Department of State Development

Summary Report

Economic Impact Assessment for Beef Australia 2015

September 2015

Queensland Government

The Department of State Development

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Introduction

Beef Australia Limited hosted the tenth Beef Australia exposition in Rockhampton from 4 May 2015 to 9 May 2015. The triennial Beef Australia event is integral to the promotion and growth of the beef industry in Australia and provides a significant economic benefit to the Rockhampton, Central Queensland and Queensland economies.

The Beef Australia 2015 Economic Impact Assessment (EIA) was undertaken by the Department of State Development (DSD) at the request of the Beef Australia Board. The objective of the assessment was to estimate the regional economic impact of Beef Australia 2015 and capture qualitative information from attendees and traders about their event experience. A Final Report[1] developed by DSD contains an in-depth analysis of the economic impact of the event, interpretation of qualitative data captured through surveying of attendees, and recommendations informed by analysis of the survey data and summary feedback from survey respondents. The Final Report will be presented to the Beef Australia Board.

This Summary Report summarises key data from the Final Report.

A previous economic impact assessment[2] was undertaken for the Beef Australia Board by Queensland Events Corporation in 2006. In order to obtain more comprehensive and detailed information about participant expenditure than had been provided by previous assessments, DSD's 2015 economic impact analysis used a more sophisticated survey instrument. A greater level of analysis, particularly related to general comments from participants, has also been undertaken. However, the 2006 assessment provides a useful comparison in relation to the estimation of the additional value added to the regional economy.

Approach

The Final Report encompasses a *quantitative analysis* of the economic impact of expenditure related to the event, a *qualitative analysis* of the experiences and attitudes toward the event of attendees and exhibitors, and recommendations drawn from the data collected and analysis undertaken. This information will be considered by Beef Australia as part of planning for future events. The regional economic impact of the Beef Australia 2015 event has been estimated using survey-collected data on attendee direct event expenditure and expenditure incurred in holding the event.

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[1] Department of State Development 2015, *Economic impact assessment for Beef Australia 2015: Final report*, Queensland Government, Rockhampton.
[2] Queensland Events Corporation 2006, *Economic and tourism value of Beef Australia 2006*, Queensland Government, Brisbane.

The analysis of expenditure data involved:

- estimating total gross expenditure at the event based on survey findings
- estimating and determining how much expenditure was deemed as additional to the region
- estimating the event's economic contribution.

The Final Report focusses on direct economic impacts for the Rockhampton local government area (LGA) and broader Fitzroy region. Specifically, it estimates the contribution the event made to gross regional product (i.e. to the Rockhampton local government area and Fitzroy region), gross state product (i.e. to Queensland) and jobs supported in the region and state-wide.

Extensive mapping of survey data was also undertaken to identify additional expenditure associated with the event in the broader local government area, region and state. Further to this, locally sourced inputs and imported inputs were removed at each geographical level to derive value added – a measure of economic contribution.

Exclusions

The following are excluded from the scope of analysis provided in this report:

- issues raised through qualitative analysis (being addressed separately by Beef Australia)
- analysis of the level of new export business negotiated through the event, and potentially collected at intervals after the event
- comparison of accommodation demand during the event to typical levels.

Event expenditure

Based on the survey responses it is estimated that:

- total event expenditure by attendees and exhibitors was $74 million, or 146.8 per cent more than in 2006 in real terms[3]
- average gross expenditure per visitor at the event was $1615, up $401 or 33.0 per cent in real terms from 2006.

[3] Note: to take into account regional expenditure, this figure includes spending by Rockhampton residents. However, in estimating the economic impacts for Rockhampton LGA, expenditure by local residents at the event has been excluded.

Table 1 – Summary of comparative expenditure at Beef Australia 2006 and 2015

	2006 event (2015 prices)	2015 event	Change	% change
Highlights of survey findings				
Number of attendees (includes exhibitors)	24 706	45 857	21 151	85.6
Total gross expenditure of attendees (includes exhibitors) ($M)	$29.99	$74.02	$44.03	146.8
Total average gross expenditure per attendee ($)	$1 214.00	$1 615.00	$401.00	33.0
Total organiser gross expenditure ($M)	$5.54	$6.50	$0.96	17.33
Additional expenditure in region^				
Attendee expenditure (includes exhibitors) ($M)	$25.27	$60.60	$35.33	139.8
Organiser expenditure ($M)	$4.32	$5.70	$1.38	31.96

^ As in the 2006 survey, this study excludes expenditure by residents living in Rockhampton as attending the event.

Comparing 2006 and 2015 event data related to the origin of attendees and number of nights stayed to attend the event reveals the following:

- Visitor numbers increased by 85.6 per cent to 45 857 in 2015, compared with 23 998 tickets issued (equating to 24 706 visitors) in 2006.
- The average number of nights visitors stayed in Rockhampton to attend the event increased by 20.9 per cent to 5.38 nights in 2015, compared with 4.45 nights in 2006.
- In 2006, 48 per cent of visitors were from Central Queensland, 2.5 per cent from overseas, 10.2 per cent from interstate and 17 per cent/22.7 per cent from non-Central Queensland/South East Queensland. In 2015, an estimated 50 per cent of visitors were from Central Queensland, 4.8 per cent from overseas, 15 per cent from interstate and 30.2 per cent from other parts of Queensland.

Image: average gross expenditure per visitor at Beef Australia 2015 increased in real terms from the 2006 event.

Estimated regional economic impacts

The 2015 event generated an estimated $66.3 million to the Rockhampton LGA region, up 124 per cent from 2006 in real terms. This expenditure includes spending by new visitors at the event, exhibitors, attendees and the event organiser, but excludes expenditure by local residents.

This translates to an additional regional gross value added of $25 million, or an estimated 0.4 per cent increase in gross regional product (GRP) to the Rockhampton LGA economy. It highlights the significance of the week-long event, particularly in terms of additional value-added activities and directly supports an estimated 315 jobs in the Rockhampton region.

The estimated economic impact of the event is most significant in the local area where the event is located (see Table 2), compared to regional and state-wide impacts. At the State level, value–adding was driven by new visitor expenditure (i.e. by interstate and international visitors) on top of that by exhibitor and event organiser activities.

"Beef Australia isn't just the best week of the year for us, it's the best six months. Country people don't just come in for what they need the week before the event, they start buying what they need six months out and will spend money on what they need, even in tough times. Beef Australia is a great opportunity for them to spend their money locally. The 2015 event was the best so far, particularly because of the trade it generated for our business, and we're looking forward to the next one."

Murray Keepkie,
Heilbronns Rockhampton – cattleman outfitters and saddlery

Table 2 – Estimated economic impacts by region for 2015 event

Expenditure categories	Rockhampton	Fitzroy	Queensland
Gross value added ($M)	25	23	18.5
Jobs supported	315	260	205

Note: numbers are rounded up/down.

The increased economic significance of the event is mainly associated with higher visitor attendance in 2015 than 2006. Other factors included an increase in the average real spend per visitor (driven by the increase in the average length of stay in the region) and an increase in the share of higher spending, including by overseas and interstate visitors (i.e. less expenditure switching as there are more new visitors to Queensland).

Together, these factors point to the growing significance of the event, including the growing national and international recognition which supports additional export activity for the state. This is in addition to the increasing integration of the event with stakeholders in the beef supply chain, other industries in the Rockhampton and surrounding Central Queensland regional economies and the state as a whole.

Qualitative data analysis

The survey captured qualitative information from attendees and exhibitors about their event participation and experience. A summary of this information provides a qualitative basis to also assess the benefits derived from the event and assist/enhance future event planning and management.

Responses to survey questions not related to expenditure were summarised using *SurveyMonkey* and analysed. Additional analysis of this survey data was also completed where necessary. Attendee behaviours and event experiences were also drawn from the qualitative data and summarised.

Event findings

Ticketing data provided by Beef Australia (see Table 3) identified that an estimated 45 857 people attended Beef Australia 2015 with an estimated 81 577 overall visits made by these people to the event. An estimated 1 600 attendees were exhibitors, being associated with 500 individual exhibitor entities. Attendance estimates were based on ticket sales reports and other information supplied by Beef Australia.

Table 3 – Attendance summary

Attendee type	Estimated attendees	Estimated visits[4]
General entry	21 975	32 135
Entertainment	4 170	4 170
Seminars	323	323
Social events	6 124	6 124
Exhibitors	1 600	8 000
Others / non-ticketed	11 665	30 825
Total	**45 857**	**81 577**

The 2015 survey was undertaken by a total of 681 exhibitors and members of the general public, or 1.5 per cent of the total number of people attending the event (see Table 4).

Table 4 – Survey responses per attendee type

Attendance type	No. responses	Event attendees	% of population
Exhibitors	159	1 600	9.9
Non-exhibitors	522	44 257	1.2
Total	**681**	**45 857**	**1.5**

[4] A *visit* is defined as a person attending the event on a particular day, which is different to the number of *attendees*. For example, an event attendee who purchases a weekly ticket and attends all five days would be counted as having contributed five *visits*, but counted as only one *attendee*.

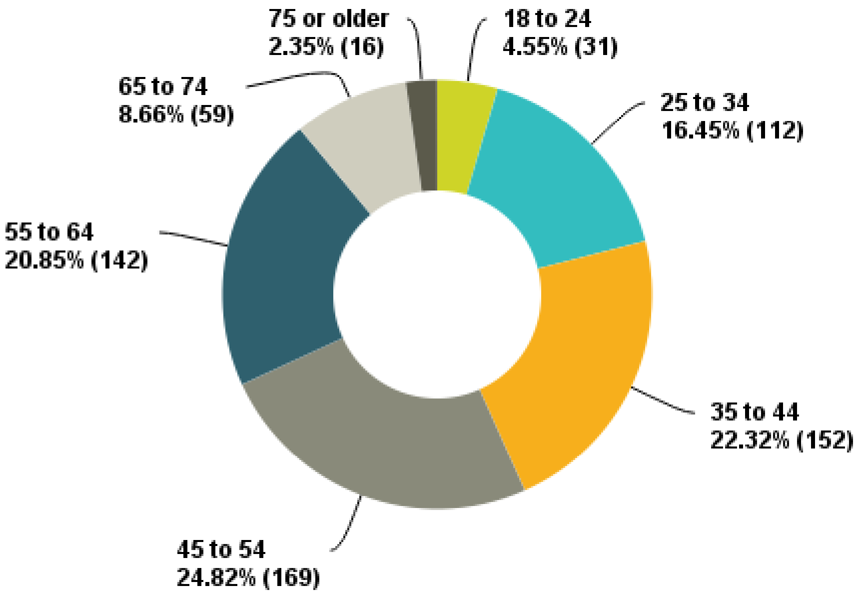

Figure 1 – Age of event attendees

Figure 1 summarises the age of respondents. Over half (56.7 per cent) of respondents were aged 45 or older, with over three quarters (79.0 per cent) aged 35 or older, suggesting the event attracts a more mature-aged demographic.

Less than 5 per cent of respondents were in the 18-24 age group, possibly suggesting the event is comparatively less appealing to younger people.

Note that the predominant age of people conducting the survey was 35 and over, possibly creating some bias towards approaching respondents in this age group. Regardless, this data provides a useful insight into the age of event attendees.

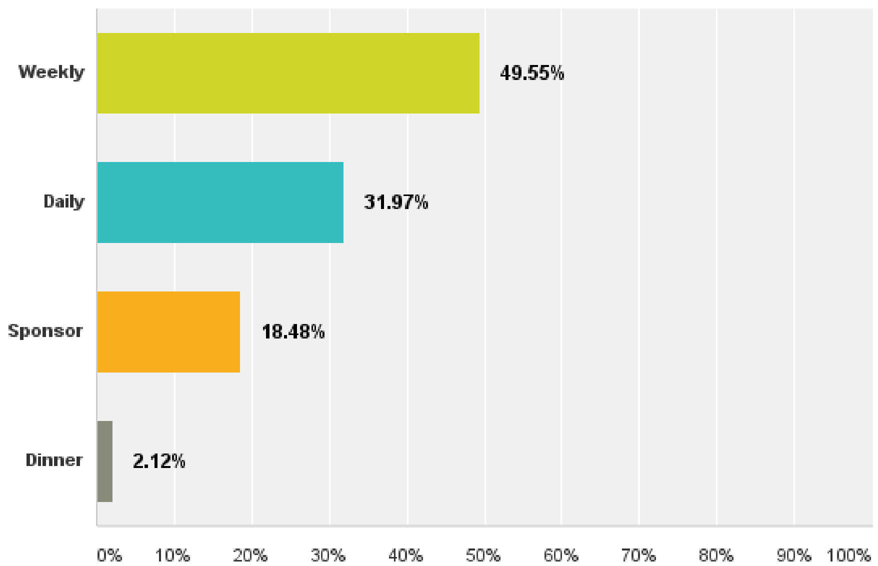

Figure 2 – Ticket type

Figure 2 summarises the type of ticket held by respondents. Weekly tickets were the most popular and were purchased by approximately half (49.5 per cent) of survey respondents. Excluding sponsor ticket holders (only allocated as a weekly option) and dinner ticket holders (one-off tickets only), 60.7 per cent of tickets purchased were for weekly entry, suggesting that a strong core of event attendees see the benefit from attending the event on multiple days.

Nearly one-third of respondents (29.3 per cent) were attending the event for the first time, of which seventeen per cent also came just to enjoy the event. This suggests that that the Beef Australia event is more than a beef industry exhibition and that the event appeals to the general public as an activity to visit in its own right.

Further analysis of response data also shows that 25 per cent of first time visitors were exhibitors (refer to Figure 3 for details).

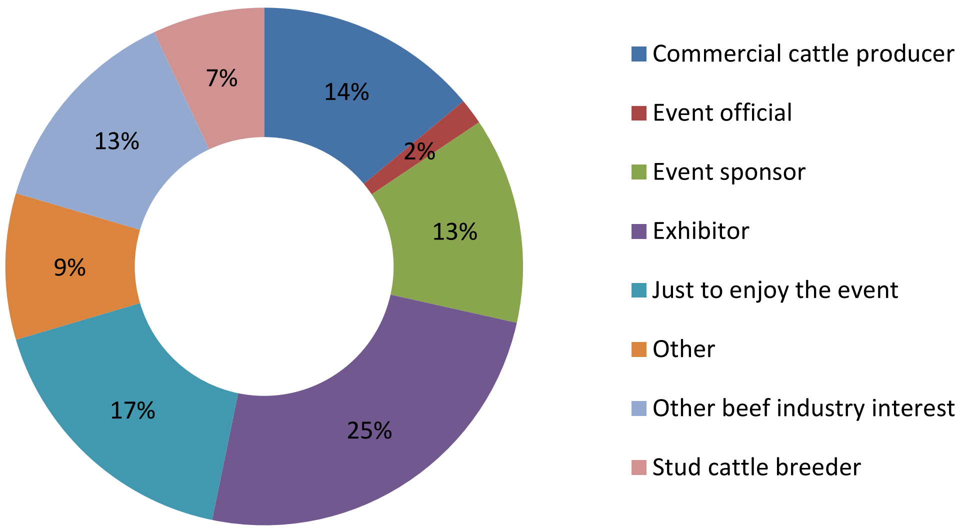

Figure 3 – Main reason for attending for first time visitors

While exhibitor types are not identified, the survey results suggest that the event's appeal extends beyond the core of beef producers into the broader beef industry supply chain, with potential interest from other non-beef industry areas e.g. general merchandise.

Nearly half (41.4 per cent) of respondents who usually live in the Rockhampton area said that they were attending Beef Australia 2015 just to enjoy the event (see Table 3) – a significantly higher proportion than respondents from other regions.

Table 3 – Attendance by reason and usual place of residence

Where are they from?	Cattle producer	Stud cattle breeder	Other beef industry interest	Exhibitor	Event official	Event sponsor	Just to enjoy the event	Other
Rockhampton area	6.1%	2.5%	13.6%	15.7%	1.0%	12.1%	41.4%	7.6%
Elsewhere in Central Queensland	36.9%	13.6%	16.5%	13.6%	1.0%	0.0%	14.6%	3.9%
South East Queensland	8.7%	13.9%	8.7%	31.3%	0.0%	20.0%	6.1%	11.3%
Elsewhere in Queensland	32.8%	9.0%	10.4%	17.9%	1.5%	7.5%	17.9%	3.0%
Interstate	22.0%	5.5%	13.2%	33.0%	2.2%	8.8%	9.9%	5.5%
Outside Australia	10.3%	24.1%	31.0%	6.9%	0.0%	3.4%	6.9%	17.2%
Grand Total	17.4%	8.8%	13.6%	20.7%	1.0%	10.1%	21.1%	7.3%

The proportion of respondents from each region who identified as being part of the core beef industry is as follows:

- Rockhampton area – 22.2 per cent
- Elsewhere in Central Queensland – 67.0 per cent
- South East Queensland – 31.3 per cent
- Elsewhere in Queensland – 52.2 per cent
- Interstate – 40.7 per cent
- Outside Australia – 65.5 per cent.

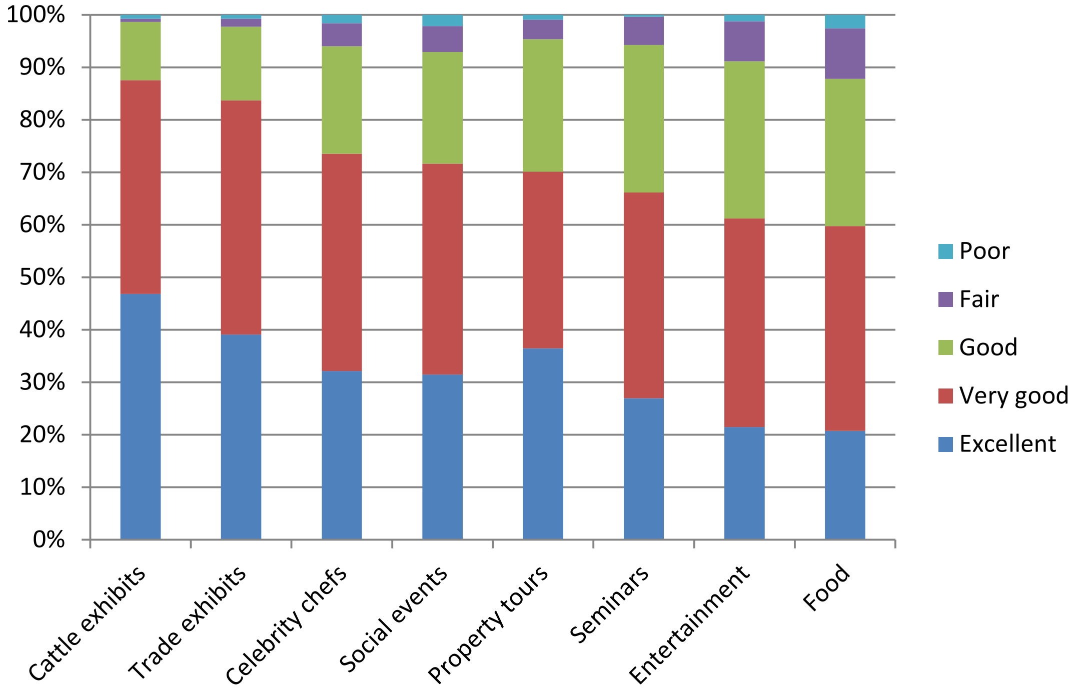

Figure 4 – Summary of event component ratings (excluding n/a responses)

Figure 4 summarises results provided by respondents across eight key event components in response to the question: 'How would you rate the following aspects of Beef Australia 2015?'[5] Results are sorted from left to right based upon combined response ratings for the event which were either 'excellent' or 'very good'.

Cattle exhibits and trade exhibits were clearly the two favourite event components, with 87.5 per cent and 83.7 per cent of respondents rating these as 'excellent' or 'very good', respectively. The remaining event components range from 73.5 per cent (celebrity chefs) to 59.8 per cent (food). These results demonstrate a generally high level of satisfaction across all event components.

Figure 5 summarises respondent feedback, ranked from most important (1) to least important (8), across eight key event components. For example, approximately 38 per cent of respondents ranked Trade exhibits as the most important event component (ranking of 1), approximately 36 per cent ranked as second most important (ranking of 2) etc.

[5] *Not applicable* responses have been excluded.

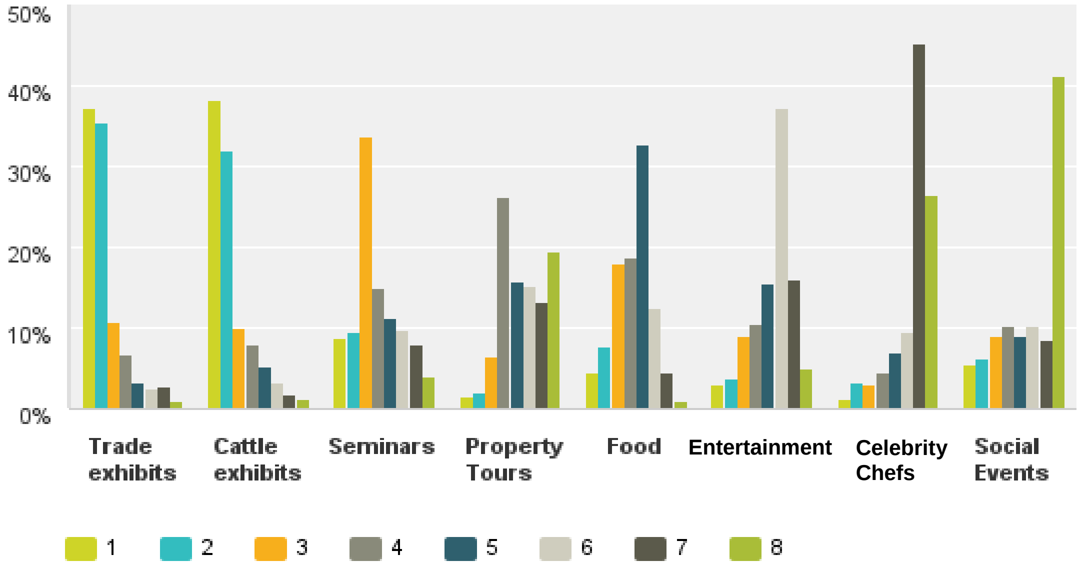

Figure 5 – Ranked importance of event components

Overall rankings by respondents, from most to least important, are as follows:

- Trade exhibits and cattle exhibits – equal 1st
- Seminars – 2nd
- Property tours – 3rd
- Food – 4th
- Entertainment – 5th
- Celebrity chefs – 6th
- Social events – 7th.

As a 'n/a' option was not provided for this question, the results may be skewed against the listed event components exhibiting a low engagement rate. Regardless, the results show that respondents ranked the trade exhibits and cattle exhibits as extremely high and equal level of importance (99 and 98 per cent respectively) (equal first). The seminars, while demonstrating a lower – but still high – level of engagement (81 per cent), also ranked highly in importance (3rd).

Image: Beef Australia 2015 seminars were well attended.

Conclusions

Improving the productivity of the Australian cattle industry is a key issue for the future, particularly if Australian producers are to capitalise on the increased demand on world markets for beef. In turn, this is likely to require increased rates of capital production. With its strong reputation for producing superior quality ‘clean and green’ beef, Australia is already well-positioned to maximise opportunities related to this market demand. However, to maintain its global competitive position, the industry must continue to research ways to achieve efficiencies in production and maintain profitability in an environment where input prices are rising.

“The influx of people into the Capricornia for Beef Week proved a huge bonus for retailers, in particular retail food and accommodation businesses, for Beef Week but also for the period immediately prior to and following the event. There was also a significant boost in business confidence across the broader business community with the general consensus being that the region will continue to benefit from the exposure to potential returning visitors for months, even years to come.”

Peter Fraser, President,
Capricornia Chamber of Commerce

Events such as Beef Australia bring together a wide range of national and international industry leaders, businesses and individuals with interests associated with the beef cattle industry. The event supports the identification of business and collaboration opportunities within the industry on a domestic, national and international level, as well as facilitation of new investment and trade opportunities to support broader industry productivity.

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