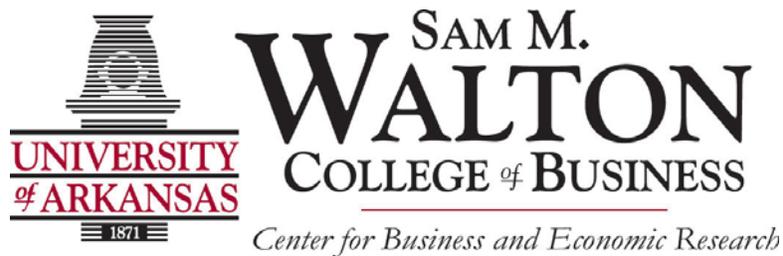


Assessing the Economic Impact of the 6th Annual Bikes, Blues, and BBQ Festival on the City of Fayetteville



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Executive Summary

This report presents the results of the surveys used to develop estimates of the economic impact of the Bikes, Blues and BBQ (BBBBQ) festival on the city of Fayetteville in 2005. In order to fully estimate the economic impact of the festival, its influence was assessed on three different constituent groups: Fayetteville residents, local businesses, and BBBBQ visitors.

The visitor survey was developed by the Center for Business and Economic Research and was administered September 28-October 1, 2005 by University of Arkansas students who were hired and trained by the Center for Business and Economic Research. The resident and local business surveys were conducted during two weeks following the BBBBQ festival. The former was managed by phone using random digital dialing by the Public Policy Research Lab at Louisiana State University. The responses to the latter were submitted in response to an online survey, hosted by the Center for Business and Economic Research. All analysis of the survey results was performed by researchers at the Center for Business and Economic Research at the University of Arkansas.

There were 421 completed Fayetteville resident surveys. Also, a total of 116 business surveys were submitted and among them were 112 surveys with usable responses. The visitor survey instrument was administered to 861 individuals during the entire period of the festival. Among them were 237 questionnaires completed by Fayetteville residents, 104 questionnaires completed by visitors who came to Fayetteville for reasons other than BBBBQ, 2 incomplete, and 4 unusable questionnaires. This left 514 questionnaires which were from out-of-town visitors who were in Fayetteville specifically to attend the BBBBQ festival.

Overall, the surveyed Fayetteville residents have a positive attitude toward the BBBBQ event and think that the festival has a positive impact on the local community. In general, the behavior of the residents and their expenditures during the festival weekend were not reported as being affected by the BBBBQ festival. Moreover, most of the surveyed local businesses either have not been affected by the BBBBQ at all or the effect has been positive. The surveyed Fayetteville residents and local businesses offered some ideas in order to make BBBBQ better for the Fayetteville community and local businesses. The suggestions from resident and business surveys were quite similar and included: relocating the events further out of town/spreading the events throughout the city, improving parking and traffic situation, finding a bigger venue for the festival/expanding the festival, and promoting local businesses.

According to the results of the resident and local businesses surveys, the total economic impact of the BBBBQ festival on the city of Fayetteville may be represented by the estimated impact of the visitors. Total attendance at the BBBBQ festival ranged from 200,000 to 300,000 individuals. Assuming that the ratio of BBBBQ visitors was the same as the survey sample proportion of 63.6 percent, the total estimated expenditures due to BBBBQ ranged from \$34.7 million to \$52.1 million. There is also obvious evidence of increases in taxes received by the city from hotels, motels, and restaurants during the period of the festival.

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1. Introduction

The Bikes, Blues, and BBQ Board of Directors approached the Center for Business and Economic Research (CBER) about conducting and analyzing surveys in order to estimate the total economic impact of the Bikes, Blues, and BBQ (BBBBQ) festival. This year the BBBBQ festival was held from September 28 to October 1, 2005.

In order to fully estimate the economic impact of the festival, this project includes surveys of residents and local businesses in addition to visitor surveys. Visitor surveys were also conducted during the festival in 2004 by the CBER as a project for the staff at the City of Fayetteville, but the analysis was deemed incomplete without information from the other important constituent groups in Fayetteville.

CBER researchers completed development of visitor survey instruments to meet the needs outlined in the statement of work in 2004. The final visitor questionnaire for this project was customized by CBER staff based on the last year's experience and the best survey practices for this 2005 project. In addition, the resident and local business survey instruments were developed in 2005. The survey instruments used for this study are appended to the report. The drafts of the surveys are given in Appendices A-C.

This report provides analysis of the resident, business, and visitor survey results and is structured in the following manner. Section 2 discusses the resident survey instrument and methodology used to conduct it as well as the survey summary statistics. Section 3 presents survey instrument, methodology, and summary statistics for the business survey. Section 4 analyses the BBBBQ visitor survey and estimates their economic impact. Section 5 examines the impact of the festival on taxes received by the city of Fayetteville and Section 6 summarizes the overall economic impact of the BBBBQ festival and concludes the report.

2. Resident Surveys

Resident Survey Instrument and Methodology

The surveys of Fayetteville residents were conducted by phone during the month following the BBBBQ festival. The survey was conducted using random digital dialing by the Public Policy Research Lab at Louisiana State University. A total of 421 surveys of Fayetteville residents were completed. The number of usable responses for each question varied from 390 to 421.

The survey has a sampling error of plus or minus 5 percent at a 95 percent level of confidence. This means that if the survey were replicated twenty times, only once will the answers differ by more than 5 percent over the answers in this report.

Bikes, Blues, and BBQ Resident Survey Summary Statistics

The resident survey results are reported below. For each question in the survey, the number and proportion of respondents who answered the question in each possible response category are reported. In addition, 95-percent confidence intervals for the proportion of responses falling in each category are reported as well.

First, the survey respondents were asked how they like the Bikes, Blues and Barbeque festival. Most of the Fayetteville residents (55.2 percent) like the festival, 38.2 percent of residents are neutral toward it, and 6.6 percent do not like the BBBBQ event (Table 1).

Table 1: Resident Survey Results, Feelings toward the BBBBQ Festival

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Strongly Like It	126	31.6%	27.1%	36.2%
Rather Like It	94	23.6%	19.4%	27.8%
Neutral Toward It	152	38.2%	33.4%	43.0%
Rather Dislike It	17	4.3%	2.3%	6.3%
Strongly Dislike It	9	2.3%	0.8%	3.7%
Total	398	100.0%		

Next, the residents were asked whether they attended the BBBBQ festival this year or not. About two thirds of the respondents did not attend BBBBQ, whereas one third of them participated in some part of the festival this year (Table 2).

Table 2: Resident Survey Results, Attendance of the BBBBQ Festival

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Yes	138	32.8%	28.3%	37.3%
No	283	67.2%	62.7%	71.7%
Total	421	100.0%		

After that the residents were queried regarding the effect that BBBBQ festival had on their behavior. The festival had no effect on the behavior of most of the people (Table 3). About 15.6 percent of residents went out more, 9.4 percent went out less, and 2.7 percent had visitors coming for BBBBQ. There were 9 people out of 405 that left Fayetteville because of the BBBBQ festival.

Table 3: Resident Survey Results, the Impact of BBBBQ on the Residents' Behavior

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
It Did Not	269	66.4%	61.8%	71.0%
Went out More	63	15.6%	12.0%	19.1%
Went out Less	38	9.4%	6.5%	12.2%
Had Visitors Coming for the BBBBQ Festival	11	2.7%	1.1%	4.3%
Left Town	9	2.2%	0.8%	3.7%
Other	15	3.7%	1.9%	5.5%
Total	405	100.0%		

The resident survey continued with the question that asked how BBBBQ affected total expenditures of the residents during the festival weekend. The majority of surveyed Fayetteville residents spent the same amount of money they would have spent even if there were no BBBBQ festival (Table 4).

Table 4: Resident Survey Results, the Impact of BBBBQ on the Residents' Expenditures

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Higher than Average	67	17.0%	13.3%	20.7%
About Average	291	73.9%	69.5%	78.2%
Lower than Average	36	9.1%	6.3%	12.0%
Total	394	100.0%		

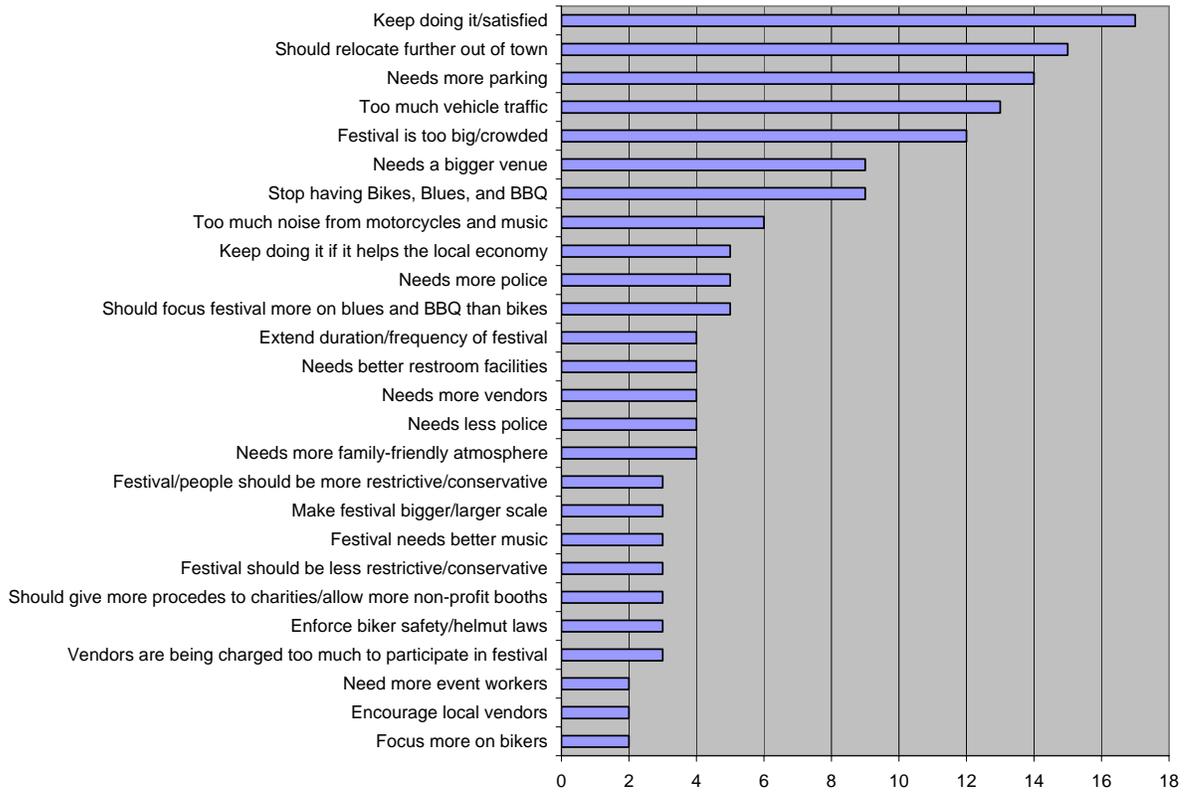
The next question asked residents how they think the BBBBQ festival impacts the Fayetteville community. A large majority of the respondents (81.3 percent) believe that the festival has a positive effect for the local community (Table 5). About 11 percent of surveyed residents think that BBBBQ has no effect at all and 7.7 percent that the effect is negative.

Table 5: Resident Survey Results, the Impact of BBBBQ on the Fayetteville Community

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Strongly Positive Effect for the Fayetteville Community	139	35.6%	30.9%	40.4%
Positive Effect for the Fayetteville Community	178	45.7%	40.7%	50.6%
No Effect	43	11.0%	7.9%	14.1%
Negative Effect for the Fayetteville Community	20	5.1%	2.9%	7.3%
Strongly Negative Effect for the Fayetteville Community	10	2.6%	1.0%	4.1%
Total	390	100.0%		

Lastly, the residents were asked to tell what would make the BBBBQ festival better for them or for the Fayetteville community. The responses to this question are given in Figure 1. The suggestions to make the festival better included relocating the events further out of town, improving parking and traffic situation, and finding a bigger venue for the festival. There were several respondents who reported that Fayetteville should stop having the BBBBQ. On the other hand, many respondents were satisfied with the way the festival is organized and recommended to continue having it the way it is.

Figure 1: Suggestions to Make the BBBQ Festival Better for the Residents and the Fayetteville Community



Overall, the surveyed Fayetteville residents have a positive attitude toward BBBQ and think that the festival has a positive impact on the local community. In general, the behavior of the residents and their expenditures during the festival weekend were not affected by the BBBQ festival. In order to make BBBQ better for the Fayetteville community, the residents offered relocation of the events further out of town, improving the parking and traffic situation, and finding a bigger venue for the festival as suggestions.

3. Business Surveys

Business Survey Instrument and Methodology

Members of the Northwest Arkansas Chambers of Commerce were asked to fill an online survey a week after the BBBQ festival took place. They were requested to submit only one survey per company to eliminate duplication. A total of 116 business surveys were submitted. Among them were surveys submitted by the same company twice (3 surveys), one blank, and 112 surveys with usable responses.

The business survey has a sampling error of plus or minus 5 percent at a 95 percent level of confidence. This means that if the survey were replicated twenty times, only once will the answers differ by more than 5 percent over the answers in this report.

Bikes, Blues, and BBQ Business Survey Summary Statistics

In this subsection, the business survey results are reported. For each question in the survey, the number and proportion of respondents who answered the question in each possible response category are reported. Additionally, 95-percent confidence intervals for the proportion of responses falling in each category are reported. This means that if the survey were replicated twenty times, only once will the answers differ by more than 5 percent over the answers in this report.

The survey respondents were first asked in what city their business is located. These answers were confirmed later by responses to another question, when the zip codes of the companies were reported. The city with the greatest frequency of businesses responding to the survey was Fayetteville, followed closely by Bentonville and Springdale (Table 6).

Table 6: Business Survey Results, Location of Companies

Location of Business	Number of Responses	% of Responses	95 % Confidence Lower Bound	95% Confidence Upper Bound
Fayetteville	34	30.3%	21.8%	38.9%
Bentonville	31	27.7%	19.4%	36.0%
Springdale	16	14.3%	7.8%	20.8%
Siloam Springs	12	10.7%	5.0%	16.4%
Rogers	10	8.9%	3.6%	14.2%
Gentry	2	1.8%	0.0%	4.2%
Bella Vista	1	0.9%	0.0%	2.6%
Cave Springs	1	0.9%	0.0%	2.6%
Centerton	1	0.9%	0.0%	2.6%
Elkins	1	0.9%	0.0%	2.6%
Eureka Springs	1	0.9%	0.0%	2.6%
Farmington	1	0.9%	0.0%	2.6%
Pea Ridge	1	0.9%	0.0%	2.6%
Total	112	100.0%		

The next question requested the respondents indicate what type of business the respondents are in. About one fourth of the surveyed companies were in lodging or food services. Table 7 presents the breakdown of all types of businesses.

Table 7: Business Survey Results, Types of Businesses

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Hotels and Motels	17	15.5%	8.7%	22.2%
Food Services and Drinking Places (Restaurants, Bars, Coffee Shops, etc)	10	9.1%	3.7%	14.5%
Real Estate	6	5.5%	1.2%	9.7%
General Merchandise Stores	5	4.5%	0.7%	8.4%
Insurance Agencies	5	4.5%	0.7%	8.4%
Wholesale Trade	5	4.5%	0.7%	8.4%
Other Support Services	5	4.5%	0.0%	8.4%
Miscellaneous Store Retailers	4	3.6%	0.1%	7.1%
Food and Beverage stores	3	2.7%	0.0%	5.8%
Non-Profit Organizations	3	2.7%	0.0%	5.8%
Construction Services	3	2.7%	0.0%	5.8%
Monetary authorities and depository credit intermediaries	3	2.7%	0.0%	5.8%
Accounting Services	2	1.8%	0.0%	4.3%
Manufacturing	2	1.8%	0.0%	4.3%
Marketing Services	2	1.8%	0.0%	4.3%
Couriers and messengers	2	1.8%	0.0%	4.3%
Educational Services	2	1.8%	0.0%	4.3%
Information Services	2	1.8%	0.0%	4.3%
Automotive Repair and Maintenance	1	0.9%	0.0%	2.7%
Personal Care Services	1	0.9%	0.0%	2.7%
Other Amusement and Recreation Services	1	0.9%	0.0%	2.7%
Air Transportation	1	0.9%	0.0%	2.7%
Architectural Services	1	0.9%	0.0%	2.7%
Local Government Enterprises	1	0.9%	0.0%	2.7%
Dental Offices	1	0.9%	0.0%	2.7%
Medical Equipment Companies	1	0.9%	0.0%	2.7%
Embroidery Services	1	0.9%	0.0%	2.7%
Florist's	1	0.9%	0.0%	2.7%
Health Care Services	1	0.9%	0.0%	2.7%
Home Furnishings Stores	1	0.9%	0.0%	2.7%
Hospitals	1	0.9%	0.0%	2.7%
Travel Arrangement and Reservation Services	1	0.9%	0.0%	2.7%
Legal Services	1	0.9%	0.0%	2.7%
Live Music Services	1	0.9%	0.0%	2.7%
Performing Arts Companies	1	0.9%	0.0%	2.7%

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Publishers	1	0.9%	0.0%	2.7%
RV Park	1	0.9%	0.0%	2.7%
Clothing Stores	1	0.9%	0.0%	2.7%
Consulting Services	1	0.9%	0.0%	2.7%
Telecommunications	1	0.9%	0.0%	2.7%
Veterinary Services	1	0.9%	0.0%	2.7%
Others	6	5.5%	1.2%	9.7%
Total	110	100.0%		

After that the respondents were asked what effect the BBBBQ festival had on their businesses. The most popular response was “no effect at all.” About 35.8 percent of the companies reported that the festival had very strong or overall positive effect and 7.2 percent reported having very strong or overall negative effect (Table 8).

Table 8: Business Survey Results, BBBBQ effect

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Very Strong Positive Effect	19	17.0%	10.0%	23.9%
Overall Positive Effect	21	18.8%	11.5%	26.0%
No Effect at All	64	57.1%	48.0%	66.3%
Overall Negative Effect	3	2.7%	0.0%	5.7%
Very Strong Negative Effect	5	4.5%	0.6%	8.3%
Total	112	100.0%		

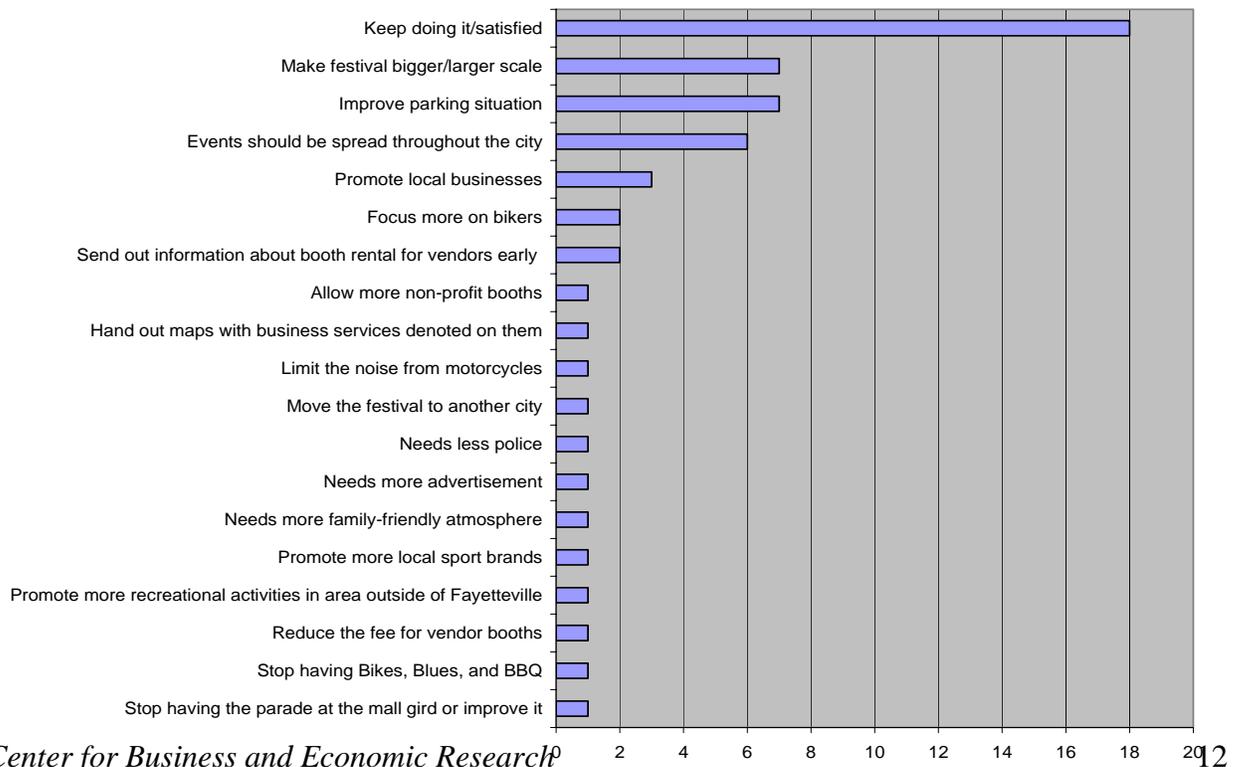
Next, the respondents were queried regarding the effect that BBBBQ had on their usage of employees’ hours during the festival weekend. Most of the surveyed companies used typical weekend employee hours (Table 9). About 23 percent of firms used extra hours and only 3 percent reduced employees’ hours for the BBBBQ weekend. Six companies were shut down for the festival weekend. Two of these companies commented that BBBBQ did not impact their businesses and that their employees enjoyed the festival. One other company said it is not open on weekends at all. Thus, only 3 percent of the firms were shut down because of the festival. Among the companies that shut down only one company, a clothing store located in Fayetteville, reported that it had to shut down because of the parking problems on Dickson Street during the BBBBQ festival.

Table 9: Business Survey Results, Usage of Employees' Hours

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Use Extra Employee Hours for the BBBBQ Weekend	23	23.0%	14.8%	31.2%
Use Typical Weekend Employee Hours	68	68.0%	58.9%	77.1%
Reduce the Typical Employee Hours for the BBBBQ Weekend	3	3.0%	0.0%	6.3%
Shut Down for the BBBBQ Weekend	6	6.0%	1.3%	10.7%
Total	100	100.0%		

The last question asked respondents what would make the BBBBQ festival a more positive experience for their business. There were 80 business leaders that shared their thoughts regarding this topic. Among those who made some suggestions, most respondents were satisfied with the current BBBBQ festival. The suggestions to improve the festival included expansion of the festival, improving the parking situation, spreading the events throughout the city and region, and promoting local businesses (see Figure 2). All the responses, sorted by their subjects, are given in Appendix D.

Figure 2: Suggestions to Make the BBBBQ Festival a More Positive Experience for the Local Businesses



Generally, most of the surveyed local businesses either have not been affected by BBBBQ at all or the net effect of the festival has been positive.

4. Visitor Surveys

Visitor Survey Instrument and Methodology

University of Arkansas students, members of the Student in Free Enterprise (SIFE) organization, administered visitor survey to individuals on Dickson Street throughout the duration of the festival.

The students conducted the survey on the evenings of September 28 – September 30 and during the day on October 1, 2005. Interviews were conducted from 7:00 p.m. to 9:00 p.m. for the evening sessions and throughout the day on Saturday. The students were located along Dickson Street and in the surrounding areas where there were concentrations of festival attendees. A total of 861 surveys were completed. Of these, 857 were usable responses. A total of 237 surveys were filled out by respondents with Fayetteville zip codes and 514 by the BBBBQ visitors who came to Fayetteville specifically to attend the festival.

The survey has a sampling error of plus or minus 5 percent at a 95 percent level of confidence. This means that if the survey were replicated twenty times, only once will the answers differ by more than 5 percent over the answers in this report.

Bikes, Blues, and BBQ Visitor Survey Summary Statistics

The visitor survey results are reported in this subsection. For each question in the survey, the number and proportion of respondents who answered the question in each possible response category are reported. Moreover, 95-percent confidence intervals for the proportion of responses falling in each category are reported as well.

The survey respondents were first asked for their hometown and zip code. A total of 70.8 percent of the respondents came from Arkansas, while 27.7 percent of the respondents had Fayetteville zip codes (Table 10). These results are quite similar to the last year survey results (77.4 and 28.7 percent respectively). The other states with the largest proportions of respondents all border Arkansas, which is again equivalent to the last year results. Overall, there was at least one respondent from each of 23 states and two foreign countries.

Table 10: Visitor Survey Results, Respondent Residence

Respondent Home	Number of Responses	% of Responses	95 % Confidence Lower Bound	95% Confidence Upper Bound
Fayetteville	237	27.7%	24.7%	30.6%
Arkansas (excluding Fayetteville)	369	43.1%	39.7%	46.4%
Oklahoma	71	8.3%	6.4%	10.1%
Missouri	63	7.4%	5.6%	9.1%
Kansas	29	3.4%	2.2%	4.6%
Texas	29	3.4%	2.2%	4.6%
Louisiana	10	1.2%	0.4%	1.9%
Illinois	8	0.9%	0.3%	1.6%
Iowa	5	0.6%	0.1%	1.1%
Wisconsin	5	0.6%	0.1%	1.1%
California	4	0.5%	0.0%	0.9%
Florida	4	0.5%	0.0%	0.9%
Georgia	4	0.5%	0.0%	0.9%
Alabama	3	0.4%	0.0%	0.7%
Ohio	3	0.4%	0.0%	0.7%
Tennessee	3	0.4%	0.0%	0.7%
Alaska	1	0.1%	0.0%	0.3%
Colorado	1	0.1%	0.0%	0.3%
Indiana	1	0.1%	0.0%	0.3%
Kentucky	1	0.1%	0.0%	0.3%
Michigan	1	0.1%	0.0%	0.3%
Minnesota	1	0.1%	0.0%	0.3%
North Carolina	1	0.1%	0.0%	0.3%
Washington	1	0.1%	0.0%	0.3%
Bolivia	1	0.1%	0.0%	0.3%
Germany	1	0.1%	0.0%	0.3%
Total	857	100.0%		

Next, the respondents were asked to indicate whether the BBBBQ festival brought them to Fayetteville or not. Most of the people responded positively, among them 514 respondents were not Fayetteville residents. Table 11 presents the breakdown of reasons that led respondents to be in Fayetteville during the survey period.

Table 11: Visitor Survey Results, BBBBQ Attendees, Totals

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
BBBBQ Visitor	514	60.0%	56.7%	63.3%
Fayetteville Resident	237	27.7%	24.7%	30.6%
Other	104	12.1%	9.9%	14.3%
Not Reported	2	0.2%	0.0%	0.6%
Total	857	100.0%		

The percentage of BBBBQ festival visitors among the respondents was higher on Friday and Saturday than on Wednesday and Thursday. Unsurprisingly, the percentage of Fayetteville residents was higher during the weekdays than during Friday evening and Saturday (Table 12). Generally, it should be noted that the percentages presented above are the average percentages of attendees for all the days the festival was held. In order to take into account different numbers of BBBBQ visitors attending the festival on different days, the weighted averages were estimated. As a result, 63.6 percent of the attendees were estimated to be BBBBQ visitors.

Table 12: Visitor Survey Results, BBBBQ Attendees Wednesday through Saturday

Response Category	Number of Responses, Wednesday	% of Responses, Wednesday	Number of Responses, Thursday	% of Responses, Thursday	Number of Responses, Friday & Saturday	% of Responses, Friday & Saturday
BBBBQ Visitor	125	41.1%	51	57.3%	338	72.8%
Fayetteville Resident	129	42.4%	27	30.3%	81	17.5%
Other	48	15.8%	11	12.4%	45	9.7%
Not Reported	2	0.7%	0	0.0%	0	0.0%
Total	304	100.0%	89	100.0%	464	100.0%

The next table presents information about the residences of the BBBBQ visitors who came to Fayetteville specifically to attend the festival (Table 13). Among the respondents 35 percent were from Benton and Washington counties (excluding Fayetteville). About 23 percent of BBBBQ visitors came from other counties in Arkansas and about 42 percent of them came from other states.

Table 13: Visitor Survey Results, Residence of Non-Fayetteville BBBBQ Visitors

Respondent Home	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Washington County (excluding Fayetteville)	93	18.1%	14.8%	21.4%
Benton County	87	16.9%	13.7%	20.2%
the Rest of Arkansas (excluding Benton and Washington counties)	117	22.8%	19.1%	26.4%
Other States	217	42.2%	37.9%	46.5%
Total Non-Fayetteville BBBBQ Visitors	514	100.0%		

After finding out whether people came specifically for the festival or not, visitors were asked about the number of days they were planning to stay in Fayetteville for the BBBBQ festival. On average, people who came to Fayetteville specifically to attend BBBBQ were staying in the city for about 3 days.

The next question queried respondents regarding their lodging while in Fayetteville attending BBBBQ. In Table 14, only responses from those who indicated that they were in Fayetteville specifically to attend BBBBQ are included. The responses from Fayetteville residents and those with other primary reasons for being in Fayetteville are excluded. The two most popular lodging responses were the same as last year: hotels and motels and also living within driving distance of Fayetteville (the latter reason was specified by most of the people who responded positively to the “other” category).

Table 14: Visitor Survey Results, Lodging in Fayetteville

Response Category	Number of Responses	% of Responses	95% Confidence Lower Bound	95% Confidence Upper Bound
Hotel or Motel	169	50.2%	44.8%	55.5%
RV Park	17	5.0%	2.7%	7.4%
Friends or Relatives	61	18.1%	14.0%	22.2%
Other	90	26.7%	22.0%	31.4%
Total	337	100.0%		

The respondents were also asked to indicate the number of times their party would purchase breakfast, lunch, and dinner during their Fayetteville stay for BBBBQ. Results are reported for the out-of-town BBBBQ attendees only. Visitors planned to buy more dinners than lunches or breakfasts while attending BBBBQ, which is similar to the last year results (Table 15).

Table 15: Visitor Survey Results, Dining in Fayetteville

Response Category	Number of Responses	Average Number of Meals	95% Confidence Lower Bound	95% Confidence Upper Bound
Breakfasts	489	1.5	1.3	1.7
Lunches	489	2.2	2.0	2.4
Dinners	489	2.7	2.5	2.9

The next question asked whether respondents planned to purchase specific types of goods or services during their stay in Fayetteville for the BBBBQ festival. Respondents were most likely to plan on purchasing gasoline, going to a bar or nightclub, and shopping in retail stores (Table 16).

Table 16: Visitor Survey Results, Expenditure Categories

Expenditure Category	Yes	% of Respondents	95% Confidence Lower Bound	95% Confidence Upper Bound
Purchase gasoline	408	81.0%	77.5%	84.4%
Go to a bar/nightclub	376	75.5%	71.7%	79.3%
Shop in retail stores	308	62.7%	58.4%	67.1%
Purchase groceries	131	27.6%	23.6%	31.7%
Get haircut or other service	36	7.6%	5.2%	10.0%
See a movie	31	6.5%	4.3%	8.8%
See a U of A athletic event	24	5.1%	3.2%	7.0%
Purchase aviation fuel	15	3.2%	1.6%	4.8%
Rent a vehicle	8	1.7%	0.5%	2.9%

At the end of the survey, the BBBBQ festival visitors were asked to estimate the total amount they expected to spend in Fayetteville on this trip, excluding event registration fees, and also to indicate for how many people these expenditures were made. Overall, 505 non-Fayetteville respondents, in town specifically for BBBBQ, provided usable responses. There were 1,166 total people in their parties, and each of them spent approximately \$273 during the festival (Table 17). This amount is smaller than last year (\$297), which is likely due to the fact that last year respondents did not indicate the number of people in their party.

Table 17: Visitor Survey Results, Average Expenditures

Number of Respondents	Number of People in Their Parties	Average Expected Expenditures per Person	95% Confidence Lower Bound	95% Confidence Upper Bound
505	1,166	\$273	\$197	\$348

Economic Impact of Visitors on the Bikes, Blues, and BBQ Festival

The total economic impact of the BBBBQ festival depends on the number of festival attendees. Since no definitive estimate is available, three alternative scenarios are presented: 200,000 attendees, 250,000 attendees, and 300,000 attendees. These numbers were chosen based on the unofficial estimates according to Fayetteville police department and BBBBQ festival management.

Also, it is not reasonable to attribute economic activity from Fayetteville residents to BBBBQ. As residents of the city, it is assumed that they substitute attending BBBBQ for whatever alternative activity would have been the second best option. There were also respondents who indicated that they were from out of town, but the BBBBQ festival was not the reason for their trip to Fayetteville. These people should not be included in the economic impact calculation either, as the BBBBQ festival was not the driver of their economic activity.

Since people who came to Fayetteville specifically to attend BBBBQ were staying in the city for about 3 days, it is reasonable to assume that most of BBBBQ visitors came to Fayetteville on Thursday evening or Friday in order to stay for the weekend. Indeed, the number of BBBBQ visitors changed during the duration of the festival, picking up on Friday and Saturday. Thus, to be more accurate regarding the percentage of people who came to Fayetteville specifically for the festival, the average of visitor attendance was estimated, giving different weights to the visitor attendance on different days (weights were given depending on the total number of visitors attending the festival on the particular day). As a result, 63.6 percent of the attendees were estimated to be BBBBQ visitors. This number is close to the 64.5 percent estimated last year. Also, the visitor survey results are more reliable this year than in 2004 because the sample size is more than a half again as large (558 surveys completed in 2004 with 857 surveys of 2005). All other festival attendees or 36.4 percent were reported to be either Fayetteville residents or people who were from out of town for reasons other than attending the BBBBQ festival.

Table 18 presents the economic impacts of the three alternative attendance figures, adjusted for in-town attendees and attendees with other primary reasons for being in Fayetteville.

Table 18: Estimated Impact of the 2005 Bikes, Blues, and BBQ Festival

	Scenario 1	Scenario 2	Scenario 3
Attendance Estimate	200,000	250,000	300,000
Number of Attendees Specifically for BBBBQ	127,200	159,000	190,800
Total Economic Impact Estimate	\$34,725,600	\$43,407,000	\$52,088,400
95% Confidence Lower Bound	\$25,058,400	\$31,323,000	\$37,587,600
95% Confidence Upper Bound	\$44,265,600	\$55,332,000	\$66,398,400

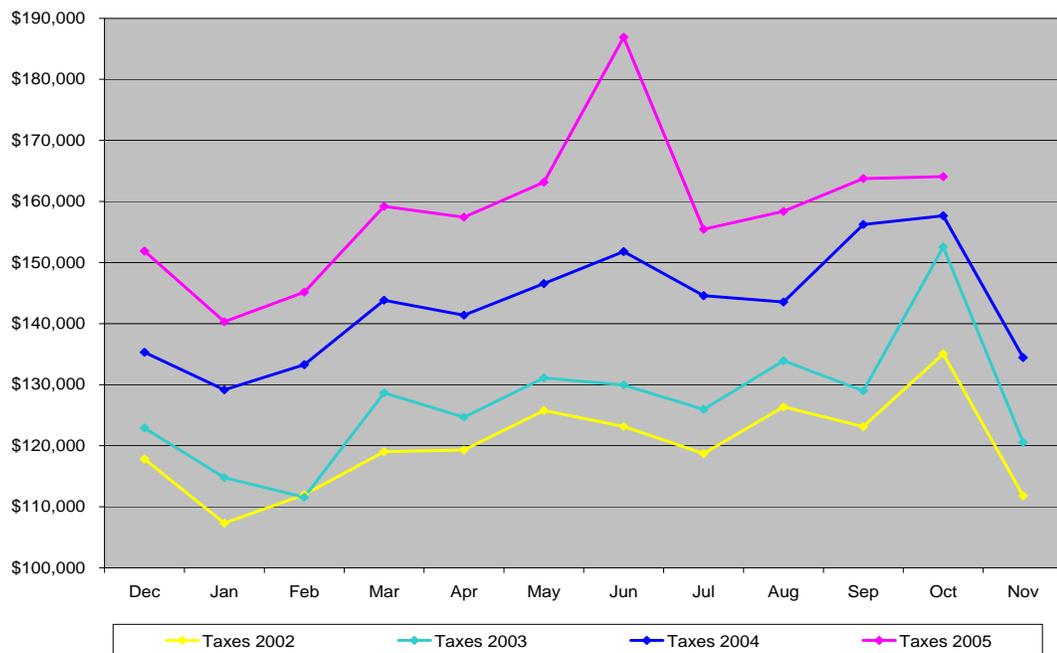
The numbers presented above are estimates of the economic activity attributable to out-of-town attendees at the BBBBQ festival. Overall, in a 200,000 attendee scenario, the economic impact of the festival's visitors is estimated to be between 25.1 and 44.3 million dollars. The economic impact of the festival's 250,000 attendants is estimated to be between 31.3 and 55.3 million dollars. Finally, in a scenario with 300,000 attendees, the BBBBQ visitors had an estimated economic impact between 37.6 and 66.4 million dollars.

5. Impact of the Bikes, Blues, and BBQ Festival on the Hotel/Motel and Restaurant Taxes Received in Fayetteville

In order to see the impact of the BBBBQ festival on the taxes received by the City of Fayetteville, this section takes a look at the hotel/motel and restaurant (HMR) taxes received during the period of 2002-2005. Time series of taxes for this period are shown in Figure 3.

There is obvious evidence of an increase in taxes received by the city from hotels, motels, and restaurants during the BBBBQ festival in each year. The picture becomes clearer if we keep in mind that the BBBBQ festival was held in October of 2002 and 2003 and during the period of the end of September and the beginning of October in 2004 and 2005. (Specifically, BBBBQ was held on September 29, 30 - October 1, 2 of 2004 and September 28-30 - October 1 of 2005.) Thus, there is a peak in the taxes received in October of 2002 and 2003, whereas the September numbers of these two years were actually decreasing compared with the previous month. Consequently, the amount of taxes received in September of 2004 and 2005 picked up compared with the previous month, whereas October taxes increased as well, but not to the same degree as September taxes.

Figure 3: Hotel/Motel and Restaurant Taxes, City of Fayetteville, 2002-2005¹



Even considering the cyclical nature of business operations and homecoming football games, the HMR taxes received during the period of the BBBBQ festival were still higher than any other month during the calendar year (except for 2005 year, when taxes received in June were higher). Taxes received in year 2005 were increasing at a slower rate than they did in the previous years during the BBBBQ festival. With the number of attendees increasing every year, it seems that the visitor preferences changed. One of the explanations may be that instead of going to local restaurants, visitors preferred buying food from out-of-town vendors, and also that they stayed in Fayetteville hotels/motels for fewer days than during the previous BBBBQ festivals.

6. Economic Impact of the Bikes, Blues, and BBQ Festival on the City of Fayetteville

The primary concern regarding the 2004 report was that the true economic impact of the BBBBQ festival on the city was less than the estimated effect of its visitors, and that the latter may not represent the total economic impact on the city of Fayetteville. Anecdotal evidence suggested that some businesses closed during the BBBBQ festival, some citizens left town to avoid the crowds, and other citizens curtailed their own economic activity to avoid increased traffic during the event. This report addressed the concerns by surveying local businesses and Fayetteville residents in addition to the festival's visitors.

¹ Hotel/motel and restaurant taxes in the specific year include the numbers for the December of the previous year, i.e. the 2002 taxes include the taxes received in December of 2001; the 2003 taxes include taxes received in December of 2002 etc.

The conducted surveys of residents and companies show that in general the economic behavior of the former and business profits of the latter either have not been affected by BBBBQ at all or the effect has been positive. There were indeed some businesses that closed during the BBBBQ festival and some citizens did left town to avoid the crowds or curtailed their own economic activity (3 percent, 2.2 percent, and 9.1 percent of the respondents respectively). However, the percentage of these respondents were significantly lower that the percentage of businesses that used extra employee hours for the BBBBQ weekend, the residents that went out more than usually during BBBBQ or spent more because of the festival (23 percent, 15.6 percent, and 17 percent respectively) .

Therefore, according to the results of the resident and local businesses surveys, the total economic impact of the BBBBQ festival on the city of Fayetteville may well be represented by the estimated impact of the visitors. Total attendance at the BBBBQ festival ranged from 200,000 to 300,000 individuals. Assuming that the ratio of BBBBQ visitors was the same as the survey sample proportion of 63.6 percent, the total estimated expenditures due to BBBBQ ranged from \$34.7 million to \$52.1 million. There is an obvious evidence of increases in taxes received by the city from hotels, motels, and restaurants during the period of the festival.

Additionally, it should be noted that although the most of the surveyed Fayetteville residents and local businesses have a positive attitude toward the BBBBQ festival, they offered some suggestions in order to make BBBBQ better for the Fayetteville community and the local businesses. The suggestions from resident and business surveys were quite similar and included: relocating the events further out of town/spreading the events throughout the city, improving parking and traffic situation, finding a bigger venue for the festival/expanding the festival, and promoting local businesses.

Appendix A: Resident Survey

1. How do you like the Bikes, Blues and Barbeque festival?

- A. Strongly like it
- B. Rather like it
- C. Neutral toward it
- D. Rather dislike it
- E. Strongly dislike it

2. Did you attend the BBBBQ festival this year? Yes No

3. How did the festival affect your behavior?

- A. It did not
- B. Went out more
- C. Went out less
- D. Had visitors coming for the BBBBQ festival
- E. Left town
- F. Other (Please specify) _____

4. Whether or not you attended the BBBBQ festival, were your total expenditures during the festival weekend:

- A. Higher than average
- B. About average
- C. Lower than average

5. How do you feel the Bikes, Blues and Barbeque festival impacts the Fayetteville community?

- A. Strongly positive effect for the Fayetteville community
- B. Positive effect for the Fayetteville community
- C. No effect
- D. Negative effect for the Fayetteville community
- E. Strongly negative effect for the Fayetteville community

6. Please tell us what would make the BBBBQ festival better for you or for the Fayetteville community?

Thank You!

Appendix B: Business Survey

1. In what cities is your business located?
 - Fayetteville
 - Springdale
 - Rogers/Lowell
 - Bentonville
 - Siloam Springs
 - Other

2. Please indicate the type of business you are in:
 - Hotels and Motels
 - Food Services and Drinking Places (Restaurants, Bars, Coffee Shops, etc)
 - Food and Beverage stores
 - General Merchandise Stores
 - Gasoline Stations
 - Automotive Repair and Maintenance
 - Automotive Rental
 - Personal Care Services
 - Dry-Cleaning and Laundry Services
 - Museums, Historical Sites, Zoos, and Parks
 - Video Tape and Disc Rental
 - Other (Please specify) _____

3. What is the zip code of your company? _____

4. How would you describe the effect that the BBBBQ festival had on your business?
 - Very strong positive effect
 - Overall positive effect
 - No effect at all
 - Overall negative effect
 - Very strong negative effect

5. Did your company:

- Use extra employees' hours for the BBBBQ weekend
- Use typical weekend employees' hours
- Reduce the typical employees' hours for the BBBBQ weekend
- Shut down for the BBBBQ weekend

6. Please tell us what would make the BBBBQ festival a more positive experience for your business?

Thank You!

Appendix C: Visitor Survey

1. What is your hometown and home zip code? _____
2. Did Bikes, Blues, and BBQ bring you to Fayetteville? _____
3. How many days will you be in Fayetteville for BBBBQ? _____
4. If you are staying overnight in Fayetteville, please indicate the number of nights for each applicable type of accommodation.
Hotel/Motel _____
RV Park _____
Friends/Relatives _____
Other _____ please specify: _____
5. Approximately how many times will your party purchase meals at Fayetteville eateries?
Breakfast _____ (# of times)
Lunch _____ (# of times)
Dinner _____ (# of times)
6. Please indicate whether you plan to do the following during your stay in Fayetteville:

Purchase gasoline	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Shop in retail stores	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Purchase groceries	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Rent a vehicle	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Purchase aviation fuel	<input type="checkbox"/> Yes	<input type="checkbox"/> No
See a movie	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Go to a bar/nightclub	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Get haircut or other service	<input type="checkbox"/> Yes	<input type="checkbox"/> No
See a U of A athletic event	<input type="checkbox"/> Yes	<input type="checkbox"/> No
7. Excluding event registration fees, approximately what is the total amount you expect to spend in Fayetteville on this trip? _____
8. For how many people did you make these expenditures? That is, *if you are including expenditures made for family or friends*, how many total persons are in your party?
If your total expenditures are entirely personal, please answer "1." _____

Thank You. Please Enjoy Your Stay.

Appendix D: Business Survey Results

Responses to the Question “What Would Make the BBBBQ Festival a More Positive Experience for your Business?”

Advertisement

“More press for the Arts Center regarding the events.”

Bikers

“To have the city act like they want the bikers not put up signs to ride their bikes quiet or keep raising the prices to vendors. I think they spent a lot of money that we need in NW Arkansas.”

“Since a lot of the bikers were staying in Bentonville, have a "satellite" center for them in the other cities.”

“Limit bike noise - "revving through towns" - even Rogers, Bentonville, and surrounding areas. Not sure if this is possible!”

Booths

“Reduce the fee for vendor booths.”

“Send out information early about booth rental for vendors.”

“Opening up booth opportunities better...”

Expansion of the festival

“Increase in business.”

“Bikes Blues & BBQ has grown in the last 2 years we have enjoyed the growth, I hope it continues to grow. Charities also profit.”

“More entertainment for BBBBQ festival. Responses from some BBBBQ guest were somewhat disappointing and were contemplating whether to participate next year. Their comments were mostly to have more entertainment events, more things to do. Perhaps a BBBBQ related.”

“Entertainment!”

“Have more of them!!!!!!”

“... We feel that larger concert names in Fayetteville and at the Amp will help...”

“Keep it just the way it is... Maybe bring in a larger headliner as early as Thursday night or early Friday morning to get more overnights on Thursday night. Start/ create another event on a slow weekend.”

Family-oriented event

“Make it a nicer, family oriented event. As it stands now, most of it is just a beer drinking drunk fest with loud and obnoxious behavior.”

Local businesses

“More promotion/inclusion of local businesses beyond the barbeque restaurants.”

“Try to keep the vendors at the festival as local as possible. That way the income and taxes stay local.”

“It seemed like the number of food vendors doubled from last year. The money reaped by all of these vendors is spent in their HOMETOWNS. This was our third BBBBQ, and our worst. We are located to the South of the music stage, so we are totally blocked out...”

Parking

“...Making parking more accessible for employees of the downtown area or booth workers, make shuttles available from outlying areas into downtown Fayetteville.”

“Move BBBBQ to Fairgrounds. Open the street. More car parking. Would still benefit from influx of people without ostracizing those who don't own motorcycles.”

“The impact the business took by closing off the municipal lot on the back side of Hog Haus and Common Grounds on Monday was detrimental. Our above average sales on Friday eve and Saturday made it a normal week after no sales on Monday-Friday...”

”Better parking on Dickson street. None of our customers could even get to our store!”

“Not shutting down all the parking lots on Monday prior to the rally...”

“The only thing would be to minimize the down time with parking and set up. It had a negative effect when the vendors were setting up 2 very slow days because of no parking and no BBQ activities. Other than that, extend it a few more days.”

“The parade makes it impossible for customers to get to our business. If there was no parade, it wouldn't impact my business at all.”

Spreading the event throughout the city

“Move it to Drake field, where there is more room. Have beer gardens there. People will still go to Dickson. NEED MORE ROOM!!”

“Spread the event throughout the city... say from the mall to the airport. It will aide in not only total revenue to the city but will make more people want to come back. I heard many comments from patrons on Dickson Street complain about it...”

“More events thought out Fayetteville.”

“Festivities need to be planned all over Fayetteville and not have the majority on Dickson Street.”

“The location needs to be moved to another area because of the number of people attending Dickson Street is too crowded.”

“Parade on 265.”

Other

“Hand out maps with business services denoted on them.”

“The parade at the mall gird locked out our customers who wanted to come shopping. About one hour of confusion.”

“I believe that this kind of event cold be good chance for any sport competition giving better possibility to promote our brands.”

“Promoting Recreational Activities in area outside of Fayetteville. Many people lodge outside Fayetteville, so promote outdoor activities in Benton Co. also.”

“Parking/ Traffic extra police presence off of Dickson i.e. College Ave...”

“We are a non-profit and would love to be considered as a recipient. Several of us went to observe the goings-on.”

“Another way this could benefit me would be using my store for some of the mail outs, coping service, banners prior to the rally.”

“Move the festival to Gentry, AR.”

Negative

“Reminds me of the stories of New Orleans? There were bikers, want to be bikers, biker watchers. Just a big beer bust, we don't need that, especially in a college town, do you really think??”

No suggestions, positive attitude toward the festival

“I am sure that there were more sales during that time of our products in the Wal-Mart Stores, so I would say that this would be a very positive experience for our business, I am very positive the BBBQ didn't hurt us in any way. We are not located in Fayetteville.”

“I think the cities have done an excellent job.”

“It would be difficult for the festival to impact our business directly, since we are a supplier to Wal-Mart, but it was very enjoyable and plan to attend again next year.”

“This does not impact our business, but our employees loved it.”

“It is great for the community. Our business does off-site catering, so very few people want to get married or hold another type of event in Fayetteville during that weekend.”

“This type of event can help my business by attracting more people to move to this area.”

“I had some calls for people looking for property that were visiting.”

“I enjoyed the festival, but had no effect on my company.”

“Nothing, but it is good for NWA.”

“Bikes Blues & BBQ was a positive experience for our hotel; we are booking rooms for next year now.”

“If the bikers needed to ship or mail items back to their homes that they could not carry on there bikes...” (From Packaging & Shipping company.)

“The BBQ Board did an excellent job, as one single hotel that was 100% full all weekend, I'm not sure how one could improve on that!! Thanks BBQ.”

“It is a very positive experience for our business. Just wish we had more rooms to accommodate more people. We think everything is being handled very well.”

“We are a vendor in NWA and from a business prospective this event does not have a direct effect on our business; as for the area I am positive it has a big economic effect.”

“Being on Dickson St. (Bordinos) and being an upscale restaurant it really didn't affect our volume. We enjoyed the change for a few days and our regular customers (for the most part) had fun...”

“We are fine dinning in Bentonville. We did have some couples in that were staying at the Courtyard on Thurs. and we had a few in during the weekend in the bar. We need to advertise our business better to try and get some of that business.”

“Solicit me next year - Pinnacle Hills Mortgage Co.”

“I LOVE BB&BBQ!!!!!!! Everything about it. We often have out of town guests (from as far away as Nebraska, Iowa and South Dakota) making the trip here for BB&BBQ.”

No suggestions

“Does not and will not affect dental.”

“BBBBQ had no effect.”

“Our business is not involved.”

“It does not affect my business.”

“No changes requested.”

“No one from our business attended this year.”

“Nothing.”

“It has no effect on our business.”

“BBBQ festival had no effect on my business, nor would it in the future. My business provides live music for weddings, etc.”

“Not sure why I received this. The company I work for is not impacted directly or indirectly by the BBBQ event.”

“No effect.”

“We are not open on the weekend.”

“The event has little, if any effect on business.”

“Not having it!”

“Does not affect our business.”

”Has no impact on our business at all.”

“None.”

“Does not affect our business.”

“I am a very small business. The festival did not affect me.”

“Would not greatly affect our business and its operation.”

“There isn't anything you could do to affect our business. We don't do much local business - it's all mail order and phone from other parts of the US and abroad.”

“No suggestions for improvement.”

“We did nothing extraordinary, except plug up our ears...”