

ECONOMIC IMPACT & AUDIENCE RESEARCH REPORT

Prepared by Forward Analytics



2014

CHESAPEAKE CAMPAIGN

Battle of St. Leonard Creek



Photo Credit: Ralph Eshelman | Jefferson Patterson Park and Museum

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	4
	A. Audience Research Findings	5
	B. Economic Impact Findings	7
IV.	Value of Volunteerism	10

Highlights of the Study

- On June 21st and 22nd, 2014, the “War of 1812 Fair & Re-enactment & Tall Ships Invasion” commemorated the British attack on the town of St. Leonard. The battle is recognized as the largest naval engagement in the history of Maryland, which took place where the Patuxent River meets the mouth of St. Leonard Creek, right off the shore of Jefferson Patterson Park and Museum. Two hundred years later, an estimated 7,000 gathered at the park and other War of 1812 sites in Calvert County to remember the Battle of St. Leonard Creek.
- The Battle of St. Leonard Creek 200th Anniversary was supplemented by a \$74,000 grant from the Maryland War of 1812 Bicentennial Commission. In return, the bicentennial commemoration generated \$290,961 in total economic impact for the State of Maryland.
- Forty-seven percent of event visitors came from outside of Calvert County and spent \$143,975 with local restaurants, hotels, retailers, etc. Local spending generated an additional \$100,782 in indirect impact. Thus, the total impact of St. Leonard Creek “War of 1812 Fair & Re-enactment & Tall Ships Invasion” in Calvert County is estimated at \$244,757.
- St. Leonard Creek 200th Anniversary also increased business revenues statewide- outside of Calvert County but within the State of Maryland. Commemoration visitors increased business revenue throughout the state by \$27,179. The recirculation of the direct impact produced an additional \$19,025 in indirect impact which makes a total impact of \$46,204 generated elsewhere in Maryland as a result of bicentennial events.
- The direct spending of visitors to St. Leonard Creek’s “War of 1812 Fair & Re-enactment & Tall Ships Invasion” resulted in substantial tax revenues for the State of Maryland. Sales tax, alcohol tax and gasoline excise tax brought in an estimated \$12,087 for the State. Calvert County gained \$970 in hotel taxes from visitors attending the commemoration.
- The majority of survey respondents indicated tall ships (74.7%), re-enactments (57.9%), and War of 1812 and Bicentennial activities (50.5%) were most important to them during their trip to Calvert County. Thirty percent of visitors dedicated more than one day to the St. Leonard Creek bicentennial events.
- The “War of 1812 Fair & Re-enactment & Tall Ships Invasion” fostered interest in the history of the Maryland War of 1812. Seventy-two percent of survey respondents indicated they are *very interested* or *interested* in learning more about the history of the Maryland War of 1812. Consequently, 65.5% indicated they were likely to participate in other events commemorating the War of 1812.
- Survey research proved that the Bicentennial Commemoration of The Battle of St. Leonard Creek was a positive experience as an overwhelming 87.8% 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

The following report analyzes audience research and measures economic impact for Battle of St. Leonard Creek 200th Anniversary celebration. On June 21st and 22nd, 2014, the "War of 1812 Fair & Re-enactment & Tall Ships Invasion" commemorated the British attack on the town of St. Leonard during the War of 1812. Commemoration activities showcased Calvert County with bicentennial events taking place at three different locations.

An estimated 5,100 people participated various learning and entertaining activities at Jefferson Patterson Park, including re-enactments of historical events, living history, military encampments, children's activities, food and a period "tavern night." Free admission to the Calvert Marine Museum in Solomons attracted 1,900 guests. In addition, four Tall Ships participated in the celebration of the bicentennial. *Kalmar Nyckel*, Wilmington, DE; *Pride of Baltimore II*, Baltimore, MD; *Sultana*, Chestertown, MD; *The Dove*, St. Mary's City, MD docked in the quiet, Solomons waterfront village offering open tours and public sailings.

A. Purpose of Study

In support of a more in-depth understanding of the positive impacts of the Battle of St. Leonard Creek Bicentennial Commemoration, SS200 retained *Forward Analytics* to measure the effects on the economy and generate an Economic Impact Report. The following research study provides tangible and reliable information to the educational and economic returns resulting from investments and spending on the event. It specifically explains the direct and indirect business volume and government revenues generated in Calvert 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 Battle of St. Leonard Creek 200th Anniversary 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.

In-person interviews were administered by *Forward Analytics* staff to 230 adult attendees (ages 18+) during the Battle of St. Leonard Creek commemoration events. In order to gather representative data, *Forward Analytics* conducted surveys during diverse hours of the days and at various spots of the festival. The data collected represents a 95% confidence interval with a margin of error at +/-6.4%.

In addition, the methodology incorporated detailed impact information supplied by planners of the “War of 1812 Fair & Re-enactment & Tall Ships Invasion.” Staff at Calvert County Department of Economic Development 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 Battle of St. Leonard Creek 200th Anniversary event. The study outlines the revenues generated specifically in Calvert County and the State of Maryland. Forward Analytics utilized 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 was 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 tracked 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

The Battle of St. Leonard Creek 200th Anniversary provided educational and social opportunities for residents while also attracting tourists to the towns of Calvert County. In total, an estimated 7,000 guests enjoyed the “War of 1812 Fair & Re-enactment & Tall Ships Invasion”. While an estimated 3,700 “locals” participated in bicentennial activities, a comparable amount of visitors (47.1% or 3,300 people) came from outside of Calvert County. And 10.8% came from outside of Maryland.

The bicentennial activities enticed first time visitors (8.5%) to Calvert County, 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.”*

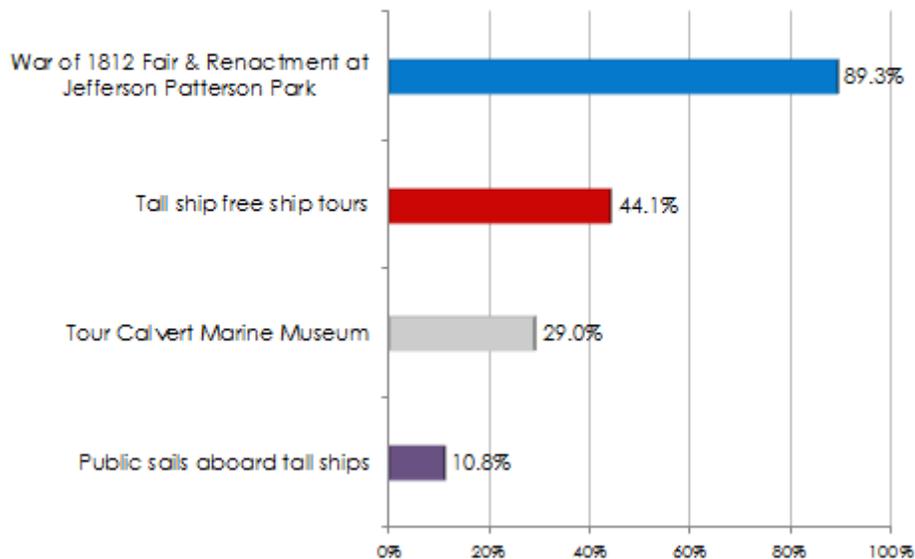
Survey data showed that 71.8% of guests are *very interested* or *interested* in learning more about the history of the Maryland War of 1812. Similarly, 65.5% are *very likely* or *likely* to participate in future events in Maryland commemorating the War of 1812. They are inclined to attend for reasons including:

- family-friendly, educational activities (42.0%),

- pride in Maryland’s history (32.1%),
- mere convenience (29.6%),
- interest in War of 1812 (27.2%), and
- good entertainment (25.9%).

There is no doubt that guests enjoyed the “War of 1812 Fair & Re-enactment & Tall Ships Invasion” as 87.8% rated the overall event as very satisfactory or satisfactory. According to survey research, most people (89.3%) participated in War of 1812 Fair & Reenactment at Jefferson Patterson Park, while 44.1% enjoyed free tours of the tall ships, and 10.8% experienced the public sail aboard the tall ships. Twenty nine percent of guests toured the Calvert Marine Museum.

Percentage of Participants in Various Events of the Battle of St. Leonard’s Creek 200th Anniversary

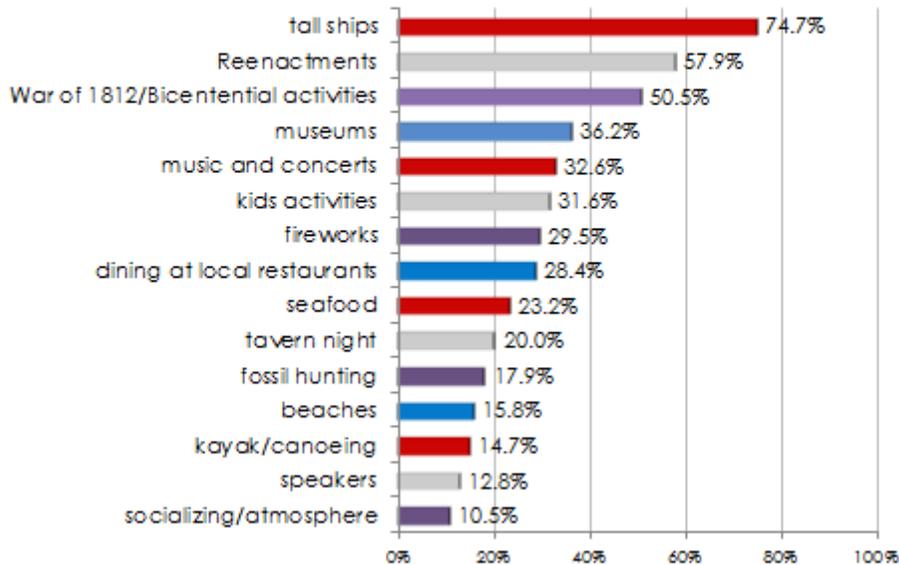


A. Audience Research Findings

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 six percent of survey respondents indicated that St. Leonard Creek’s War of 1812 Fair & Re-enactment & Tall Ships Invasion 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 Calvert County.” Below is a ranking of the top activities. Tall ships (74.7%), reenactments (57.9%), and War of 1812 activities or Bicentennial activities (50.5%) were ranked highest.

**Ranking of Top Activities at St. Leonard Creek's
War of 1812 Fair & Re-enactment & Tall Ships Invasion**



With a full schedule of War of 1812 events, along with outdoor recreation opportunities like boating, hiking, beaches and fossil hunting, the majority of visitors (75.1%) spent more than five hours in Calvert County. And 29.5% of guests dedicated more than one day to St. Leonard Creek's "War of 1812 Fair & Re-enactment & Tall Ships Invasion". Consequently, 4.3% of survey respondents reported staying overnight in a hotel or B&B while another 8.8% stayed with friends or relatives.

Local newspaper articles (60.5%) and advertisements (50.7%), proved to be the most effective means of marketing St. Leonard Creek's "War of 1812 Fair & Re-enactment & Tall Ships Invasion." Word of mouth advertising spread the news to another 55.4% of visitors.

With the proper messaging about events, research shows 43.6% of guests were familiar that the "War of 1812 Fair & Re-enactment & Tall Ships Invasion" was part of a *series of traveling festivals that trace the battle lines of the War of 1812 along the Chesapeake*. Even more (52.6%) 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*. In fact, 36.2% of guests indicated they were very likely or likely to attend the Star-Spangled Spectacular, celebrating the 200th Anniversary of our national anthem.

While pairs comprised 40.1% visitors, nearly one-fourth (23.2%) of survey respondents attended St. Leonard Creek's War of 1812 bicentennial events alone. In contrast, 17.1% of visitors attended with groups or parties of 8 or more people. Fifty-three percent of survey respondents brought a mean of 1.65 children to the commemoration. These children range in age from 0 to 3 year olds (9.9%), 4 to 9 year olds (33.8%), 10 to 14 year olds (36.6%), and 15 to 18 year olds (19.7%). The event provided strong pull among the typically choosy 10-18 age categories.

The age 50+ population made up 39.7% of guests while under age 35 made up 18.0%. More guests are married (67.5%) rather than single (14.3%). Sixty-two percent of guests had earned a four-year degree or higher and slightly more (69.5%) have a household income of \$75,000 or more.

B. Economic Impact Findings

Visitors St. Leonard Creek's "War of 1812 Fair & Re-enactment & Tall Ships Invasion" had a total economic impact of \$290,961. In Calvert County, the total economic impact of visitor is estimated at \$244,757. The total impact in the county consisted of \$143,975 in direct impact and \$100,782 in indirect impact. Another \$27,179 in direct revenue was generated elsewhere in Maryland. Direct spending was recirculated in the economy producing an additional \$19,025 in indirect revenue, with a total impact of \$46,204 generated elsewhere in Maryland.

	Calvert County	elsewhere in Maryland
Food at restaurants/bars	\$56,175	\$5,681
Alcohol at restaurants/bars	\$22,756	\$1,700
Retail/souvenir purchases	\$27,606	\$4,252
Tourist attractions /entertainment	\$8,538	\$2,425
Overnight accommodations	\$19,400	\$4,584
Parking	\$631	\$365
Gasoline	\$8,438	\$7,707
Ground Transportation	\$431	\$465
Visitor Spending Direct Impact	\$143,975	\$27,179
Indirect Impact	\$100,782	\$19,025
Total Impact	\$244,757	\$46,204

Government Revenue Impact

St. Leonard Creek's "War of 1812 Fair & Re-enactment & Tall Ships Invasion" 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 \$12,087 in tax revenue from the economic activity generated by St. Leonard Creek's bicentennial events. Calvert County gained \$970 from hotel taxes. The government revenue impacts comprise the following:

Sales Tax

As outlined above, St. Leonard Creek's "War of 1812 Fair & Re-enactment & Tall Ships Invasion" substantially increased revenue for businesses in Calvert County and the State of Maryland. Accordingly, direct spending by nonresident guests generated \$10,269 in state sales tax revenues for the State of Maryland.

Alcohol Sales Tax

St. Leonard Creek's "War of 1812 Fair & Re-enactment & Tall Ships Invasion" attendees spent \$24,456 on alcohol at local restaurants and bars. The alcohol tax hike added another \$734 to Maryland tax revenue that was attributable to bicentennial events.

Hotel Tax

As previously indicated, 4.3% of guests spent the night at a hotel, motel or B&B in Calvert County. Survey research measured the average nights stayed and average cost of accommodations. Battle of St. Leonard Creek guests generated a direct impact of \$19,400 for the Calvert County hotel industry. The County received \$970 in hotel tax revenues (in addition to Maryland state sales tax revenues).

State Gasoline Excise Tax

Nonresident guests spent an estimated \$16,145 in gasoline while traveling to and from and throughout Calvert County. A gasoline excise tax of \$.235 per gallon generated \$1,084 for the State of Maryland.

Revenue Generated by Event Organizers

Lastly, the operating expenditures by event organizers were considered. Calvert County Department of Economic Development disclosed that an estimated \$27,290 of their event operating budget was spent on businesses and organizations operating in Calvert County. Another \$66,940 was spent with organizations and businesses elsewhere in Maryland. Operating expenditures included the purchase of goods and professional services for marketing and PR, signage, entertainment, hospitality, and facility rentals, to name a few. St. Leonard Creek's "War of 1812 Fair & Re-enactment & Tall Ships Invasion" was supplemented by a \$74,000 grant from Maryland 1812 Bicentennial Commission.

IV. The Value of Volunteers

St. Leonard Creek's "War of 1812 Fair & Re-enactment & Tall Ships Invasion" attracted 62 volunteers providing 380 hours of service. In addition, 171 re-enactors donated 2,223 hours of role playing for the education and entertainment of Maryland's residents and tourists. Estimating the monetary worth of volunteers is less critical than the notion that those who volunteered their time could have spent it in many ways, but decided that the bicentennial events were of most importance to them in allocating their time. If the total of 2,603 volunteer hours is calculated at the *government dollar value of a volunteer hour* in Maryland (2013), an estimated \$66,194 is donated in time to the Chesapeake Campaign and Calvert County.