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An Economic Impact Evaluation of the Treialon Cŵn Defaid Rhyngwladol Ceredigion International Sheep Dog Trials 2021

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An Economic Impact Evaluation of the Treialon Cŵn Defaid Rhyngwladol Ceredigion International Sheep Dog Trials 2021



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1. Introduction

Sheep dog trials were established in the 1870's with the first recorded trial involving participants from more than one country taking place in Bala in 1873. At roughly the same time local sheep dog societies were established in the North West of England and Wales to promote the activity of trialling. Societies now exist not only in the UK and Ireland but also in Australia, New Zealand and the United States and sheep dog trials have become significant international events that have delivered positive economic impacts for the localities in which they take place.

This report presents an economic evaluation of the Ceredigion International Sheep Dog Trials (ISDT) that were held over three days between the 10th and 12th of September 2021. The event was hosted at Tany Castell Fields, Aberystwyth, Ceredigion, Wales, SY23 4PY.

While the original event was reduced in size to meet Covid 19 restrictions, the event's original key objectives were maintained. These were:

- To provide every competitor with a fair and equal opportunity to compete
- To showcase the skills and working abilities of the working sheep dog and the shepherds and farmers who work with them.
- To ensure that the event was a safe, welcoming and enjoyable for all who attended
- To ensure that the event was financially viable
- To enhance the profile of Wales as a tourist destination

It was recognised that, given the restrictions imposed on competitor and visitor numbers by Covid 19, the projected economic impact of the event on the locality would be reduced.

Background Information – Covid-19

The Welsh ISDT were originally scheduled to be held at Aberystwyth in September 2020. As a result of the Covid-19 pandemic and the associated restrictions imposed to tackle its spread the event was postponed until 2021. With the pandemic's impact lasting far longer than anticipated it was not until August 2021 that the ISDT were able to plan with any level certainty for the event to take place in September 2021.

With increasing infection rates it was feared that the ISDT would have to be postponed once more but a bold decision was taken by the ISDT committee to organise a much reduced capacity event in line with Covid-19 restrictions. The committee also undertook to experiment with live streaming. This innovative approach allowed the event to reach not only its dedicated followers but also a

wider audience both in the UK and overseas at a time when national and international travel was heavily restricted.

In order for the ISDTD to go ahead in a limited format permission was sought from Ceredigion Council for an event capped at 499 attendees per day. The Council gave its permission and it was agreed to plan for this scaled down event. The cap placed on daily attendees did bring into doubt the attractiveness and viability of many of the originally planned activities such as exhibitions, show events and activities. It was decided, therefore, to cancel several of them. These included:

- Welsh Craft Display
- Food Hall
- Trade Stand exhibition area
- Agility and sheep dog training sessions.

It was also realised that this smaller and more limited event could have a negative impact on its attractiveness; in particular with regard to the capture of the ISDT's potential sponsors. While this was the case a number of Welsh and local organisations did though sponsor and support the event. These were:

- Castell Howell Foods
- Hybu Cig Cymru
- Dolgellau Farmers Market
- Ifor Williams Trailers Ltd

2. Attendance

As noted in section one attendance was restricted to 499 attendees. Due to the covid-19 restrictions, attendance was by invitation only. This figure was made up of 60 competitors from England, Scotland, Ireland, Wales and Ireland with each competitor allowed to bring one companion. There were four young handlers who were accompanied by both parents. The eight Brace competitors were allowed one accompanying adult. The remainder of the 499 on site were made up of stewards, TV and Streaming personnel, local committee members and security. Due to covid restrictions no overseas visitors attended the event.

3. Income

Section 2 outlines the impact of the covid-19 pandemic in terms of visitors and gate receipts. In addition, there was an impact on sponsorship capture and trade stands. The local committee had received 60 applications for trade stand pitches at the ISDT all of which were cancelled.

Sponsorship

Acquiring sponsorship was particularly difficult given the ongoing economic uncertainties however, several Welsh companies did sponsor the event. These include:

- Castell Howell Foods
- Hybu Cig Cymru
- Dolgellau Farmers market
- Ifor Williams Trailers Ltd
- Penderyn Welsh Whisky
- JDS Machinery

:

Expenditure

Financial viability

Examining the preliminary accounts a total of £71165 was spent on the event with the vast majority of this spent in the local community and on local suppliers and services. Through funding, donations, sponsorship and active fundraising as well as innovative approaches such as live streaming the event produced a small surplus of £4030 but in going ahead it met the key objectives set by the ISDT mentioned in Section 1. The event's local economic impact will be discussed below in Section 5

4. Marketing and Media Exposure

To promote the event and increase Aberystwyth, Ceredigion and Mid Wales' exposure as a tourist destination, a range of media platforms were used to make interested parties and the public aware of it.

First, several articles were prepared for publication in traditional print outlets such as national and local papers. For example the Western Mail, Farmers Guardian, Y Ddolen and Bro 360. In addition, an article was placed in the International Sheep Dogs Society (ISDS) bi-monthly magazine, which has a worldwide circulation of 6,000 readers.

Secondly, social media was also utilised with the ISDS Facebook page promoting the event and the location. This has a worldwide membership of 13,000. In addition, the ISDS International Sheep Dog Trials/Treialon Cwn Defaid Rhyngwaldol, Ceredigion page was created which had a worldwide coverage of 5.2k from the USA, Europe, Australasia and South America.

Thirdly, traditional television was also used to make the public aware of the event and where it was being held. An hour-long programme was televised on Monday the 13th of September on S4C dedicated to the Aberystwyth ISDT.

Fourthly, prior to the event, a month-long promotion took place carried out by local company Rhys Williams live streaming and it is estimated to have reached 5.2k viewers worldwide.

Fifthly, during the trials the whole event was live streamed via Inplayer and provided worldwide exposure (see Table 1).

Table 1: Livestreaming by Number of Logins per Country

| LIVESTREAMING | Top 10 | |
|--------------------------|------------------------|---------------------|
| Countries | No of Customers | No of Logins |
| UK/GB | 485 | 2546 |
| Ireland | 83 | 797 |
| US | 76 | 281 |
| Canada | 20 | 77 |
| Sweden | 15 | 92 |
| Germany | 15 | 60 |
| Netherlands | 14 | 82 |
| France incl Fr Guiana | 12 | 47 |
| Italy | 9 | 34 |
| Spain | 9 | 26 |
| Japan | | 67 |
| Macedonia | | 29 |
| Austria | | 24 |
| Austria | | 22 |
| South Africa | | 21 |
| Switzerland | | 16 |
| Belgium | | 12 |
| Indonesia | | 12 |
| Poland | | 9 |
| Norway | | 7 |
| Uruguay | | 6 |
| New Zealand | | 3 |
| Russia | | 1 |
| Guatemala | | 1 |
| Hungary | | 1 |
| TOTAL | 738 | 4273 |

Positive feedback captured on the International Sheep Dog Society (ISDS) Facebook page recorded 5,186 enquiries regarding the event. In addition to that, there was Welsh TV and radio coverage as well as Welsh TV news coverage of HRH Princess Anne attendance at the event in her role of patron of the ISDS.

5. Economic Impact Assessment

The scaled down nature of the 2021 ISDS at Aberystwyth event means that the local economic impact will be much reduced compared to those having taken place in the past. An economic impact assessment has though been undertaken to evaluate the potential positive effects on the Aberystwyth and surrounding local economy. The assessment estimates both the direct and indirect effects on Aberystwyth and the local area in by taking into account the events impact on:

- Personal daily expenditure excluding accommodation
- Expenditure on accommodation
- ISDS expenditure on local suppliers and providers.

We begin by calculating the direct effects before moving on to estimate the indirect effects and providing a measure of the gross impact of the event. Our economic impact assessment will measure the events effect on local incomes and the number of local jobs supported by it. As mentioned previously the limited nature of this event has meant that the economic impact will be considerably reduced compared to those that have taken place in the past.

Personal Daily Expenditure

With visitor numbers limited daily expenditure has been allocated to the permitted attendees. We have assumed that they generate a daily spend of approximately £56 per person on private consumption expenditure excluding accommodation in the Aberystwyth and surrounding area. This might seem generous but is roughly in line with that calculated for the ISDS event in Tywyn Gwynedd. We assume that fewer than the 499 attendees actually paid that amount as some were local workers and would have either brought their own food or returned home for meals. We have, though, assumed that 80% of the attendees did carry out expenditure on food, drink and other purchases while at the event and in the local community.

On this basis, we estimate that the event generated **£67,200** worth of extra daily expenditure in the local economy.

Expenditure on Accommodation

Aberystwyth is a popular tourist destination and with the increase of staycations, this placed great pressure on places to stay prior and during the event. The majority of the visitors to the ISDT found accommodation within Aberystwyth and the surrounding area and, therefore, positively supported the local economy. Attendees principally stayed in three locations. These were Llety Parc (a private hotel in Aberystwyth), Penbryn Hall (Aberystwyth University accommodation) and holiday cottages in the surrounding area. Costs ranged from £85 per night at Penbryn, £120 at Llety Parc to £400 per night in a holiday cottage sleeping four people. Given the restricted nature of the event visitor data was not collected as in the past so assumptions have had to be made regarding where people stayed and how much they paid. We have assumed that on average each person (or his or her supporters) paid £100 per night for accommodation while attending the event. We assume that only those who travelled to Aberystwyth to participate in or work at the event stayed in hotels or rented cottages. We assume, therefore, that 200 people availed themselves of local accommodation for the full three nights of the event.

On this basis, we calculate that **£60,000** was spent on local accommodation as a result of the event.

Spending by the ISDS on local providers

A further level of expenditure that needs to be taken into account is that carried out by the Society on local suppliers in putting on the event at Aberystwyth. Expenditure can be categorised as applying to the marketing and promotion of the event including streaming, hospitality, prizes and merchandising as well as those costs involved with running the event on a daily basis such as the rental of land, security/stewards, transportation of sheep, fencing and lighting, water connection and waste disposal.

Assuming that the expenditure shown in the ISDS' accounts all went to local enterprises and individuals £71,165 was spent in the locality over the period of the event.

Adding together all the above items of expenditure total direct expenditure of the ISDS event can be estimated as £198,365

This total underestimates the gross impact of the event as expenditure on staging it will also have had two additional impacts on the Aberystwyth and local economy. These are:

- **Supplier effects:** Businesses experiencing an increase in sales will need to purchase more supplies than they would have otherwise. A proportion of this additional effect will benefit the sales of other suppliers in the local economy.
- **Income effects:** These will arise from local businesses that having seen an increase in sales will lead them to either hire more employees and so increase employment in the area or lead them to increase the incomes for those already employed via extra payments such as overtime. A proportion of these increased incomes will again inevitably be re-spent in the local economy.

The initial expenditure on staging the event will, therefore, have multiplier effects on both incomes and employment in the local economy. In calculating these indirect multiplier effects, we used the Scottish Tourism Multiplier Study (STMS) figures. These are standard and widely accepted estimates of supplier and income multipliers for the tourism sector.

The STMS estimates that the combined supplier and income multiplier for a rural location is 1.65 at the local level while that for overnight stays is estimated to be 1.57. Applying these standard figures to the calculations, we have presented above leads to the following impact:

| | | |
|------------------------------------------------|-----------------------|-------------------|
| Personal total expenditure | £67,200 x 1.57 | = £105,504 |
| Expenditure on Accommodation | £60,000 x 1.65 | =£ 99,000 |
| Spending by the ISDS on local providers | £71165 x 1.65 | =£ 117,422 |
| Total Gross Economic Impact | | =£321926 |

Employment Effects

While the economic impact can be summarised on monetary terms one can also calculate the employment effects of staging the event in terms of the number of jobs sustained in the Aberystwyth area. To do this we again use standard impact figures that suggest that for every £54,000 spent one job in the local economy is safeguarded.

On this basis, we estimate that:

£321,926/£54,000 = 6 jobs were safeguarded in the local economy.

6. Findings

The purpose of this impact study was to estimate the effect that the ISDS 2021 Ceredigion Aberystwyth trials had on the local economy. Staging the event at the time of a pandemic was a bold undertaking. At the initial planning stage, it was uncertain that the event would go ahead. Working within the Welsh Government's rules it was decided to mount a very much slimmed down event limited to participants, officials and personnel required to run it. Ceredigion County Council granted permission for an event open to no more than 499 people. Given these numbers the economic impact on Aberystwyth and its surrounding economy are highly limited compared to previous ISDS events in other areas but, as our figures show, it was positive in terms of **incomes generated £321,926 and jobs safeguarded 6 in the local economy.**

It has to be noted, furthermore, that the event met its key objectives. It covered its costs and produced a small surplus for the ISDS. In short, it was financially viable. It also provided a venue for competitors to participate in an event that showcased the handlers' skills and those of their sheep dogs in a safe, welcoming and enjoyable environment. No Covid-19 cases have been traced back to the event. The innovative idea to live stream the trials also met another objective namely to raise the profile of Wales as a tourist destination.

7. References

MKA Economics, (2016). International Sheep Dog Trials 2016: An Economic evaluation, Final Report.

Surrey Research Group, (1993). Scottish tourism multiplier study. Scottish Tourist Board.