The 2010 Ryder Cup – Executive Summary

Background

The Ryder Cup is a biennial golf competition between teams from Europe and the United States. The competition is jointly administered by the PGA of America and Ryder Cup Europe LLP, and is contested every two years, the venue alternating between courses in the United States and Europe.

The 2010 Ryder Cup was hosted in the first week of October by The Celtic Manor Resort on a course, the Twenty Ten, specifically designed and built to host The Ryder Cup using the natural contours of the Usk Valley. The Celtic Manor Resort is located within the Newport City Council area in Wales. The event began with practice on Tuesday 28th September with the matches starting on Friday 1st October. The weather proved to be too wet to complete the matches in the allotted timeframe and hence the event was extended to Monday 4th October when Europe overcame The United States by the smallest of margins – 14½ to 13½.

It was recognised from the outset that for Wales to maximise the economic benefits of hosting The 2010 Ryder Cup there were key influencing factors that needed to be addressed. Therefore, more than five years before the event, research was undertaken to provide initial economic impact return estimates and to focus attention on how to increase return. When The Ryder Cup was held in Ireland in 2006 an economic impact assessment was undertaken specific to the Dublin and Irish marketplace and the information from this was used to update estimates for the return to Wales, taking into consideration the very different locations of the host venues i.e. The Celtic Manor Resort is located close to the English border which would inevitably give rise to a loss of revenue to Wales. That initial piece of work, conducted in very different economic times, estimated the likely economic impact to Wales of event week 2010 could be £73m.

This pre planning process highlighted the requirement for an in-depth study of The 2010 Ryder Cup to provide a robust and detailed economic impact analysis to give results for:

- Newport – the host city and county for the event
- South East Wales – the local area (Monmouthshire, Torfaen, Newport, Blaenau Gwent, Caerphilly, Cardiff, Merthyr Tydfil, Rhondda Cynon Taf, Bridgend & The Vale of Glamorgan)
- Wales – the host country for the event
- UK (spectator, hospitality and volunteer impact only - excluding contractor expenditure)

Ryder Cup Europe LLP, who own the rights to, and stages the Ryder Cup when it is in Europe, worked closely with a range of interested parties (see below) to extend the remit to measure not only the economic return, but also the wider benefits of hosting the event. Hence, a full programme was designed to meet the needs of all the stakeholders:

- Ryder Cup Europe LLP – the event organiser
- Ryder Cup Wales 2010 Ltd – set up in 2003 to deliver on the Welsh Assembly Government commitments set out in Wales’ successful bid for The 2010 Ryder Cup
- The Celtic Manor Resort – the host venue for The 2010 Ryder Cup
- Newport City Council – the host local council for the event
- EventScotland – the hosts for the next European staging of the event at Gleneagles, Scotland in 2014
- UK Sport – responsible for investing public money in high performance sport in the UK and for coordinating the bidding for, and staging of, major sports events.
The Economic Impact of The 2010 Ryder Cup

The Total Direct Economic Impact for Wales of the 2010 Ryder Cup event held from 28th September to 3rd October (excluding the additional Monday’s play) was £82.4million, including South East Wales drawing an impact of £74.6million, and Newport £28.3million.

The Direct Economic Impact for Wales was £53.9m, while South East Wales saw an impact of £48.7m, and Newport £18.5m; these figures discount the adjustments made through the application of multipliers which capture the 'secondary impacts' of additional spending within the Welsh economy.

Spectator expenditure comprised almost 70% of the Direct Economic Impact on Wales with contractors (either Welsh based, using Welsh based products / services, or staying in Wales) the second most significant sector, contributing 17% of the value.

Hospitality return was lower than previous years mostly due to the shift in economic conditions. Over 170 companies hosted guests but there were more smaller local companies taking individual tables on a daily basis than in previous years, which reduced off-site expenditure. Volunteers helping at the event made a significant contribution of almost £1.3million.

<table>
<thead>
<tr>
<th>Expenditure Group</th>
<th>Newport</th>
<th>South East Wales</th>
<th>Wales</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spectators</td>
<td>£12.3m</td>
<td>£35.0m</td>
<td>£37.2m</td>
<td>£25.5m</td>
</tr>
<tr>
<td>Hospitality</td>
<td>£2.5m</td>
<td>£5.8m</td>
<td>£6.2m</td>
<td>£1.8m</td>
</tr>
<tr>
<td>Volunteers</td>
<td>£0.6m</td>
<td>£1.2m</td>
<td>£1.3m</td>
<td>£0.7m</td>
</tr>
<tr>
<td>Contractors</td>
<td>£3.0m</td>
<td>£6.7m</td>
<td>£9.1m</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£18.5m**</td>
<td>£48.7m</td>
<td>£53.9m</td>
<td>£28.0m**</td>
</tr>
</tbody>
</table>

*Using Welsh based multipliers  **Excluding contractor expenditure

The extension of play to Monday gave rise to a marginal increase in return, mostly in terms of off-site expenditure for accommodation. We estimate the additional Monday revenue to be in excess of £1million for spectators, hospitality, volunteers and infrastructure spend. NB. This estimated figure has NOT been included within this economic impact study.

1 Derived from the Direct Economic Impact plus the impact created by the suppliers of the sectors of the economy that service The Ryder Cup, and by local employees in the industries positively affected by The Ryder Cup from purchasing domestically produced goods.

2 The immediate net change in economic activity in the sectors of the economy that service The Ryder Cup (e.g. accommodation, restaurants, car hire etc.) in terms of output or employment - including expenditure by people or firms from outside the catchment areas of Newport and Wales and payments made to companies within the catchment areas, but excluding secondary impacts as in 1 above.
The Research Programme

The 2010 Ryder Cup research programme began 12 months in advance to understand the complex nature of data and information which could be made available and to ensure that all stakeholders’ requirements were met. The scope of the study was for the duration of the event itself. Full use was made of existing surveys, published data and the provision was made for those involved to provide detailed inventories of income and expenditure. Where data could not be collected in these ways, tailored surveys were undertaken amongst the target markets to gain the data required.

The attribution of data to the separate economies of Newport, South East Wales, Wales and the UK was helped enormously by the ticket application and allocation process. Due to the demand for Ryder Cup tickets and the need for security, Ryder Cup Europe LLP used an electronic ticket ballot system which provided detailed breakdowns by postcode for the ticket buyers.

The study focused on the host nation of Wales but there was a requirement to measure the return from a UK perspective from spectators, hospitality and volunteers. Hence, the analysis of attendees broadened further to distinguish between Wales, Rest of the UK and overseas residential profiles.

The full research programme combined its resources to provide information for the economic impact analysis as well as the areas required in analysing the benefits of hosting The Ryder Cup:

For the Economic Impact Survey directly:

<table>
<thead>
<tr>
<th>Spectators</th>
<th>1,252 at event face to face interviews with the spectators who were responsible for paying most of the bills within their group. Quotas were set by day and by residential profile (from the ticketing database).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitality</td>
<td>Email and telephone follow up calls after the event with the 170 event organisers resulting in 42 surveys matched to company type, day and location for analysis.</td>
</tr>
<tr>
<td>Volunteers</td>
<td>On-line email survey issued to the 1,600 volunteers with 262 responses weighted to match residential profiles.</td>
</tr>
<tr>
<td>Contractors</td>
<td>Detailed information was provided by Ryder Cup Europe LLP and its contractors on expenditure by region on all areas of infrastructure, staging, media, management and players/entourage for the event.</td>
</tr>
</tbody>
</table>
For additional event benefit analysis:

<table>
<thead>
<tr>
<th>Spectators</th>
<th>A post event email survey via a Ryder Cup Europe LLP newsletter providing 2,872 responses weighted to match residential profiles.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Golf Clubs</td>
<td>50 email and telephone surveys amongst golf courses in Wales and English borders undertaken post event.</td>
</tr>
<tr>
<td>Local Businesses</td>
<td>401 telephone and face to face interviews with local businesses, during and after the event, in Wales and the English borders covering accommodation, restaurants, tourism, retail and services.</td>
</tr>
<tr>
<td>Local Wales Residents</td>
<td>Questions added post event to a Wales Residents omnibus resulting in 1,012 interviews.</td>
</tr>
<tr>
<td>GB National Population Tracker</td>
<td>Questions were added from March to December 2010 to a GB Omnibus to provide 3,138 interviews with monthly analysis.</td>
</tr>
<tr>
<td>Visit Wales Golf Tourism Monitor</td>
<td>This study has been undertaken over a number of years measuring rounds played at golf courses in Wales with additional in-depth interviews with golf tourists.</td>
</tr>
<tr>
<td>Media Analysis</td>
<td>The analysis of brand exposure on TV and in on-line print articles for The Ryder Cup, Visit Wales, Celtic Manor Resort and Newport City Council.</td>
</tr>
<tr>
<td>Occupancy Data</td>
<td>The provision of hotel occupancy data from 2004 to 2010 for Cardiff and Newport.</td>
</tr>
<tr>
<td>M4 Congestion Analysis</td>
<td>A specific report regarding congestion of the M4 during The Ryder Cup.</td>
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</tbody>
</table>

The implementation of surveys and collation of data was undertaken by IFM Sports Marketing Surveys Ltd, and an independent economist with experience of sports and specifically golf events undertook the analysis for the economic impact study. The intention was that the method used for undertaking the economic impact assessment should be broadly in line with that of the eventIMPACTS toolkit developed by UK Sport in association with a consortium of partners who have an interest in supporting major public events in the UK. The 2010 Ryder Cup Economic Impact Assessment benefited from a comprehensive set of data and a very accurate measurement model which segmented the attendee profiles in line with different spending patterns to provide a more accurate assessment than average attendee data.

The primary objective was to provide Direct Economic Impact data. However, to enable comparisons to be made with other event studies where multipliers had been applied, use was made of multipliers specific to Wales, to provide Total Economic Impact figures.
The 2010 Ryder Cup

Spectators

Despite the poor weather there was an almost capacity attendance throughout the event. Based on ticket sales and scanning at points of entry onto the course, it was estimated that almost 250,000 visits were made by spectators to the Ryder Cup from the first Tuesday of practice (28th September) to the extended final days’ play on Monday 4th October 2010.

73% of spectators who were interviewed at the event, described The 2010 Ryder Cup as “exciting”. Spectators commented that the event was “well organised” and “prestigious”.

Many spectators attended for multiple days and it is estimated that ~118,000 individuals attended The 2010 Ryder Cup with a cross section of those from Wales, the Rest of the UK and overseas.

74% of Welsh residents interviewed strongly agreed that Wales as a host nation for The 2010 Ryder Cup “gave them pride in their country”.

The average number of days attended was 2.3 with a clear trend for overseas visitors to stay longer (average 3.3 days) and to come in larger groups. Over a third of spectators lived in Wales; over half were from elsewhere in the UK; and more than 10% were overseas visitors.

69% of overseas visitors interviewed agreed that the staging of The 2010 Ryder Cup in Wales had made them more likely to return to Wales for a short break or holiday.

Golf events attract keen golfers who admire the players and aspire to play the same course. The 2010 Ryder Cup was no exception with 89% of spectators currently playing golf and a further 6% having played the game previously. A combination of the general golfer profile and an event on weekdays and weekends provided an eclectic mix of individuals in professional/senior management or who were retired, choosing to come with spouses, friends, family or fellow golf club members.

77% of local golf club representatives interviewed after the event felt that golf tourism would increase in the long term in Wales as a result of the hosting of The 2010 Ryder Cup.
Reflecting the UK golfing population generally, the majority of spectators (79%) were male. A wide cross section of ages attended with female spectators tending to have a slightly older profile than the men.

The vast majority (80%) of spectators reached The Celtic Manor Resort by car, using the park and ride facilities which were rated highly. The congestion expected on the M4 around the event did not materialise due to early planning, signposting and routing to the relevant parking facilities. Over three quarters of car drivers were satisfied with the traffic flow to the event and the signage to the park and ride. A congestion study undertaken by the Welsh Assembly Government concluded congestion costs had been limited to £100,000-£200,000. Overseas visitors mostly arrived in the UK by plane then made use of hire cars or the train.

At the course, spectators made good use of the tented village for food and beverages and for merchandise purchases. There was an overall good feeling with the welcome received and the facilities provided – 86% were satisfied with the welcome received reflecting the staffing and volunteer structure at the event. The big screens added to the experience to allow the spectators to watch play from all around the course with almost 80% satisfied with the number of screens – these played an important part in the competition with the European Captain, Colin Montgomerie, requesting these to show “blue” to build a positive environment for the home players and spectators.

All spectators had to purchase their tickets before the event and hence had planned their trip to The Ryder Cup well in advance with half staying overnight or extending their stay after the event. Most spectators stayed local to the venue in Newport or SE Wales although a small proportion opted to stay in England. Nearly all, 97%, of overseas visitors who were generally staying for longer, stayed overnight – two thirds opting to stay in Wales. Most stayed in commercially operated accommodation typically 3* hotels, guest houses or bed and breakfast establishments, with the overseas spectators more likely than domestic spectators to opt for the higher end (4 or 5*) hotels, most likely booked through a package.

81% of spectators interviewed had seen Welsh language on signage or heard Welsh spoken at The 2010 Ryder Cup.

57% of spectators interviewed had stayed or played at The Celtic Manor Resort before attending The 2010 Ryder Cup.

71% of non-Newport residents, who attended The 2010 Ryder Cup and were interviewed, agreed that their visit to the event had enhanced their image of Newport as a visitor destination.
**Hospitality**

The 2010 Ryder Cup offered five different locations to host guests around the course, with different formats and packages:

1. The Past Captains Club with a lounge and restaurant on two tiers overlooking the 18th green;
2. The Harlech Pavilion on three tiers also overlooking the 18th fairway, and playing host to the majority of the event partners, governing bodies, and providing meeting rooms;
3. The Caerffili Pavilion on two tiers overlooking the 17th green mostly hosting partners and suppliers;
4. The Conwy Club, a two tier restaurant complex catering mostly for Celtic Manor Resort members;
5. The Kidwelly Pavilion on two floors, housing the Presidents Club, Celtic Manor Resort guests and hospitality guests from individual companies.

Partners of the event and the European Tour were provided with hospitality as part of their sponsorship rights inventory with other companies buying their packages separately. Sales of hospitality packages are not included within the economic impact survey as these monies go direct to Ryder Cup Europe LLP which is not based in Wales. However, any expenditure by the contractors in Wales for set up, staffing or catering suppliers was accounted for within the contractor element of the economic impact assessment.

The economic climate forestalled sales of hospitality and in the run up to the event different options were provided to attract smaller companies to attend taking tables of 10 guests for one day or more. This ensured a full hospitality programme but impacted on the overall economic impact return, as the smaller companies were more likely to be local and therefore had limited requirements for off-site accommodation.

Overall 172 companies were represented at The 2010 Ryder Cup with 15,441 guest days. The average attendance was 1.4 days across all hospitality areas, resulting in a total of almost 11,500 individual guests attending. Event organisers (excluding catering staff) also brought 512 of their own staff to look after the guests and stayed for longer (2.4 days average).

The vast majority of the economic return from hospitality, both guests and staff, came from off-site activities – accommodation, food and beverage and additional events.
Volunteers

A total of 1,600 volunteers were recruited from Wales (40%), the rest of the UK (50%) and overseas (10%). The majority (87%) were male with 80% aged over 45 years, reflecting a third being retired. Those working were mostly in professional or senior management positions and all were current (98%) or lapsed (2%) golfers.

Most of the volunteers were marshals on or around the course with a fifth having leadership roles. Almost 90% had volunteered before at some form of sporting event, with 29% having marshalled at a previous Ryder Cup.

These volunteers gave a significant amount of their time, with most staying for 8 days of which 7 days were at the event itself. Those from Wales were less likely to need accommodation but overall 55% of volunteers did stay overnight, the majority in commercial bed & breakfasts/guesthouses.

Volunteers are a very important element of The Ryder Cup and the management of them is crucial. Those at The 2010 Ryder Cup at Celtic Manor felt that they were well trained (62%), given good instructions (67%) and their efforts were appreciated (68%). This experience has impacted on their lives with many wanting to volunteer again for The Ryder Cup (79%) and two thirds looking to help out at other sporting events.

Contractors & Infrastructure

A complex mix of services is involved in staging the Ryder Cup event, as well as the requirement for media to report, management to organise, and the players to entertain. For The 2010 Ryder Cup the emphasis was to use as many Welsh based suppliers, products and services as possible within the business realms of cost efficiencies.

The emergency services were all Welsh based using the Welsh Ambulance Service, Gwent police and local supply of fire extinguishers and medics. In terms of the staging of the event, as much as possible was sourced from Welsh based companies and local staff for the set-up of the car parks, buses, barriers, cleaning, signage, traffic management, waste disposal, telecoms, printing, stands and marquees etc.

The leading contracted catering company for hospitality and public areas made concerted efforts to use local sources for both produce and temporary staff.

The University of Wales, Newport lies within the Newport City Council boundaries and was contracted to house the majority of TV staff with other media estimated to use almost 5,000 bed nights locally around the course. The management team all stayed within the Newport area in the run up to and during the event to add to the local economy, with the players and their entourage being hosted at The Celtic Manor Resort itself.
Supplementary Information

The full research programme established that there were key factors affecting the Direct Economic Impact for Wales and the relevant regions and the relevant expenditure has been excluded from the study:

- The location of The Celtic Manor Resort on the border with England meant that:
  - Many of those attending from / based in England were able to make daily visits rather than stay overnight.
  - Loss of potential income to Wales came through:
    - Accommodation being used in England – e.g. Bristol, Bath, Gloucester
    - Contractors, although sourcing as much as possible in Wales, being able to cost efficiently transport products and services from England into Wales
    - Hospitality groups using hotels in England and hosting additional evening events outside of Wales.
- The economic conditions did affect overall attitude to attendance, length of stay and extended stays both for the public and the corporate sectors.

Wales and Ireland as the most recent hosts of the European staging of The Ryder Cup had very different locations and hence there are differences in what has been included or excluded from each of the economic impact studies undertaken:

- In 2006 the location within Ireland ensured more of the staging was sourced in Ireland with transportation costs limiting the ability to import the infrastructure required to set up the event. In Ireland in 2006 almost €30m (£20.3m at 2006 exchange rates) was included for these staging costs, in Wales in 2010 less than a quarter of this amount could be locally sourced.
- The Twenty Ten Course at Celtic Manor was specifically built to stage The 2010 Ryder Cup with the direct costs of building the course, clubhouse, bridges and bus parks estimated to be in the region of £20million, of which 90% was sourced in Wales. This figure has NOT been included within this economic impact study. However, in 2006, figures were included for the course alterations, clubhouse refurbishment and additional staffing required to update The K Club of some €5.6m (less €1million business interruptions) = £3.8m (less £0.7m business interruptions at 2006 exchange rates).
- To support The 2010 Ryder Cup the Welsh Government brought forward spending in the area for Newport and transport locations. Newport itself received advanced funding of ~£3.8m and this has not been included in the report as it was funding due to occur in the future. In 2006, Kildare County Council and Tourism Authorities invested with grants to help the event run smoothly. It was taken that these would not have happened if The 2006 Ryder Cup had not been taking place and hence a further €12.8m of public sector investment was included within the report.