out-of-area visitors. Spending by local residents (residing in Baltimore) represents a redistribution of existing money in the community and is not included in this study. Survey research reveals that 23.1% of Sailabration visitors reside in Baltimore City. That said, 76.9% of Sailabration visitors represent "new dollars" and impact the local economy as outlined further in this report.

The linear cash flow model that we use in this study takes into account the re-spending of money within the economy as a result of what professional economists term "the multiplier effect." The multiplier effect measures the indirect impact, or the circulation of dollars originally attributable to Sailabration, and tracks their spending by successive recipients until the funds eventually leak out of the economy. The sum of these direct and indirect expenditures represents the total impact of Sailabration on the local business volume.

The direct impact, or the direct spending, of Sailabration visitors generates government revenues for the City and State. Sailabration-related taxes are calculated herein.

### **III. Research Findings**

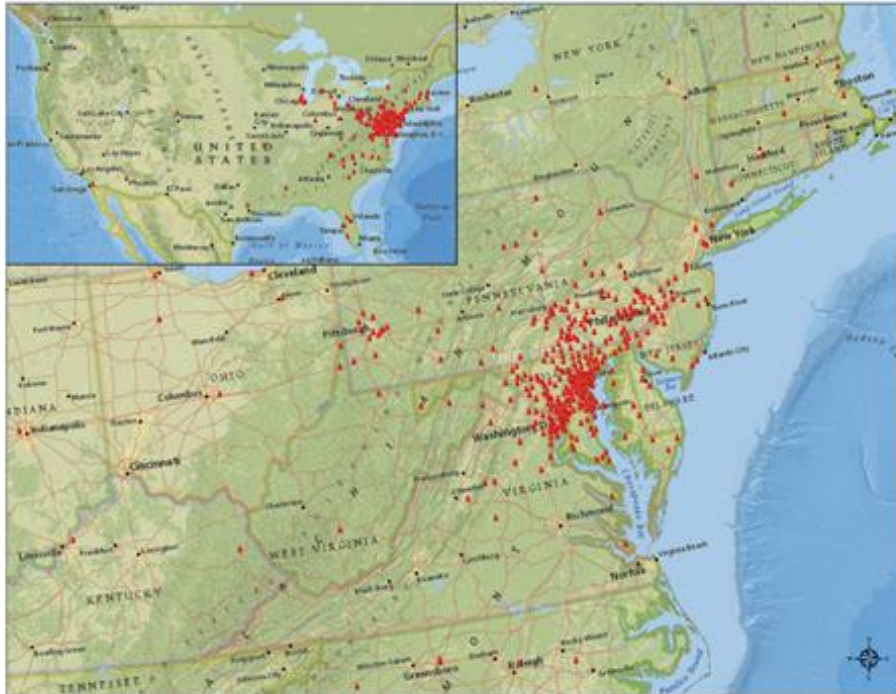
#### **A. Demographics or "Visit Characteristics"**

In order to continue creating first-class events that reflect such a large and diverse patron base, it is imperative that the organizers have access to all possible relevant audience information. This section aims to provide quantifiable information that can help form, support or benchmark the direction of future Maryland War of 1812 Bicentennial events.

A goal of the Maryland War of 1812 Bicentennial Commission is to "*ensure all Marylanders have the opportunity to participate and benefit from bicentennial activities.*" Research shows that more than 1.1 million Marylanders experienced the



inaugural event, while another 435,000 visitors came from out-of-state. We previously indicated that 23.1% of Sailabration visitors reside in the City of Baltimore. Another 21.9% reside in Baltimore County and 26.8% of visitors reside elsewhere in Maryland. And 28.2% of Sailabration visitors reside out-of-state. Survey respondents include residents of 23 other states, reaching as far as Massachusetts and Connecticut to the north, Florida, Texas and Mississippi to the south, and California, Colorado and Oregon to the west.

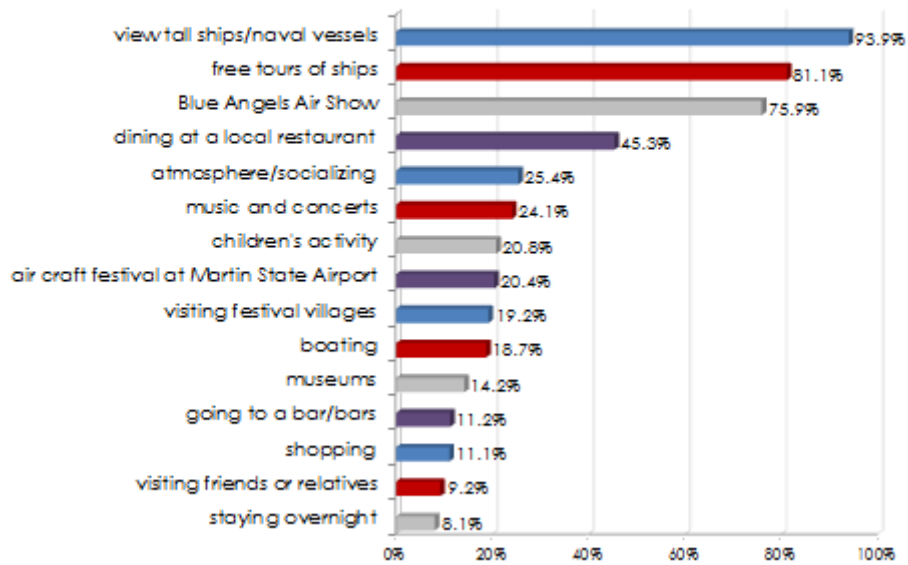


Ninety percent of survey respondents indicated that Sailabration and its events were the “main reason for visiting the area today.” Moreover, 56.3% revealed that they would NOT have visited Baltimore (today) if there were no Sailabration. The civic and historical event attracted both new and repeat visitors to the Inner Harbor/downtown Baltimore. In fact, 28% of survey respondents residing outside the city experienced the Inner Harbor/downtown for the very first time this year.

The Inner Harbor alone provides a dazzling array of activities on a daily basis. Adding Sailabration events to this mix, it's no wonder the majority of visitors (70.5%) spent 5 or more hours in Baltimore while enjoying the free entertainment. The top three activities for Sailabration visitors were *viewing the tall ships*, *free tours of the ships*, and the *Blue Angels' airshow*.



### Ranking of Top Activities at Star-Spangled Sailabration



Seventy-four percent of visitors indicated a high level of interest in learning more about the history of the Maryland War of 1812. Furthermore, 68.3% of visitors are very *likely* or *likely* to attend another SS200 event in Maryland commemorating the War of 1812.

Sailabration was a family-friendly event that appealed to people of all ages. While 39.7% of visitors are ages 50+, the under 35 crowd enjoyed the event as well and represented 26.1% of visitors. Forty-one percent of visitors live with children under the age of 18 or dependent children, and 45.7% of visitors brought a mean of 1.98 children with them to Sailabration events. These children range in age from 4 to 9 year olds (42.8%), then 10 to 14 year olds (29.5%), 15 to 18 year olds (17.4%), and 0 to 3 year olds (10.3%).

Sailabration visitors are well-educated with almost two-thirds of attendees earning a four-year degree or higher. An overwhelming 33.2% of all survey respondents earned a post-graduate degree and 31.5% earned a four-year degree. Another 22.2% of visitors earned a technical or vocational degree. Consequently, more than half the visitors (56.2%) have household incomes above \$75,000.

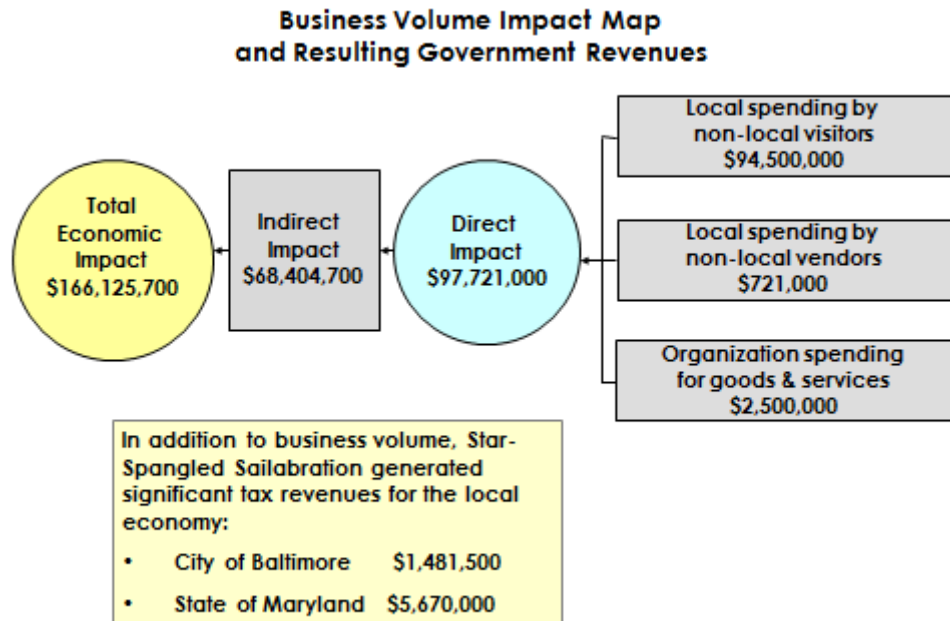
The population surveyed consisted of 41.0% females and 59.0% males. Survey respondents indicated their ethnic or cultural background as 78.0% Caucasian/white; 11.3% African American/black; 7.8% Hispanic; and 4.0% Asian. Sailabration attracted more married (57.4%) and partnered (6.3%) visitors compared to singles (24.4%).

### B. Economic Impact Findings

The total economic impact of Sailabration is estimated at \$166.1 million for the week-long commemoration. Sailabration increased the local business volume by \$97.7

million in direct impact and \$68.4 million in indirect impact. With expenditures totaling \$4.8 million, that means for every \$1 spent, more than \$35 was generated in direct and indirect impact for the Maryland economy.

The direct impact of Sailabration resulted in government revenues received by the City of Baltimore and State of Maryland. The City gained \$1.5 million in government revenues attributable to Sailabration, and Maryland gained \$5.7 million.



### 1. Business Volume Impact: The Direct and Indirect Expansion of the Local Economy Attributable to Sailabration

The direct economic impact of 2012 Sailabration is estimated at \$97.7 million. This figure is the sum of a.) visitor spending, b.) vendor spending, and c.) organization spending. Additionally, these “direct” expenditures are re-circulated in the City and the region as recipients of this “first round” income re-spend a portion of the income with other businesses in the local area. Thus, the “indirect” impact of Sailabration is estimated at \$68.4 million.

#### a. Spending by Visitors to Sailabration

The total economic impact of visitor spending (those who do not reside in Baltimore City) in the Baltimore region attributable to Sailabration is estimated to be \$160.7 million. The total economic impact consists of \$94.5 million in direct impact and \$66.2 million in indirect impact.

The following chart illustrates the economic impact of non-local visitors who traveled to Baltimore to experience Sailabration. The chart provides a breakdown of revenue at local restaurants, retailers, museums, attractions, hotels, etc. generated in Baltimore City and Baltimore County. Each non-local visitor spent an estimated \$80 while enjoying Sailabration.

	<b>Baltimore City</b>	<b>Baltimore County</b>
Food at restaurants/bars	\$34,100,000	\$5,500,000
Alcohol at restaurants/bars	\$3,500,000	\$950,000
Retail/souvenir purchases	\$12,200,000	\$1,100,000
Tourist attractions and entertainment	\$10,200,000	\$830,000
Overnight accommodations	\$6,800,000	--
Parking	\$6,000,000	\$640,000
Gasoline	\$8,100,000	\$1,500,000
Ground transportation (bus, taxi, car rental, etc.)	\$2,300,000	\$780,000
Visitor Spending Direct Impact	\$83,200,000	\$11,300,000
Indirect Impact	\$58,240,000	\$7,910,000
Total Impact	\$141,440,000	\$19,210,000

**b. Spending by Sponsors and Vendors**

In addition to sponsorship dollars or vendor fees, Sailabration affiliates contributed to the local economy during the seven-day festival and beyond. Survey research with the non-local event affiliates measured the costs to partake or do business at Sailabration and evaluated the amount of new money spent exclusively in the community. Sponsors and vendors had expenses that included cost of product, materials, booth equipment, advertising, printing and giveaways. Furthermore, they were asked to indicate dollars spent locally on accommodations and travel attributable to the event.

The estimated direct impact of non-local sponsors and vendors in aggregate on the Baltimore economy is \$721,000. The indirect impact of vendor spending generated an additional \$504,700 for the local economy. Thus, the total impact of vendor spending on Baltimore's economy is \$1.2 million.

**c. Spending by SS200 and Partner Organizations for Vendors, Services, Products, etc.**

Next, the operating expenditures of the event's host, SS200 and partnering groups are considered<sup>2</sup>. This category of economic impact also includes the purchase of goods and professional services from local businesses with money from the organization's operating budget. Sailabration supported more than 150 local vendors with an estimated \$2.5 million in local reimbursements for their products and services. These direct expenditures moved through the local economy and generated an additional \$1.8 million in indirect impact. The total local economic impact for organizational spending is \$4.3 million. (These figures take into account leakage for money that was spent outside of the local economy.)

Sailabration was a public-private partnership, funded by the State of Maryland and corporate sponsors. Corporate sponsors underwrote a wide variety of programs and events, ranging in value from \$5,000 to \$100,000. In addition to programs and events, SS200's multi-year *Presenting Sponsor* and *Founding Partners* activated their brands through promotions and an event-wide recognition program. Eighty-nine percent of private dollars invested in Sailabration and SS200 came from corporations headquartered outside of Baltimore City and County. This represents new dollars that, in turn, generate direct and indirect revenue for the City of Baltimore and Baltimore County.

## **2. Impact on Local Government Revenues: Revenues Received by the City of Baltimore and State of Maryland Allocable to Sailabration**

When an event such as Sailabration brings people and an influx of money into the area, tax revenues are generated for local and state governments. Tax revenues are paid directly by visitors on purchases such as retail, food and drinks, overnight lodging, and parking. This study only measures the government revenues generated from the direct impact of Sailabration. It does not measure the government revenues generated by the indirect impact of the event, nor does it consider revenue enhancements resulting from increases in employment (i.e., income withholding and unemployment taxes).

The State of Maryland received an estimated \$5.7 million in sales tax revenue from the economic activity generated by Sailabration. In addition to the \$94.5 million in total business volume impact, the City of Baltimore gained an estimated \$1.5 million in tax revenues. The government revenue impacts attributable to Sailabration comprise the following:

### **a. Sales Tax**

As previously indicated, Sailabration visitors spent an estimated \$94.5 million at restaurants, retailers, tourist attractions, etc. in the City of Baltimore and beyond. Based on this figure and the Maryland state sales tax of 6 percent, Sailabration visitors generated \$5.7 million in sales tax revenues for the State of Maryland.

---

<sup>2</sup> This study did not measure expenditures by partner organizations such as the U.S. Navy, the Blue Angels, foreign navies, and Operation Sail. However, these visiting entities have indicated substantial spending in the Maryland economy on provisions and services.

**b. Hotel Tax**

Sailabration attracted a significant percentage (55%) of visitors who reside outside of the city and county to the Inner Harbor/downtown. These visitors generated income for the hotel community and also generated hotel room tax revenues for the local government.

Survey data combined with STR- hotel benchmarking reports determined that overnight visitors generated approximately 42,159 room nights over the seven-day Sailabration resulting in a direct impact of \$6.8 million in the local economy. In addition, sponsors and vendors spent \$10,700 at local hotels and SS200 spent \$89,000. The City of Baltimore gained \$517,500 in hotel tax revenue attributable to Sailabration.

**c. Parking Tax**

With an inflow of tourists traveling to the Inner Harbor/downtown Baltimore, survey data measured an estimated \$6 million which was spent on parking in the City. This impact generated approximately \$964,000 for the City of Baltimore.

**3. Additional Impacts Allocable to Sailabration**

The above information demonstrates that Sailabration significantly increased business volume revenues in the Baltimore region. We must acknowledge additional impacts allocable to Sailabration—employment and community service. It is within these domains that a host of monetary and social transactions take place and ripple throughout the City of Baltimore and the region, directly and indirectly, enriching the lives of Baltimore residents.

**a. Impact on Employment: Expansion of Local Employment Attributable to the Direct and Indirect Impact of Sailabration**

Many of the local economic benefits attributable to Sailabration have been highlighted already in this report. But perhaps what strikes close to home is the sheer number of Baltimore residents who rely on tourism, either directly or indirectly, for their jobs or livelihood and household income. The \$97.7 million in direct spending attributable to Sailabration generates an additional \$146.6 million in Baltimore employment wages<sup>3</sup> supporting 4,047 FTE at an annual salary of approximately \$36,200. The impacted industries include tourism and hospitality, but also comprise other major employment sectors like construction, manufacturing, transportation and warehousing, professional, health care, etc.

**b. Volunteers**

Volunteers were an integral part of Sailabration, as they are in many facets of the community. Their involvement enhances the scale of the event and

---

<sup>3</sup> Forward Analytics utilizes the Gross Employment Multiplier of 1.5368 generated by United States Bureau of Economic Analysis to determine the employment wage impact.

enables more activities to be undertaken. This, in turn, benefits the local businesses by helping to draw visitors and dollars to the region.

An overwhelming 730+ spirited volunteers helped make Sailabration a success. Over the seven-day event, volunteers provided guest services, assisted with ship tours, worked cooking demonstrations, *to name a few activities*. They donated an approximate 9,100 volunteer work hours.

Estimating the exact dollar amount is less critical than the notion that those who volunteered their time could have spent it in many ways but decided this event was of key importance and worth donating their time. If the total of 9,100 volunteer hours is calculated at the *government dollar value of a volunteer hour (2010)*, an estimated \$207,207 is donated in time to Sailabration, the City of Baltimore and its residents.

### **C. Marketing Impact**

Sailabration was arguably Baltimore's premier summer event with more than 45 tall ships and naval vessels positioned throughout the Inner Harbor and beyond. The seven-day event was powered by perfect weather with the sun shining on the sparkling waters. The Inner Harbor was a showcase for 379 total media personnel credentialed, representing 72 media outlets. Eight international media outlets participated and shared the Maryland events with their countries. The events and ambience were shared by personnel with various media outlets, including online (24%), television (18%), newspaper (15%), magazine (14%) and radio (7%). Sailabration provided the opportunity for the world to see that Baltimore is a first-class city and tourist destination.

*"It's the busiest tourism weekend we've had, perhaps ever. It was just a massive showcase weekend for the city. Everywhere you went there were masses of people. It's hard to compare it to anything."*

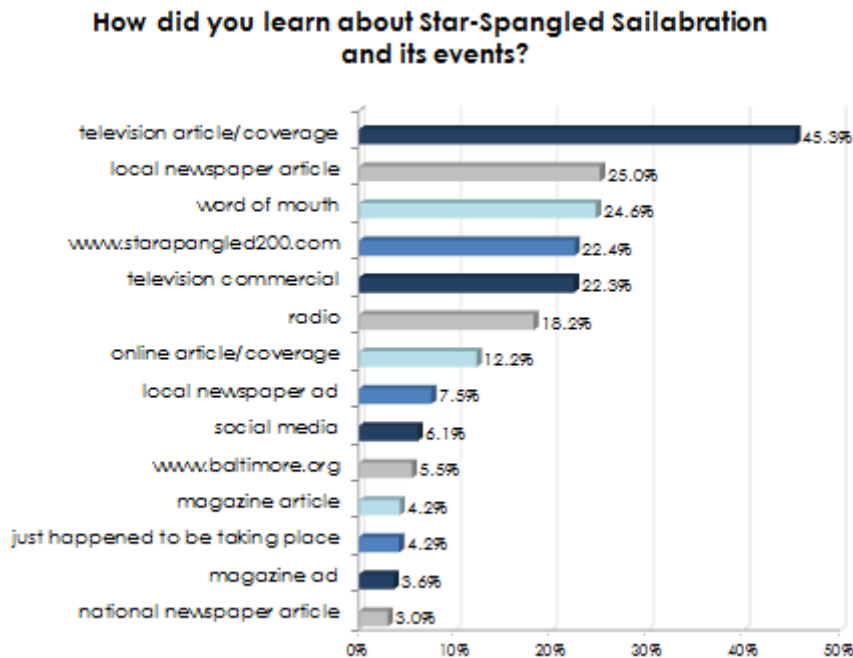
*Tom Noonan, president and CEO, Visit Baltimore  
Baltimore Sun, 6/19/12*

Together the Maryland Office of Tourism and Visit Baltimore created and purchased more than \$1.6 million in television, print, billboard and radio advertising in important tourism markets to drive awareness of and visitation to Sailabration. All paid media pointed visitors to the event website, [www.StarSpangled200.com](http://www.StarSpangled200.com) and the State's toll-free information number. The combined campaign generated more than 402 million gross impressions, driving event visitation and enhancing awareness of Maryland as a destination. The public relations outreach targeted national, international and regional media, generating in excess of \$14.4 million in advertising equivalency, including a live *Today Show* broadcast with Al Roker.

#### **1. Visitor's Use of Media**

'Traditional media' was ranked as the top marketing resource used by visitors to learn about Sailabration. Survey research shows that 22.4% of visitors utilized

[www.StarSpangled200.com](http://www.StarSpangled200.com), 12.2% gathered information from online articles and coverage, and 11.7% connected through social media and affiliated sites.



Website analytics demonstrate that [www.StarSpangled200.com](http://www.StarSpangled200.com) had nearly 400,000 visits between May 31<sup>st</sup> and June 26<sup>th</sup> including 286,850 unique visits. During the week of Sailabration, the site received 236,306 unique visits. The most frequented pages were schedule of events, air show, parade of sail, interactive map and visiting ships. Much of the content was accessed on the fly, as 40% of the 1.2 million total page views were from mobile devices. Social media (Facebook and Twitter) was used extensively during Sailabration to provide information and real-time responses to visitor and resident needs. Six percent of survey respondents used social media to learn about Sailabration and its events, which represents 90,000 engaged social media users. Viewers of the SS200 Facebook page increased 157% as a result of Sailabration. SS200 increased Twitter followers by 94%. According to monitoring software, Sysomos, there were 14,536 mentions of Sailabration on various social media sites such as Facebook, Twitter, LinkedIn, YouTube, as well as blogs and forums. And 98% of these mentions were favorable.

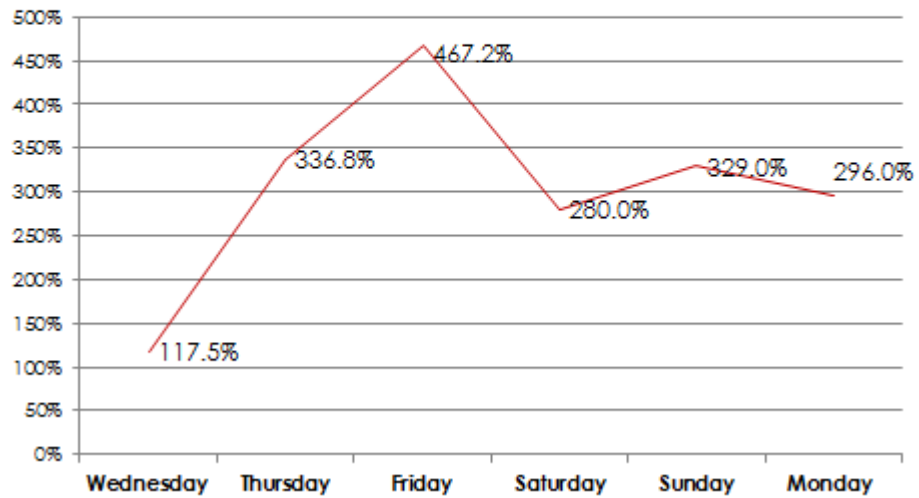
## 2. Impact on Tourism

In June 2012, activity at the Maryland Office of Tourism call center increased by 796% when compared to calls in June 2011. Counts at the Baltimore Visitor Center indicate the sheer volume of tourists during the seven days of Sailabration. In fact, the Saturday and Sunday of Sailabration broke the record for the highest number of visits to the Baltimore Visitor Center since it opened in May of 2004.



**Percent Increase of Visitors by day  
at the Baltimore Visitor Center**

**2012 vs. 2011 Comparison**



There are countless testimonials, as well as statistics, demonstrating the positive effect that Sailabration had on other local attractions and tourism and hospitality as a whole. Here are a few:

“Last weekend’s Sailabration Event was great for our business. That week Seadog doubled revenue year-over-year and our dining vessels were up 30%.”

Dan Leaman, General Manager, Seadog & Entertainment Cruises  
Forward Analytics survey

“The Maryland Science Center was up almost 50% in weekend visitation. This is the time of year when we’re usually pretty slow. This was a nice help.”

Chris Cropper, Senior Director of Marketing, Maryland Science Center,  
Baltimore Business Journal, 6/18/12

“Historic Ships in Baltimore increased visitation 209% during the week of June 13th to 19th, 2012 vs. 2011. The revenue increase was nearly identical.”

Chris Rowsom, Executive Director, Historic Ships of Baltimore  
Forward Analytics Survey

“More than 120,000 riders used the Charm City Circulator during Star-Spangled Sailabration for an average daily ridership of 17,230. Those numbers were up

big when compared with the 12,000 riders the free bus service carried per day in May. Amtrak experienced a 12% increase in ridership (to Baltimore)."

Baltimore City Department of Transportation  
Baltimore Business Journal, 6/20/12

"Many of my members broke records, including Power Plant businesses such as Potbelly Sandwich Shop, which set a sales record for the chain on Saturday, and Dick's Last Resort, which reported a 129 percent increase compared with the same weekend last year. The Rusty Scupper's business rose 30 percent over its record high for any week in its history at the harbor. The Oasis lemonade stall in the Light Street Pavilion at Harborplace had its best day in 32 years."

Laurie Schwartz, Executive Director, Waterfront Partnership  
Baltimore Sun, 6/19/12

The impact of Sailabration spread across the city and extended to Martin State Airport in Baltimore County. Martin State Airport hosted the Star-Spangled Aircraft Display & Festival on Saturday and Sunday of Sailabration. An overwhelming 15,000 visitors flocked to the airport for the take-off and landing of the Blue Angels. The festival also included aircraft displays and 20+ vendors or exhibitors, including festival fare. Visitors were encouraged to tour the Glenn L. Martin Maryland Aviation Museum which is typically open four days a week, year round.

*"Around 3,000 of the visitors at Martin State Airport also toured the museum, which is almost an average year's attendance to the site. We had many people who came up to us and said they didn't even know the airport or museum were here until this weekend. Many of those folks live in the community."*

*Bob Byrnes, Executive Director, Glenn L. Martin Maryland Aviation Museum  
Essex Patch, 6/18/12*

#### **D. Sponsorship Awareness**

Most festivals of the size and scale of Sailabration rely on the financial contributions of their sponsors. For their investment, sponsors of these events expect results. The popularity of event sponsorship with corporate marketers is due in part to its ability to generate positive and potentially lasting consumer brand awareness and emotions.

Survey research tested the awareness and emotions visitors formed with the sponsors of Sailabration. First we measured unaided sponsorship awareness. Visitors were asked, "When you think of Star-Spangled Sailabration sponsors, which companies or brands come to mind?" Sailabration visitors had notable awareness of the corporate sponsors as nearly 58 percent of visitors identified two or more sponsors as *top-of-mind*.

Clearly, companies benefitted from the positive association visitors developed with the well-liked event.

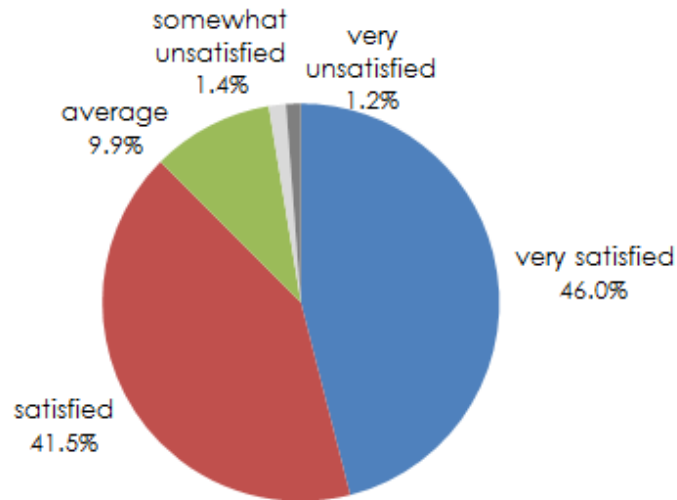
Next, we measured aided awareness of sponsorship. Survey respondents were presented with a list of companies/brands and asked, "Which of the following do you recognize as sponsors of Star-Spangled Sailabration?" Papa John's (recognized by 46.3% of respondents), M&T Bank (44.2%), and AT&T (41.3%) ranked on top for building a strong brand through their sponsorship.

Survey research further demonstrates the combination of awareness, favorability and effectiveness is unparalleled for Sailabration sponsors. Respondents were presented with a series of "emotional" and "attitudinal" statements pertaining to Sailabration sponsors, then asked to what level they agree or disagree. Here are the reactions:

- **Sailabration visitors recognize and appreciate sponsors' contributions.** The majority of visitors (93.1%) *strongly agree* or *agree* that corporate sponsorship made Sailabration possible.
- **Sailabration sponsorship touches the soul.** 97.8% of visitors indicated having a positive attitude toward Sailabration sponsors because of their association.
- **Visitors "like" corporate sponsors.** 87.9% of visitors are more likely to purchase brands from Sailabration sponsors because of their association
- **Sailabration is a "good buy" in marketing.** 92.9% of visitors felt that Sailabration sponsorship is a better way to reach them- more than through traditional advertising.

Sponsorship works through harnessing the emotional connection between an event and its audience. That said Sailabration provided bottom line benefits to all of its sponsors. The event was associated with a positive experience and provided a strong opportunity for community and cause-related marketing. Survey research proved that Sailabration was a positive experience as 87.5% of visitors were *very satisfied* or *satisfied* with the event.

### Overall Satisfaction with the Star-Spangled Sailabration Experience



Lastly, corporate sponsorship did more than promote a company, brand or service. Sailabration sponsorship benefitted livability and image for the City of Baltimore and State of Maryland. At least visitors, both local and non-local, felt this way. An overwhelming 99.1% of visitors agreed that Sailabration added value to the Region. The event was a great way to showcase the City, invite Marylanders to the Inner Harbor/downtown area, and generate tourism and tourist dollars.

#### IV. Conclusions

The data collected, and impact modeling performed, indicates that Sailabration was a valuable contributor to the Baltimore and Maryland economy. With a total impact estimated at \$166.1 million, the impact of Sailabration compares favorably to national sports leagues, large trade shows, and political conventions.

Tall ships and the Navy's Blue Angels air show were the top attractions that drew an estimated 1.54 million people to the Inner Harbor and the surrounding neighborhoods. A significant number of visitors came from outside of the City and County to experience Sailabration, and brought with them an inflow of "new dollars" to the local economy. Visitors (residing outside of the city) generated \$97.7 million in direct business revenues for the Baltimore region. The direct impact rippled through the local economy generating another \$68.4 million in indirect spending. Furthermore, Sailabration provided \$1.7 million in Baltimore City government revenues and \$5.7 million for the State of Maryland.

From a purely economic standpoint, public investment in Sailabration was justified many times over. From a social standpoint, Sailabration reinforced the quality of life for Maryland residents. The event enriched visitors' education and served as a historic remembrance of the War in 1812 in Maryland, and left visitors wanting more. Lastly, Sailabration added to the vitality and image of Baltimore as a tourist destination with press coverage and publications that extended far beyond the region- even beyond the U.S.