Economic Contribution of Bicycling Events in Minnesota

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BACKGROUND

• The number of bicycling events in MN has increased in past decade.
• Event organizers need continuous support to sustain events.
• The economic impact of events could provide support to sustain events, but information is not available.

DATA SOURCES & COLLECTION

Economic impact analysis requires four pieces of data:

1) **Average expenditure per person per day**
   - 922 responses from surveying 26 events with an online questionnaire

2) **Number of event attendees**
   - Available from 65 events —> Used the average of the 65 events to estimate total number of attendees for all events.

3) **Ratio of event attendees that are visitors**
   - Screened out local residents vs. visitors who completed survey.

4) **Number of days per event**
   - Available from the list of bicycling events compiled by the Tourism Center in summer 2015.

These four pieces of data helped quantify the direct effect of bicycling event visitors. —> Entered direct effect into input-output model IM-PLAN to get the total contribution.

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TOTAL ECONOMIC CONTRIBUTION

In 2015, bicycling event visitors in Minnesota supported an estimated $14.3 million of economic activity. This includes $4.6 million in labor income and 150 jobs.

<table>
<thead>
<tr>
<th></th>
<th>Output (millions)</th>
<th>Employment (millions)</th>
<th>Labor Income (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>$8.5</td>
<td>110</td>
<td>$2.6</td>
</tr>
<tr>
<td>Indirect</td>
<td>$2.6</td>
<td>17</td>
<td>$0.9</td>
</tr>
<tr>
<td>Induced</td>
<td>$3.1</td>
<td>23</td>
<td>$1.1</td>
</tr>
<tr>
<td>Total</td>
<td>$14.3</td>
<td>150</td>
<td>$4.6</td>
</tr>
</tbody>
</table>

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DIRECT EFFECT

Extension used the results from the data collection to calculate direct effect.

**Average expenditure per person per day**

Each event visitor spent an estimated $121.20 in the event area.

**Number of event riders**

An estimated total of 61,610 people rode in bicycle events in 2015.

**Ratio of event riders that are visitors**

Fifty percent of riders were visitors (an estimated 30,805) in 2015.

**Number of days per event**

On average, each event was 1.4 days long.

**Non-participant visitors**

On average, each visiting rider brought 0.6 companion—those who did not ride in the event but were traveling for the event. There were an estimated 19,407 companion visitors in 2015.

**Total direct spending**

In 2015, bicycle event visitors spent $8.5 million in Minnesota.

**Visitor**

A visitor is a person traveling more than 50 miles or staying overnight.

Acknowledgement

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