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A Post-event Examination of the Socio-economic Impacts of the 2008 Olympic Games

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ABSTRACT

The study attempts to examine the host residents' perceptions of the post-event economic and social impacts of the 2008 Olympic Games on both community level and personal level, as well as their overall attitude towards the Games based on the two levels of impacts. The results showed that host residents held a more favorable perception of the impacts on the community than on their personal lives. Their overall attitude toward the Games was mainly formed upon community-level outcomes other than personal rewards. The study revealed unique insights of mega-event social-economic impacts in a traditionally collectivism-oriented culture and society, and provided new perspectives on the social exchange theory and social representation theory.

Keywords: social-economic impact, Beijing Olympic Games, attitude, host residents

INTRODUCTION

Understanding the impacts of tourism development has been one of the most fundamental subject areas in the tourism literature (Xiao & Smith, 2006). In recent decades, growing research attention has been given to the impact assessment of tourism events (Dwyer, Mellor, Mistillis, & Mules, 2000; McHone & Rungeling, 2000; Ritchie, 1984; Sherwood, 2007), parallel to governments' and practitioners' increasing recognition of events as tourism attractions and an effective destination marketing tool (Dwyer et al., 2000; Getz, 2008). Of particular interest are the impacts of mega-events (Fayos-Sola, 1998; Getz, 1999; Kang & Perdue, 1994; Lee & Taylor, 2005), such as the Olympic Games (Malfas, Theodoraki, & Houlihan, 2004; Teigland, 1999). Following this line of research, the present paper will report findings from a post-event survey on local residents' perceived impacts of the 2008 Beijing Olympic Games.

Although previous studies on tourism impacts have adopted a number of theoretical perspectives (Harrill, 2004), the social exchange theory (SET) and social representations theory (SRT) are arguably the most widely applied (Zhou & Ap, 2009). SET assumes human interactions generally involve rational economic evaluations, and suggests individuals will engage in exchanges if "(1) the resulting rewards are valued. (2) the exchange is likely to produce valued rewards; (3) perceived costs do not exceed perceived rewards..." (Jurowski, Uysal, & Williams, 1997, p. 3). In the tourism context, SET suggests that local residents form their attitude toward event-related impacts based on experiential or psychological outcomes associated with the event (Waite, 2003). Individuals who perceive the benefits to be greater than the costs tend to be more supportive to the event (Ap, 1992). SRT advocates argue that not all residents have direct experiences with the event, and their perceptions/attitudes toward an event

may come from their social interactions or media (Fredline & Faulkner, 2000; Pearce, Moscardo, & Ross, 1996). Essentially, such perceptions are residents' social representation —defined as “systems' of preconceptions, images and values which have their own cultural meaning and persist independently of individual experience” (Moscovici, 1983, p. 122). Presumably, when individuals are asked to evaluate an event's overall impact on their community, or when the event being assessed has not happened yet, their responses are more likely to reflect social representations, which may or may not reflect the reality (Ying, 2004). The present authors view the two theories being complementary to each other, with SET seemingly more helpful in explaining perceived impacts at individual level (i.e., impacts on one's life), whereas SRT useful in understanding perceptions at collective/community level (i.e., impacts on the host population as a whole). This study will investigate Beijing residents' perceived impacts of 2008 Olympiad at both individual and community levels guided by both theories.

The 2008 Beijing Olympic Games was recorded as the most attended (Anet, 2008) and viewed Game in history (Nielsen, 2008). Aiming to stage the greatest Olympic Games ever (Meng & Li, In press), the Chinese government committed unprecedented amount of financial (i.e., reportedly exceeding \$40 billion in both sport and non-sport facility investment (Martin, 2008)) and human resources (e.g., over 320,000 people volunteered to work for the Game (Associated Press, 2007)) to the Game. Despite such huge investments, the 2008 Games received tremendous public support within China (Tang, 2001) – reportedly 94% of Beijing residents supported the bid for the Games (Zhou & Ap, 2009). A survey by Zhou and Ap (2009) conducted in 2006 showed that Beijing residents generally viewed the event-related impacts positively. Nevertheless, as Zhou and Ap (2009) acknowledges, a pre-event survey like theirs can only reflect respondents' preconception rather than actual experiences. Further, most previous studies assess impacts either at the community level or personal level. Rarely were respondents asked to report their perceived event impacts on both. The present study attempts to fill in these gaps. Specifically, the purposes of this study are: 1) to identify and compare the local residents' perceptions of the post-event economic and social impacts of the 2008 Olympic Games on both the community level and personal level; 2) to examine important contributing factors of local residents' overall attitude towards the Olympic Games based on the impacts on the host community and residents' personal lives.

METHOD

Data used in this study come from a larger project examining post-event social and economic impacts of the Beijing Olympic Games on the local community. The population of interest was defined as adult (aged 18 or above), local residents of Beijing who stayed in the city during the 2008 Olympic Games. The data collection was conducted three months after the Beijing Olympic Games ended. Similar to Zhou and Ap (2009), phone surveys were applied through random digit-dialing system to eight urban districts in Beijing city area by proportionate sampling based on the population of each district.

Trained interviewers used the computer-assisted telephone interviewing system to call the households identified through the random digit-dialing approach. Once the phone was answered, the interview asked the person older than 18 whose birthday was closest to January 1st to take the survey. This method ensured the randomness of the selection process of the qualified

respondents (Mihalik & Simonetta, 1999). The phone calls were made on weekdays and weekends from 9:00AM to 9:00PM to make sure that people of various ages and employment/occupations would participate in the survey. A call-back procedure was adopted to minimize non-response biases that might result from residents not being home. Each phone interview lasted 20-25 minutes. As a result, a sample of 800 responses was collected. The overall response rate, calculated by using the number of completed interviews divided by the number of completed interviews plus the number of refusals and the number of uncompleted calls, was 15%.

The survey included the following major parts: perceptions of the economic impact, social impact of the Beijing Olympic Games on the local community; overall attitude and satisfaction toward the Games; residents' sports attachment and involvement; and demographic and socio-economic characteristics of the respondents such as age, gender, education, income, and occupation. Both structured and unstructured questions were included in the survey. The major survey instrument of social-economic impacts was developed based on extensive literature review of related studies (for example, Ritchie & Lyons, 1987, 1990; Ritchie & Aitken, 1984, 1985; Waitt, 2001, 2003; Faulkner et al., 2003; Fredline, Jago, & Deery, 2003). Respondents were asked to indicate their perceptions of the economic (7 items) and social (20 items) impacts of the Olympic Games in the general term. They were then asked to assess the effect of the economic and social changes/outcomes on their personal life.

The survey instruments were first developed in English, and then translated into Chinese by the leading researcher. The Chinese translation was reviewed and edited by other three bilingual researchers, and pilot tested before the survey was officially launched.

RESULTS AND DISCUSSION

Analysis of the demographic characteristics revealed that the respondents were about even in terms of gender, with 50.5% of males and 49.5% of females. Almost half of the respondents (43.8%) were 25 to 44 years old, followed by the age group of 55 and beyond (21.8%), and the average age of the sample was 41. The majority of the respondents (66.1%) were married and 30.0% were single. Most of the people (60.8%) surveyed had some college education or college degree, including the associate degree. The respondents had lived in Beijing for an average of 31.5 years, with the median number of 30 years of residency in this city.

The results of paired t-tests showed that the respondents had significantly different perceptions of the social-economic impacts on Beijing as a general term and on their personal lives. Specifically, respondents had a strong belief that Beijing received economic and social benefits by hosting the 2008 Olympic Games. However, when considering the impact on their own lives, they held a much less favorable perception in terms of the personal economic gains and social outcomes ($p < .001$ in most items). Comparatively, the respondents reported higher mean scores on most social impact questions than economic queries. Furthermore, economic benefits of hosting this event seemed not very crucial, as only 6.6% of the respondents considered it the most important criteria to measure the success of the Beijing Olympic Games. Instead, showing China's capability, social and culture values to the world was the most valuable outcome of hosting this event (54.9%), followed by national spirit enhancement (20.6%), and performance of the Chinese athletes (12.4%). Interestingly, unlike most previous Olympic

research, which reported negative social impacts such as traffic congestion, crime increase, and over-crowdedness issues, this study revealed the opposite results.

Factor analysis of the perceived social and economic impacts on the community level and personal level demonstrated slightly different dimensions. Five factors were identified on the community level and labeled as: Economic Benefits (CEI1), Economic Costs (CEI2), Psychological & Tangible Impacts (CSI1), Social & Personal Life Impacts (CSI2), and Societal Resource Impacts (CSI3). Four factors were generated regarding the impacts on the personal level: Economic Impacts (PEI), Psychological & Tangible Impacts (PSI1), Social Life Impacts (PSI2), and Personal Life Impacts (PSI3).

Multiple regression analyses were then used to examine the important factors which contribute to the residents' perception of the benefit versus cost on the community and personal level respectively. Regarding the community benefit/cost evaluation, the dependent variable was "Overall, for my community (Beijing), the benefits outweigh the costs of hosting 2008 Olympic Games", and the five factors of community impacts served as independent variables. In terms of personal benefit/cost perception, "Overall, for myself, the benefits I received outweigh the costs I paid for 2008 Olympic Games" was the dependent variable, and the four personal impact factors were independent variables. The results showed similar patterns: Economic Impact (or Economic Benefit on community level) and Psychological & Tangible Social Impact (on both community and personal levels) were the most important factors that predict respondents' benefit/cost perception of hosting the Olympic Games. The two regression equations and related statistic results were presented below.

CIE (Community Impact Evaluation) = 3.754 + .175*CEI1 + .166*CSI1 (R²=.093; F=16.215, p<.001)

PIE (Personal Impact Evaluation) = 3.385 + .291*PEI + .090*PSI1 (R²=.136; F=31.319, p<.001)

Finally, residents' overall attitude of hosting the Olympic Games was examined based on the combination of perceived impacts on the community and personal level. A latent variable of overall attitude, as the dependent variable, was generated by applying factor analysis on four items (variance explained: 59.09%, eigenvalue= 2.363, Cronbach's alpha=.77). The results indicated that among all the impacts on the community and personal level, three community factors, namely Economic Benefits (CEI1), Psychological & Tangible Social Impact (CSI1), and Social & Personal Life (CSI2) were the most important to predict and evaluate residents' attitude toward hosting the Olympic Games. None of the personal factors were statistically significant.

ATD (Attitude) = 4.244 + .154*CEI1 + .426*CSI1 - .072*CSI2 (R²=.323; F=41.798, p<.001)

The results revealed that to the host residents, impacts on the community are much more crucial indicators than personal impact factors to form the overall attitude toward Beijing Olympic Games. As 92.2% of the respondents either support (33.1%) or strongly support (59.1%) hosting the 2008 Olympic Games, they were very much willing to set priority to the community benefits over their personal outcomes.

CONCLUSION

Mega events provide both opportunities and challenges to a host community and its residents. The study explored and compared the local residents' perceived social-economic impacts of the Beijing Olympic Games on both the community and personal levels, and examined the combined effects of these impacts on host residents' overall attitude toward the event. The results provided a better understanding of local residents' evaluation on the benefit versus cost of hosting the Beijing Olympic Games. The study revealed some unique insights of mega-event social-economic impacts in a traditionally collectivism-oriented culture and society, and provided new perspectives on the social exchange theory and social representation theory.

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