

ECONOMIC IMPACT & AUDIENCE RESEARCH REPORT

Prepared by Forward Analytics



2014

CHESAPEAKE CAMPAIGN

Raiders & Invaders Weekend



Table of Contents

I.	Introduction	2
II.	The Framework	3
	A. Purpose of Study	3
	B. Methodology	3
	C. The Economic Impact Model	4
III.	Research Finding	5
	A. Audience Research Findings	5
	B. Economic Impact Findings	7
IV.	Value of Volunteerism	8

Highlights of the Study

- Raiders & Invaders Weekend attracted an estimated 6,500 people over the three-day celebration, June 6th-8th. Events on Friday and Saturday took place in Leonardtown's downtown and waterfront area where over 75 local food and merchandise vendors, and entertainers pleased the crowds with period festivities. Re-enactments, storytelling, water activities, music, crafts and demonstrations commemorated the War of 1812 events. And on Sunday, Raiders & Invaders Weekend encouraged visitors to explore the entire St. Mary's peninsula with 1812-inspired events at sites and attractions like Sotterly Plantation.
- Raiders & Invaders Weekend was supplemented by a \$35,000 grant from the Maryland War of 1812 Bicentennial Commission. In return, the bicentennial commemoration generated \$197,759 in total economic impact for State of Maryland.
- Thirty-one percent of event visitors came from outside of St. Mary's County and spent \$94,119 with local restaurants, hotels, retailers, etc. Local spending generated an additional \$65,883 in indirect impact. Thus, the total impact of Raiders and Invaders Weekend in St. Mary's County is estimated at \$160,002.
- Raiders & Invaders Weekend also increased business revenues statewide- outside of St. Mary's County but within the State of Maryland. Commemoration visitors increased business revenue throughout the state by \$22,213. The recirculation of the direct impact generated an additional \$15,549 in indirect impact which makes a total impact of \$37,762 generated elsewhere in Maryland.
- The direct spending of visitors to Raiders & Invaders Weekend resulted in substantial tax revenues for the State of Maryland. Sales tax, alcohol tax and gasoline excise tax brought in an estimated \$7,786 for the State. St. Mary's County gained \$1,469 in hotel tax revenues from visitors to Raiders & Invaders Weekend.
- The majority of survey respondents indicated War of 1812 and Bicentennial activities (56.8%), museums and historic sites (52.3%), and music and concerts (50.0%) were most important to them during their trip to St. Mary's County. Forty percent of visitors dedicated more than one day to the Raiders and Invaders Weekend bicentennial events.
- Raiders & Invaders Weekend fostered interest in the history of the Maryland War of 1812. Eighty-four percent of survey respondents indicated they are *very interested* or *interested* in learning more about the history of the Maryland War of 1812. Consequently, 60.0% indicated they were likely to participate in other events commemorating the War of 1812.
- Survey research proved that Raiders & Invaders Weekend was a positive experience as an overwhelming 69.8% of visitors were *very satisfied* or *satisfied* with the events.

I. Introduction

Two hundred years ago, the British Navy launched its "Chesapeake Campaign" looting, burning, and causing economic devastation in towns along the Bay. Now dozens of Maryland communities share a national story of triumph which began in April 1813 when the British began their assault at the head of the Bay and climaxed September 1814 with the successful defense of Baltimore.

The Chesapeake Bay was a prime target for the British because it was an important center for commerce, industry, and government. Washington, DC was the nation's capital and Baltimore, the third largest city in the United States, a seat of maritime trade, shipbuilding, and industry. The Campaign of 1814 was a significant period because the British occupied our nation's capital after the American defeat at the Battle of Bladensburg, but were repulsed during the Battle for Baltimore. The events of the campaign are significant to American history because of their pivotal effect on the outcome of the War of 1812 and their effect on far-reaching aspects of American society, including the young nation's identity.

In honor of the bicentennial, state and local officials supported dozens of War of 1812 programs and events. The vision was to educate the public through celebration and commemoration of historic events and to expand economic development and tourism-related job creation in the State.

The modern *Chesapeake Campaign* ran from May 2013 through September 2014 and featured a series of weekend festivals that included commemorative War of 1812 events, historic re-enactments, interactive activities, tall ships, and more. The *Maryland War of 1812 Bicentennial Commission* awarded over \$591,000 in grants for 10 events in eight counties in 2013 and 2014 to support the Chesapeake Campaign commemoration. The festivals enticed tourists to explore Maryland's charming small towns and historic cities, each filled with galleries, shops, lodging and restaurants.

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

Audience research was also utilized to evaluate the extent to which Chesapeake Campaign events provided Marylanders, and tourists, engaging opportunities to learn about and stimulate interest in the State's significance and relevance of the War of 1812.

¹ 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 multi-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 ran from June 2012 through September 2014. 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."

II. The Framework

Though there were fewer battles in Southern Maryland, the British continually harassed coastline residents and subsequently invaded the tiny Town of Leonardtown – population approximately 300. But victory was not as easy as it seemed. The Town residents convinced the British commander with his force of 1,500 not to burn the courthouse, but to move on out of town. Two hundred years later, the town celebrates the triumph with Raiders & Invaders Weekend, June 6th through 8th.

The bicentennial commemoration kicked-off with downtown Leonardtown's First Friday tradition. Shops, restaurants and galleries provided 1812-themed activities and free entertainment including a concert with commemorative music and story-telling. The past came to life at the downtown festival on Saturday with period costumes, street theater, historical demonstrations and re-enactments. The events showcased main street merchants but also drew guests to Leonardtown's waterfront for various water-related sports and entertainment. An evening concert was presented directly on the site of the 1814 British invasion. And on Sunday, Raiders & Invaders Weekend encouraged visitors to explore the entire St. Mary's peninsula with 1812-inspired events at sites and attractions like Sotterly Plantation.

Raiders and Invaders Weekend included 21 local food and merchandise vendors, service providers or direct participants. In addition, 57 Southern Maryland organizations and performers entertained, demonstrated, and exhibited or in some way participated in the event.

A. Purpose of Study

In support of a more in-depth understanding of the positive impacts of Raiders & Invaders Weekend, SS200 retained *Forward Analytics* to measure its effect on the economy and generated an Economic Impact Report. The following research study provides tangible and reliable information to the economic and educational returns resulting from investments and spending on the Chesapeake Campaign events. It specifically explains the direct and indirect business volume and government revenues generated in St. Mary's County and the State of Maryland.

The purpose of the research was to measure the economic impact of the event activities and also to analyze audience research for the use of planning and promoting further historic and cultural events. In addition to economic impact analysis, audience research was designed to measure the following:

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

B. Methodology

The study employed a customized survey to collect data from a random sample of Raiders & Invaders Weekend visitors. Initially, *Forward Analytics* collaborated with staff from SS200, the Maryland War of 1812 Bicentennial Commission, Visit Baltimore, and the Maryland Office of Tourism to create a 3-page template survey that was ultimately retailored for each Chesapeake Campaign event.

During Raiders & Invaders Weekend, in-person interviews were administered by Forward Analytics staff to 230 adult attendees (ages 18+). In order to gather representative data, Forward Analytics conducted surveys during diverse hours of the day and at various spots of the festival. The data collected represents a 95% confidence interval with a margin of error at +/-5.2%.

In addition, the methodology incorporated detailed impact information supplied by planners of Raiders & Invaders Weekend. Staff at St. Mary's County Division of Tourism reported back the event's expenditure levels and geo-spatial distribution (spending locally vs. non-locally) along with other social and cultural impact details.

C. The Economic Impact Model

The economic impact study measured the direct and indirect business volume and government revenues generated as a result of Raiders & Invaders Weekend. The study outlines the revenues generated specifically in St. Mary's County and the State of Maryland. Forward Analytics employed 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.

The linear cash flow model that we used 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 the representative events, and tracks the 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 on the local business volume.

The direct impact, or the direct spending, of visitors increased government revenues for the host county and State of Maryland and are calculated herein. Government revenues generated from bicentennial events include sales tax, alcohol sales tax, hotel tax, and state gasoline excise tax.

III. Research Findings

Raiders & Invaders Weekend provided educational and social opportunities for residents while also attracting tourists to Leonardtown and the peninsula of St. Mary's County. In total, an estimated 6,500 guests enjoyed the historic bicentennial events. While an estimated 4,480 "locals" participated in the commemoration, a significant number of visitors (31.1% or 2,020 people) came from outside of St. Mary's County. And 9.6% came from outside of Maryland, including neighboring states, Pennsylvania, Delaware, and Virginia. But guests also came from further states like New York, Ohio, and New Hampshire.

Raiders & Invaders Weekend enticed first time visitors (15.9%) to the host town, as well as frequent visitors, who generated substantial revenue for local businesses. While stimulating tourism, the Chesapeake Campaign events also educated guests and fostered interest in the Maryland War of 1812. Research demonstrates that the festivals provided engaging opportunities to learn that "*Maryland is recognized as the most important portal to understand the significance and relevance of the events of the War of 1812.*"

Survey data showed that 84.4% of guests are *very interested* or *interested* in learning more about the history of the Maryland War of 1812. Consequently, 60.0% are very likely or likely to participate in future events in Maryland commemorating the War of 1812. They are inclined to attend for reasons including:

- interest in War of 1812 (44.2%),
- family-friendly, educational activities (34.9%),
- pride in Maryland's history (32.2%),
- mere convenience (30.2%), and
- good entertainment (25.6%).

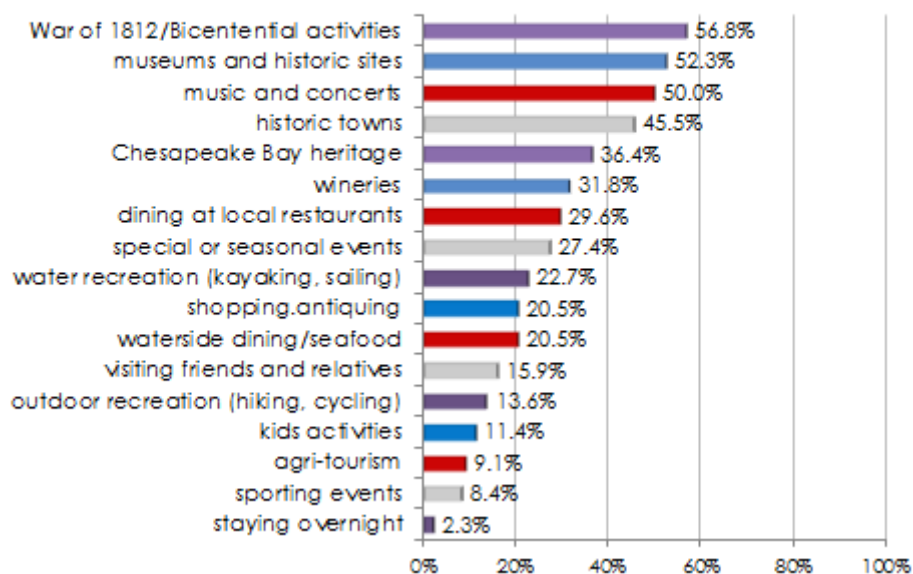
There is no doubt that Raiders & Invaders Weekend elevates St. Mary's County and Maryland as a premier location to live, work and visit. An overwhelming 69.8% of visitors rated the overall event as *very satisfactory* or *satisfactory*. The historic commemoration adds to the vitality and image of the county and state with press coverage and publications that extend beyond the local area.

A. Audience Research Findings

A goal of the Chesapeake Campaign events was to draw people to the small and charming towns along the Star-Spangled Banner National Historic Trail in Maryland. Seventy-eight percent of survey respondents indicated that Raiders & Invaders Weekend was *very influential* or *influential* in deciding to visit the area.

Survey respondents were asked to indicate "up to 5 activities that are most important to you during your trip to St. Mary's County." Below is a ranking of the top activities. War of 1812 and Bicentennial activities (56.8%), museum and historic sites (52.3%), and music and concerts (50.0%) were ranked highest.

Ranking of Top Activities while in the area for Raiders & Invaders Weekend



With a full schedule of War of 1812 events, along with the outdoor recreation in the area, the vast majority of visitors (96.1%) spent more than five hours in St. Mary's County during Raiders & Invaders Weekend. And forty percent of guests dedicated more than one day to bicentennial activities. Consequently, 8.6% of survey respondents reported staying overnight in a hotel or B&B while another 11.1% stayed with friends or relatives.

Local newspaper advertisements (43.2%) and articles (40.9%) proved to be the most effective means of marketing Raiders & Invaders Weekend. The event website, www.raidersandinvaders.com, reached 29.6% of guests and online articles reached 25.0%.

With the proper messaging about events, research shows 40.0% of visitors were familiar that the "Raiders & Invaders Weekend" was part of a series of traveling festivals that trace the battle lines of the War of 1812 along the Chesapeake. Comparably, 38.6% were familiar that the events were part of Star-Spangled 200, the bicentennial of the War of 1812 and the writing of the National Anthem.

Interestingly, almost one third of visitors (32.6%) attended Raiders & Invaders Weekend in a group of 5 or more, while slightly more came as pairs (36.9%). Twenty-six percent of survey respondents brought a mean of 1.33 children to the commemoration. These children range in age from 0 to 3 year olds (18.7%), 4 to 9 year olds (40.5%), 10 to 14 year olds (34.5%), and 15 to 18 year olds (6.3%).

The 50+ age population comprised the largest segment at 45.3% of guests, while under age 35 made up 14.3%. More guests are married (70.5%) than single (18.2%). Fifty-three percent of guests completed a four-year degree or higher. A slightly broader majority (57.5%) reported a household income of \$75,000 or more.

B. Economic Impact Findings

Visitors to Raiders & Invaders had a total economic impact of \$197,764 in the State of Maryland. In St. Mary's County, the total economic impact of visitor spending is estimated at \$160,002. The total county impact consists of \$94,119 in direct impact and \$65,883 in indirect impact. Another \$22,213 in direct spending was generated elsewhere in Maryland. Direct spending was recirculated in the economy producing an additional \$15,549 in indirect revenue, with a total impact of \$37,762 elsewhere in Maryland.

	St. Mary's County	elsewhere in Maryland
Food at restaurants/bars	\$32,801	\$5,740
Alcohol at restaurants/bars	\$9,317	\$1,981
Retail/souvenir purchases	\$8,812	\$2,082
Tourist attractions/entertainment	\$4,729	\$4,588
Overnight accommodations	\$29,385	\$3,355
Parking	\$2,567	\$2,486
Gasoline	\$5,275	\$1,698
Car rental	\$1,233	\$283
Visitor Spending Direct Impact	\$94,119	\$22,213
Indirect Impact	\$65,883	\$15,549
Total Impact	\$160,002	\$37,762

Government Revenue Impact

Raiders & Invaders Weekend increased local business volume and also generated substantial tax revenues for the local and state government. Tax revenues were paid directly by the nonresident guests on purchases with local businesses as mentioned above.

The State of Maryland received an estimated \$7,786 in tax revenue from the economic activity generated by Leonardtown's bicentennial events. St. Mary's County gained \$1,469 from hotel taxes. The government revenue impacts comprise the following:

Sales Tax

As outlined above, Raiders & Invaders Weekend generated substantial revenue for businesses St. Mary's County and the state of Maryland. Accordingly, direct spending by nonresident guests generated \$6,979 in state sales tax revenues for the State of Maryland.

Alcohol Sales Tax

Raiders and Invaders Weekend attendees spent \$11,298 on alcohol at local restaurants and bars. The alcohol tax hike added another \$339 to Maryland tax revenue that was attributable to bicentennial events.

Hotel Tax

As previously indicated, 8.6% of guests spent the night at a hotel, motel or B&B in St. Mary's County. County hotel occupancy for Friday, June 6th was 54.4% greater than the same weekend in 2013. And occupancy on Saturday, June 7th was 40.2% greater. Survey research measured the average nights stayed and average cost of accommodations. Raiders & Invaders Weekend guests generated a direct impact of \$29,385 for the local hotel industry. The County received \$1,469 in hotel tax revenues (in addition to Maryland state sales tax revenues).

State Gasoline Excise Tax

Nonresident guests spent an estimated \$6,973 in gasoline while traveling to and from and throughout St. Mary's County. A gasoline excise tax of \$.235 per gallon generated \$468 for the State of Maryland.

Revenue Generated by Event Organizers

Lastly, the operating expenditures by event organizers were considered. St. Mary's County Division of Tourism disclosed that an estimated \$15,091 of their operating budget was spent on businesses and organizations operating in the Leonardtown. Another \$41,494 was spent with businesses in St. Mary's County (and \$36,629 was spent elsewhere in Maryland). Operating expenditures include the purchase of goods and professional services for marketing and PR, signage, entertainment, hospitality, and facility rentals, to name a few. Raiders and Invaders Weekend was supplemented by a \$35,000 grant from Maryland 1812 Commission.

IV. The Value of Volunteers

Raiders & Invaders Weekend attracted 72 volunteers from local services organizations including the Unified Committee for Afro-American Contributions, the Seventh District Optimists and the Lexington Park Rotary. Volunteers provided 1,123 hours of service in total. Their actions reflect the region's historic assets. Volunteers could have spent their time in many ways, but instead gave bicentennial events top priority. If the total volunteer hours were calculated at the *government dollar value of a volunteer hour* in Maryland (2013), an estimated additional \$28,558 was effectively donated in time to the Chesapeake Campaign and St. Mary's County.