



LONDON & PARTNERS: 2014 RIDELONDON

ECONOMIC IMPACT AND MEDIA EXPOSURE EVALUATION REPORT

NOVEMBER 2014

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Contact: Katie Dykes

www.smg-insight.com

T: +44 (0)20 7012 6000

SMG Insight/ YouGov

M: +44 (0)790 486 233

2 Walker Street

E: katie.dykes@smg-insight.com

Edinburgh, EH3 7LB

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INTRODUCTION

1 INTRODUCTION

- ▶ London & Partners commissioned SMG Insight to conduct an Economic Impact Assessment (EIA) and media exposure evaluation of RideLondon, which took place over the weekend of Saturday 9th August and Sunday 10th August 2014
- ▶ Major sporting events such as RideLondon naturally bring benefits to cycling, such as media coverage and increased profile, increased attendances and grassroots participation, and the development of volunteers working within the sport
- ▶ There are also benefits to the host regions, such as increased visitors and being a 'shop window' to showcase London internationally. Innovative methods of promoting events result in more stakeholders being exposed to the event, beyond the participants and spectators

“THE ECONOMIC IMPACT ASSESSMENT AND MEDIA EXPOSURE EVALUATION PROVIDES A QUANTITATIVE METHOD TO ESTIMATE THE ECONOMIC BENEFITS AND MEDIA EXPOSURE THAT THE EVENT BRINGS TO LONDON AND THE SURROUNDING AREAS, WITH THE OUTPUTS HELPING TO SUPPORT BUSINESS DECISIONS”



1 INTRODUCTION

RideLondon

- ▶ Prudential RideLondon has established itself as one of the most high profile cycling events, and was initially developed by the Mayor of London and his agencies. The event is managed by London & Surrey Cycling Partnership (LSCP), a partnership between The London Marathon Limited (owners and operators of the London Marathon since 1981) and SweetSpot Group Limited (operators of the Tour of Britain)
- ▶ LSCP, Transport for London (TfL) and London & Partners (the Mayor's official promotional organisation) coordinate the technical requirements for the event and work in partnership with London Boroughs, Surrey County Council, The Royal Parks, London Legacy Development Corporation and British Cycling, who are each integral to the delivery of the event
- ▶ The event is part of the Mayor's and TfL's cycling programme, which includes a cycle-hire scheme and a network of cycle superhighways with the event providing a great platform to encourage more people to cycle and in a safe way

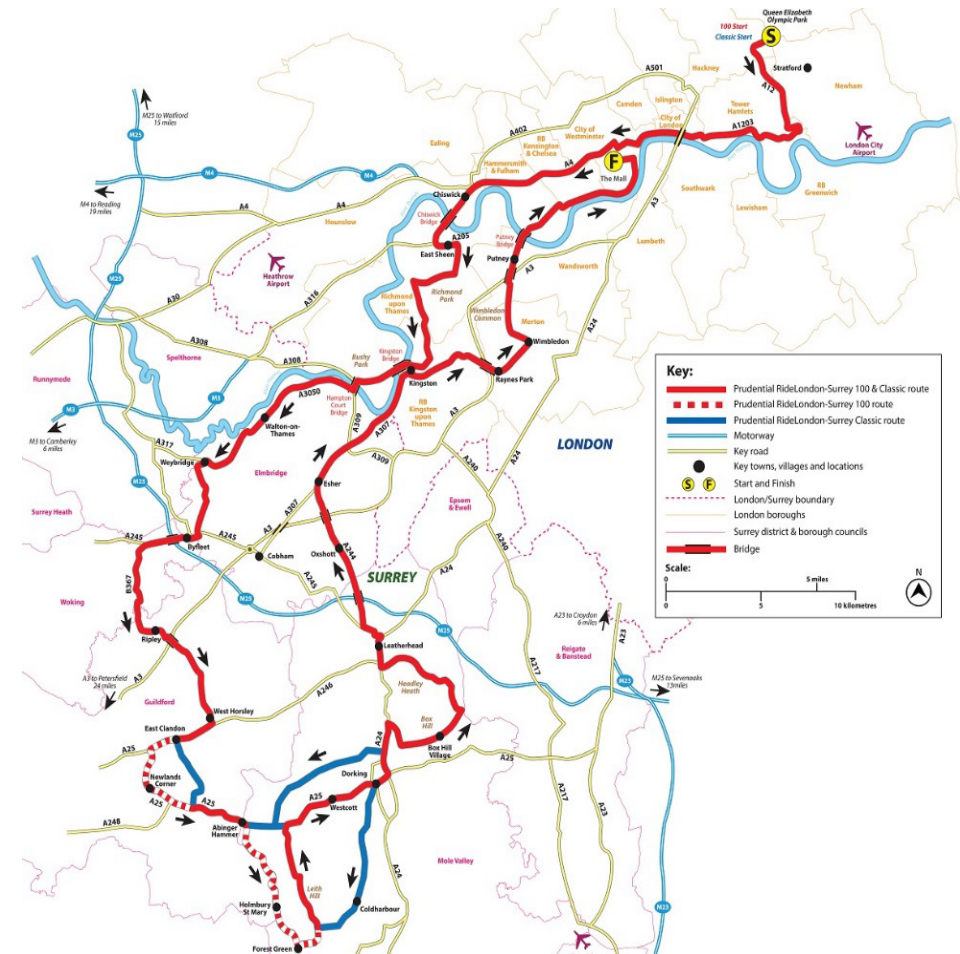


1 INTRODUCTION

RideLondon

- ▶ On Saturday cyclists of all ages and ability took part in the FreeCycle and there was also the Grand Prix which is a professional women's event and youth event
- ▶ On Sunday amateur cyclists also participated in the Prudential RideLondon-Surrey 100 which was a 100-mile challenge on the same closed roads as the professionals, with the added incentive of raising money for good causes. The event route(s) are outlined in the map shown opposite
- ▶ In addition, the Prudential RideLondon Cycling Show ran from Thursday 7th August - Saturday 9th August at ExCel, where attendees could experience cycling presentations, talks and interviews, bike displays and attend exhibits from major cycling brands. There were also numerous festivals held along the route where people could watch the action on big screens and experience the event atmosphere

Route Map



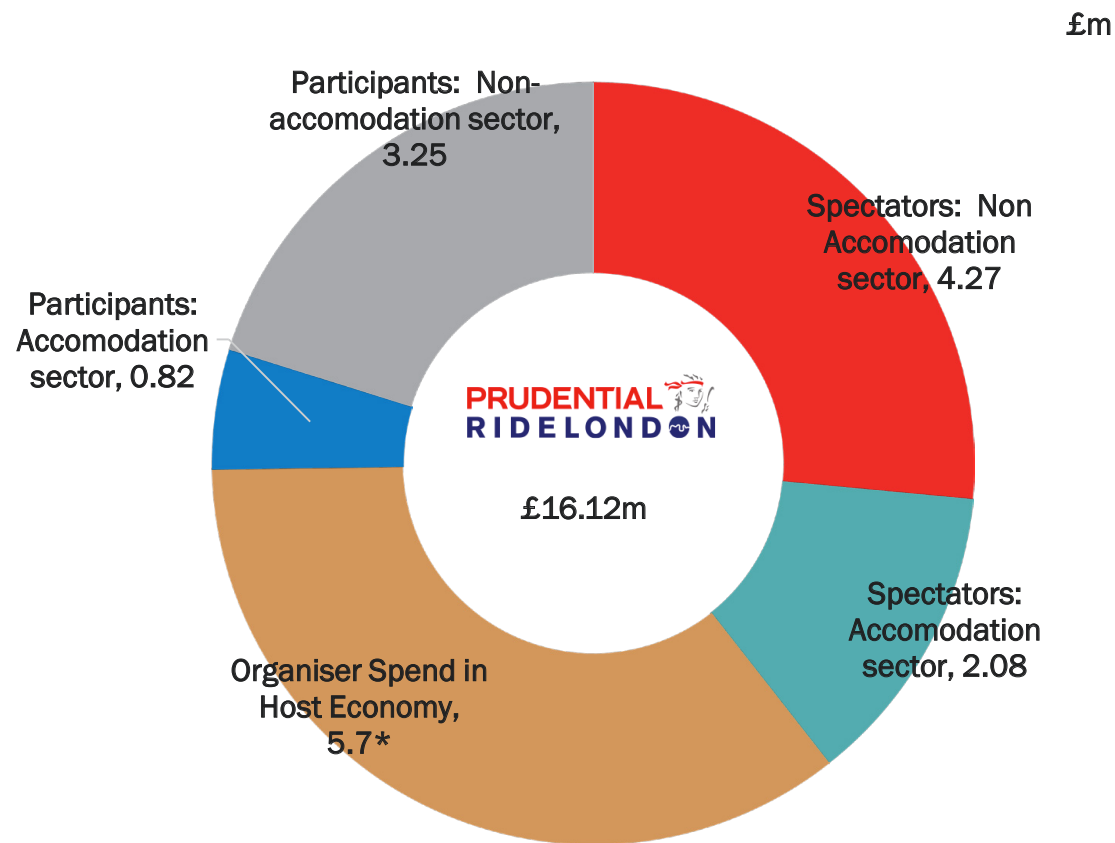
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EXECUTIVE SUMMARY

2 EXECUTIVE SUMMARY: ECONOMIC IMPACT

Total Direct Economic Impact

- The total direct economic impact has been estimated to be £16.12m, with the main components being the organiser spend in the host economy (£5.7m*) and spectator spending, non accommodation (£4.27m)



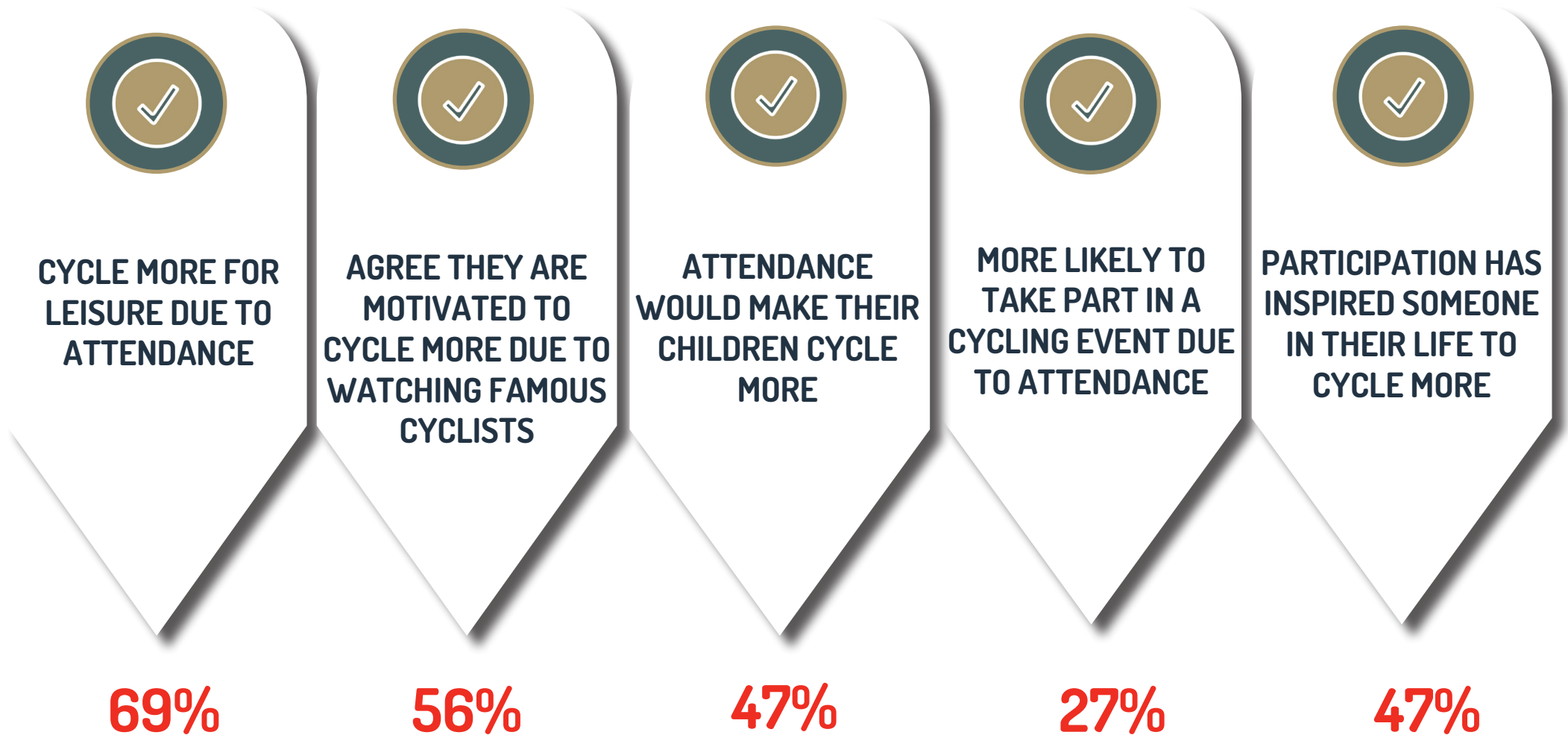
*not including attributable spend from Prudential's activation in London

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SOCIAL IMPACT

3 SOCIAL IMPACT

► RideLondon had a number of positive effects socially, with key highlights shown below:



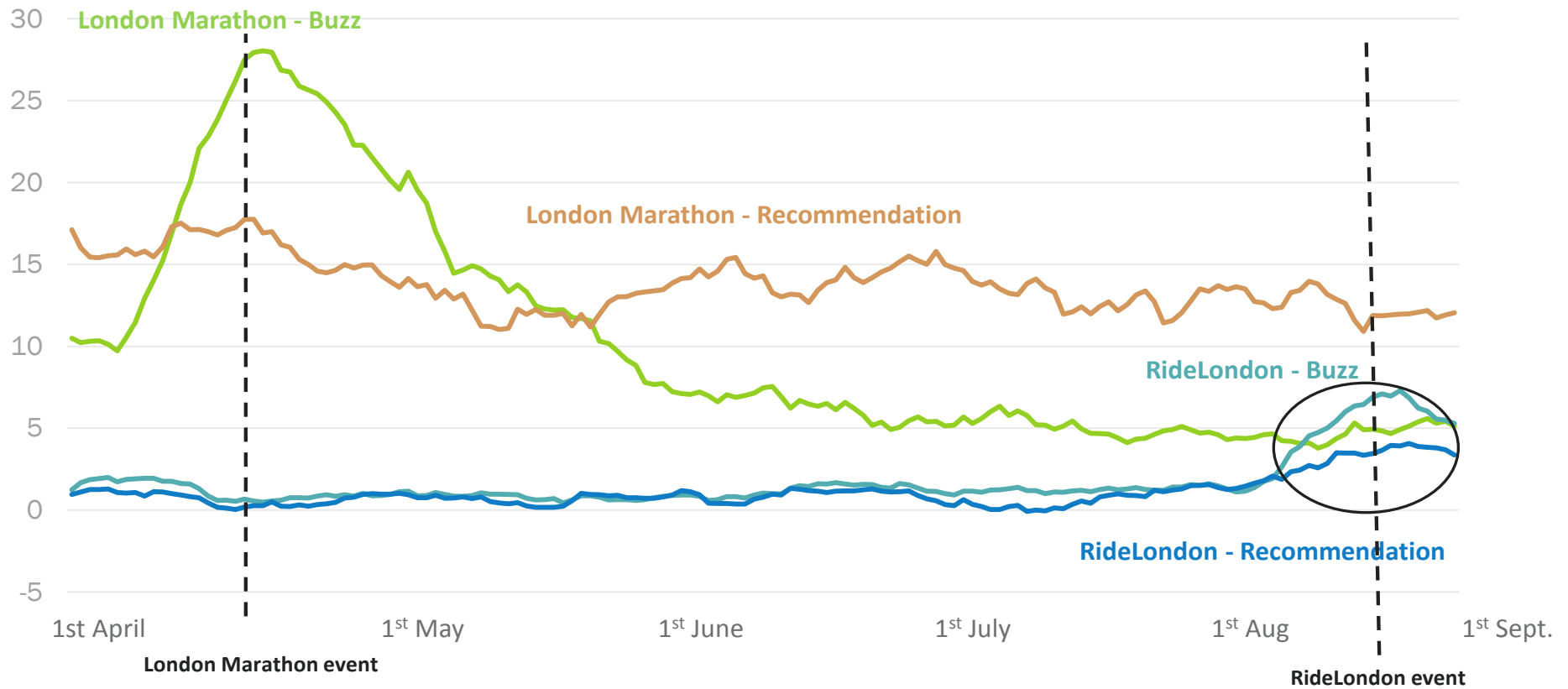
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SPORTSINDEX

4 SPORTSINDEX

- Both Buzz and Recommendation for RideLondon experienced an uplift in the month prior to the event. In order to increase the economic impact of the event in future years, along with TV audiences watching the event, more prolonged uplifts in buzz (such as with the London Marathon below) should be targeted

RideLondon vs London Marathon - Buzz and Recommendation



Source: SportsIndex 2014, 100 sample daily

Buzz: Over the past two weeks, which of the following sporting events have you heard something positive/negative about?

Recommendation: Which of the following sporting events would be likely/unlikely to recommend to a friend or colleague who doesn't currently follow it?

Scores: net metric scores. Subtracting the % of negative responses from the % of positive responses

Dates of events: London Marathon: 13th April / RideLondon: 9th-10th August

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MEDIA EXPOSURE EVALUATION

2 EXECUTIVE SUMMARY: MEDIA EXPOSURE EVALUATION



GLOBAL DEDICATED TV VIEWERS
7.32m



GLOBAL DEDICATED BROADCAST COVERAGE
73 HOURS



LANDMARK ADVERTISING VALUE EQUIVALENT
£6.05M
FROM GLOBAL DEDICATED BROADCAST COVERAGE



GLOBAL TV NEWS VIEWERS
21.62m



GLOBAL TV NEWS FEATURES
52



SURREY ADVERTISING VALUE EQUIVALENT
£15.78M
FROM DEDICATED TV BROADCAST COVERAGE



LONDON ADVERTISING VALUE EQUIVALENT
£12.37M
FROM DEDICATED BROADCAST COVERAGE



ONLINE PRESS BRANDED ARTICLES
1,552



ONLINE PRESS READERSHIP
66.36M



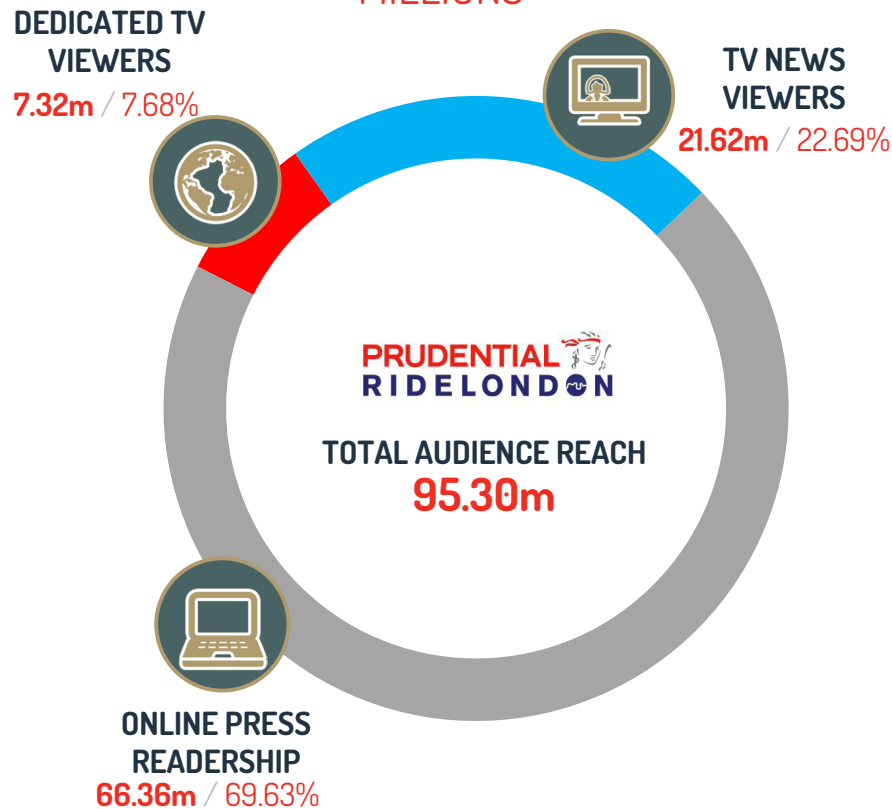
LONDON TOTAL ADVERTISING VALUE EQUIVALENT
£13.21m
FROM ALL MEDIA SOURCES
(INCLUSIVE OF LONDON ITEMS ONLY
- EXCLUDES SURREY LANDMARKS &
RACE TERRITORIES)

5 MEDIA EXPOSURE EVALUATION

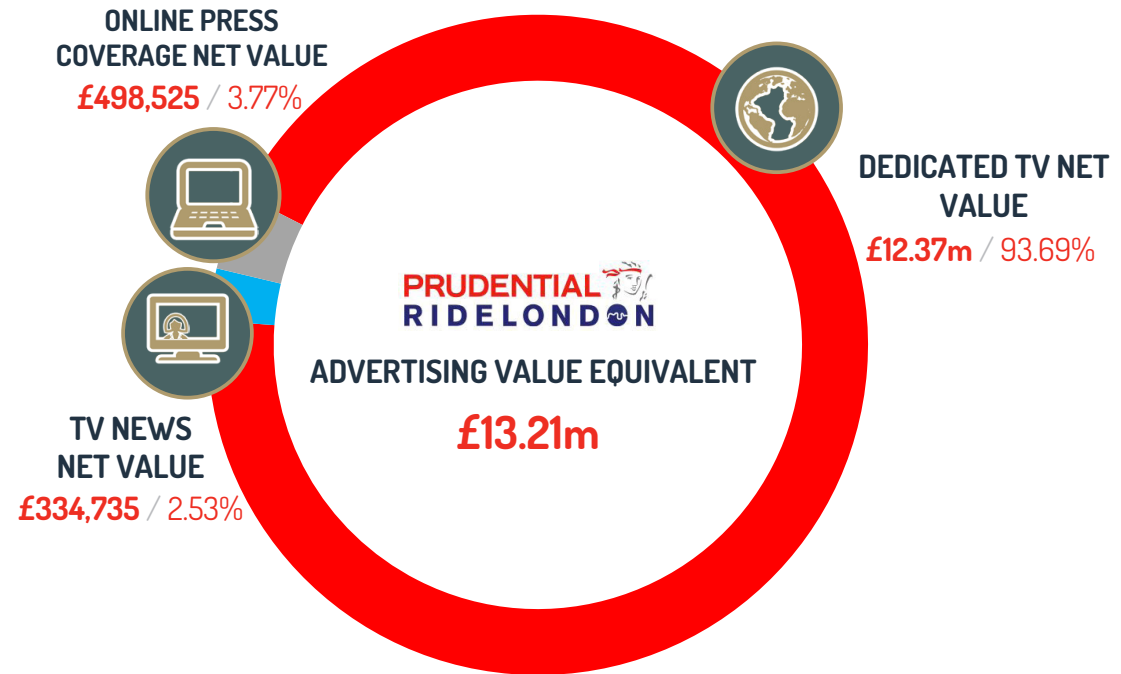
2014 RideLondon Classic Total Reach and Media Value (LONDON ONLY)

Online Press delivered the largest proportion of audiences for 2014 Ride London, generating an audience of 66.36 million from 1,552 articles. This was equivalent to a net media value of £498,525. However, due to the premium nature of Dedicated TV coverage (Live, Repeats/Delayed & Highlights) and its high level of exposure, Dedicated TV broadcast coverage generated the majority of net equivalent media value for London at £12.37 million, 93.69% of total advertising value. TV News Coverage of the event also generated noteworthy exposure, resulting in an audience of 21.62 million and a net equivalent media value of £334,735.

TOTAL AUDIENCE BY MEDIA SOURCE MILLIONS



LONDON ADVERTISING VALUE EQUIVALENT BY MEDIA SOURCE £GBP



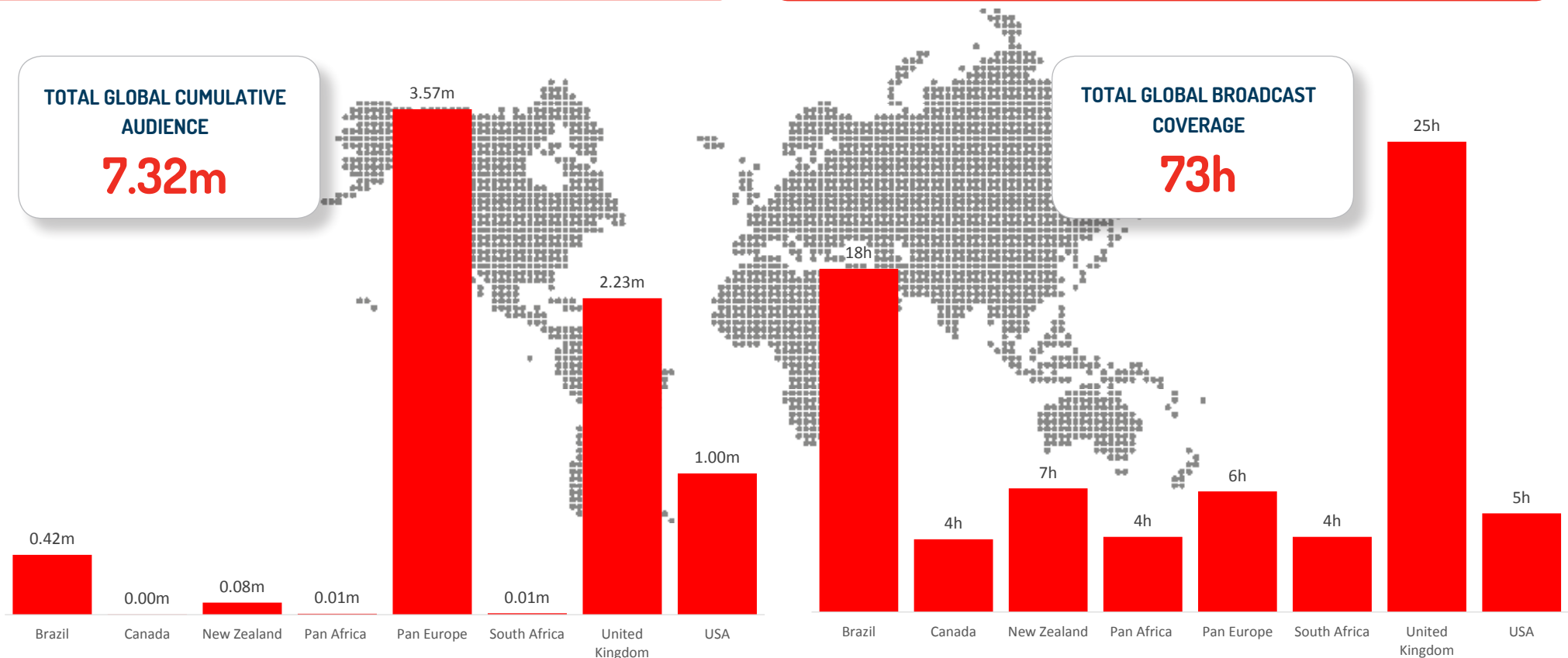
5 MEDIA EXPOSURE EVALUATION

Dedicated TV Broadcast Coverage and Cumulative Audience by Territory

The global audience for the Prudential RideLondon 2014 was 7.32 million, which was generated from 73 hours of broadcast coverage worldwide. The event was most popular in Europe, with Pan Europe and the United Kingdom delivering 79% of the total audience, which was unsurprising as the majority of competitors in the Surrey Classic were European. Success of British athletes at the Olympics and Tour de France along with the largest coverage of the event (25 hours) enabled the United Kingdom to attract a cumulative average audience of 2.23 million (30.51%). Brazil also produced a significant amount of coverage via SporTV (18 hours), attracting 421,794 viewers (5.76%).

Global Cumulative Audience by Territory (million)

Global Broadcast Coverage by Territory (hours)



*BBC broadcast coverage in the United Kingdom generated a peak audience of 2.5 million



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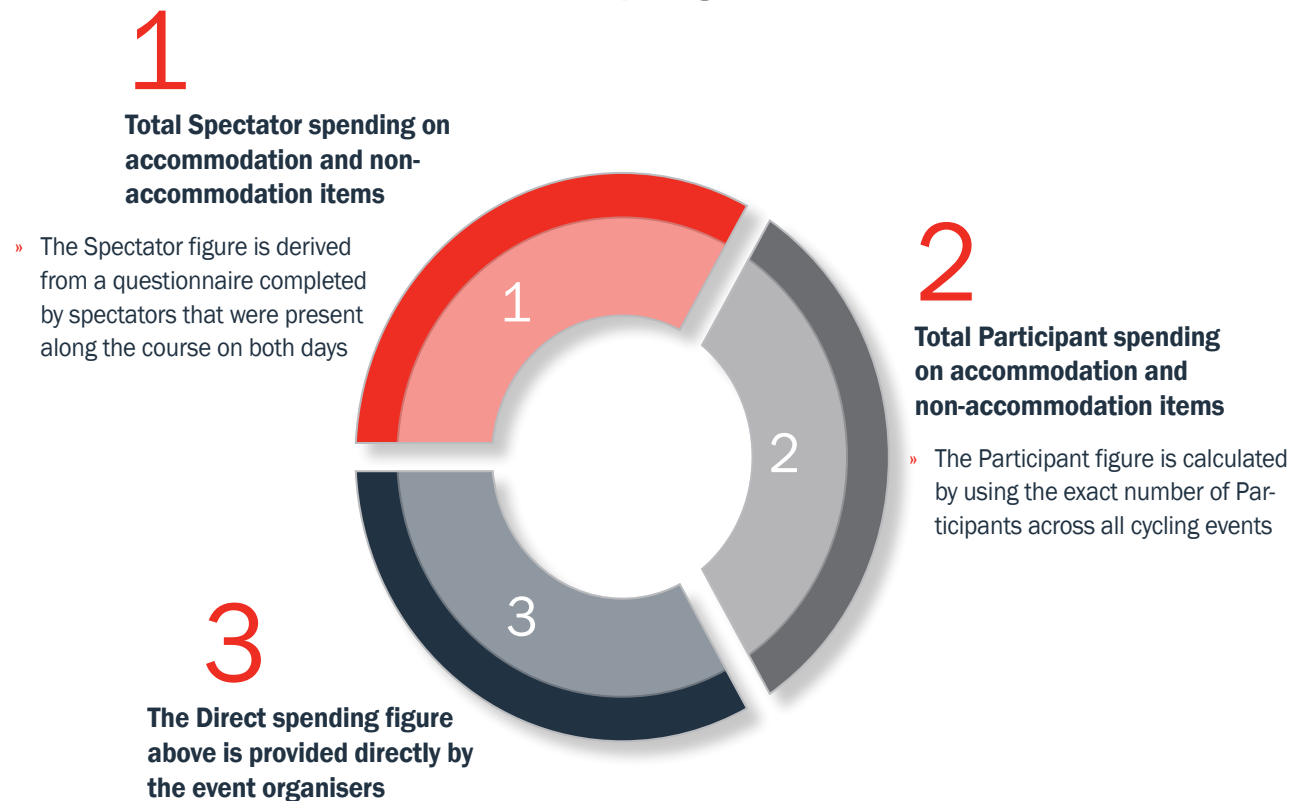
ECONOMIC IMPACT

6 ECONOMIC IMPACT

Methodology

- » Economic Impact assessments provide an indication of the economic benefits for a specified region generated from staging an event
- » There is no industry standard software for calculating total direct economic impact – however for this study, *eventIMPACTS*, the event evaluation framework previously developed for UK Sport and its partners has been used
- » The questionnaire collated information such as:
 - average number of days attended
 - commercial / non commercial stayers
 - average number of nights spent
 - average cost per bed, per night (pp)
 - average daily spend on non-accomodationn items
- » Combined with event attendance, estimated spend is able to be calculation

The three broad areas used to calculate the total Direct Economic Impact figure are:

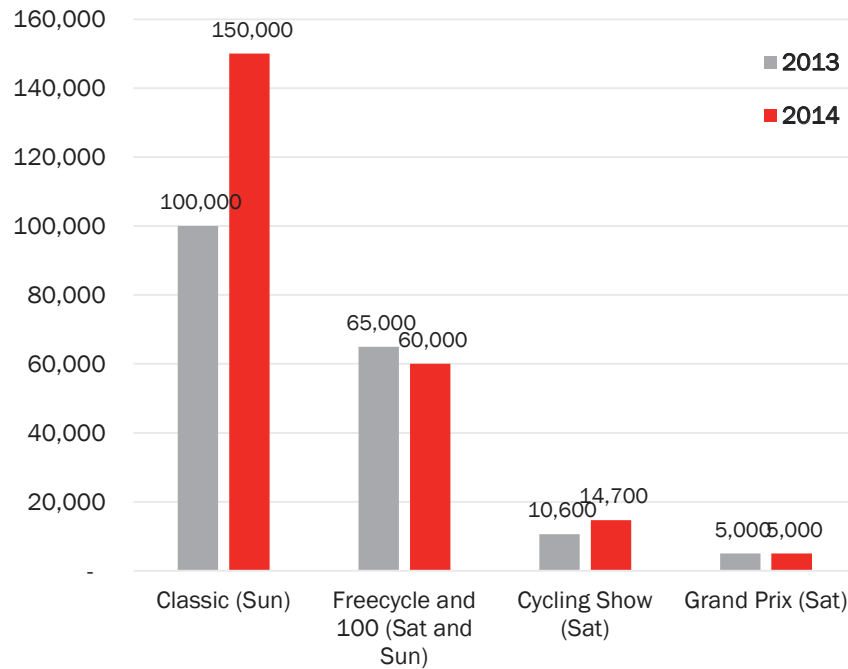


6 ECONOMIC IMPACT

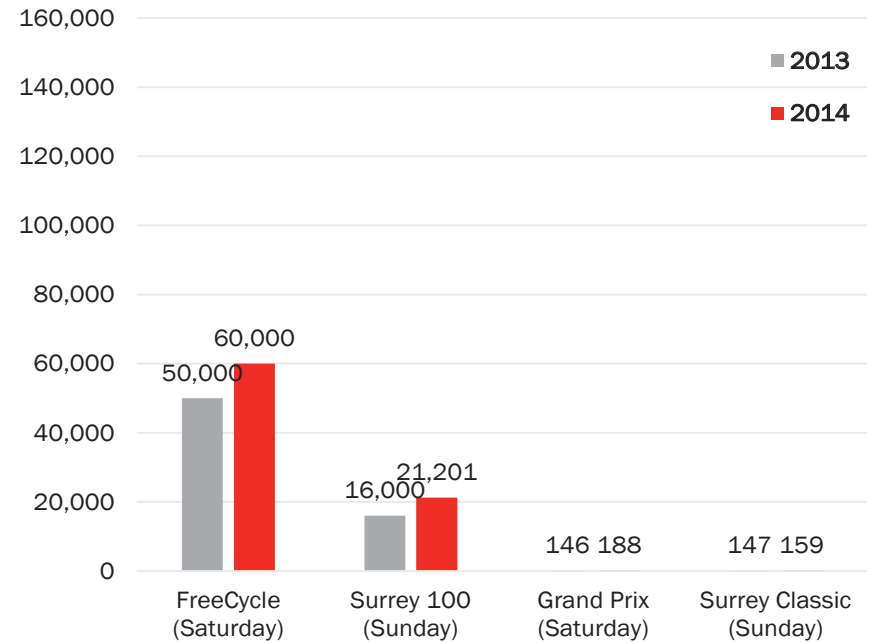
Spectator and Participant overview

- ▶ Overall we have seen a 27% increase in the total number of spectators vs. 2013, with the 50% increase in the Classic race helping to drive this uplift
- ▶ In terms of participants, there has been a 23% increase overall across all races compared to 2013, with the increase being most significant in the Surrey 100 race (+33%)

Number of spectators

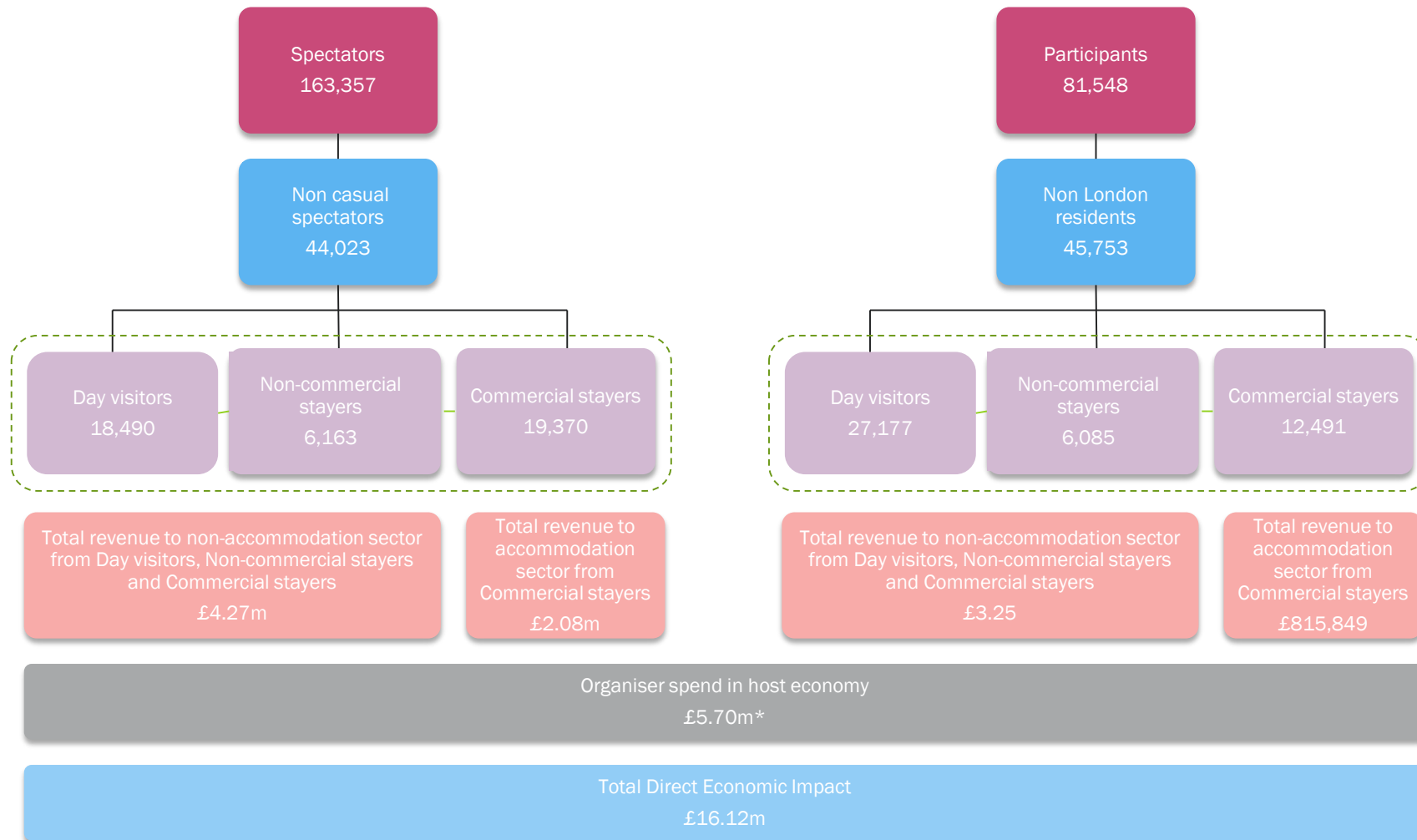


Number of participants



6 ECONOMIC IMPACT

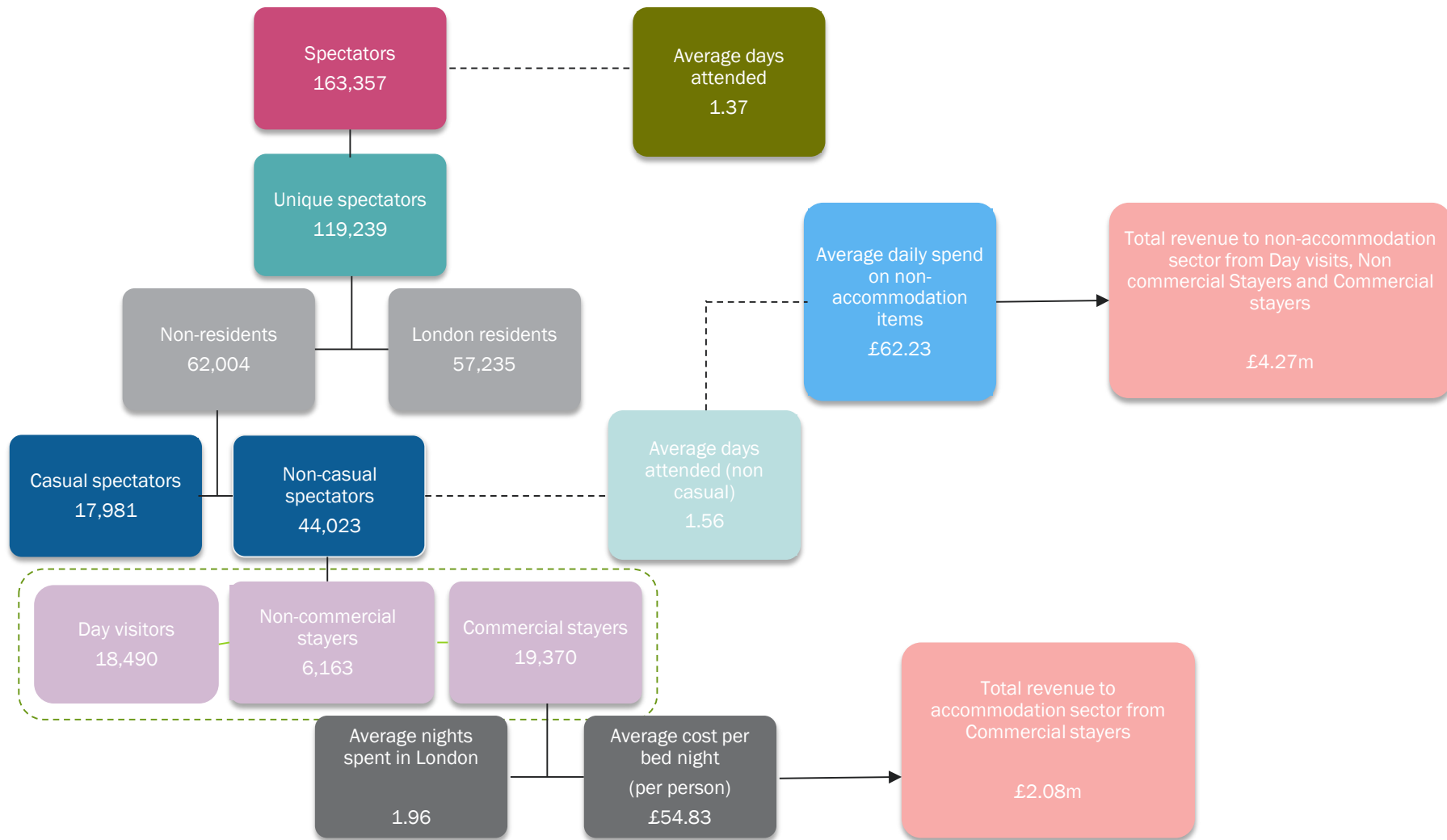
Overall Economic Impact London



*not including attributable spend from Prudential's activation in London

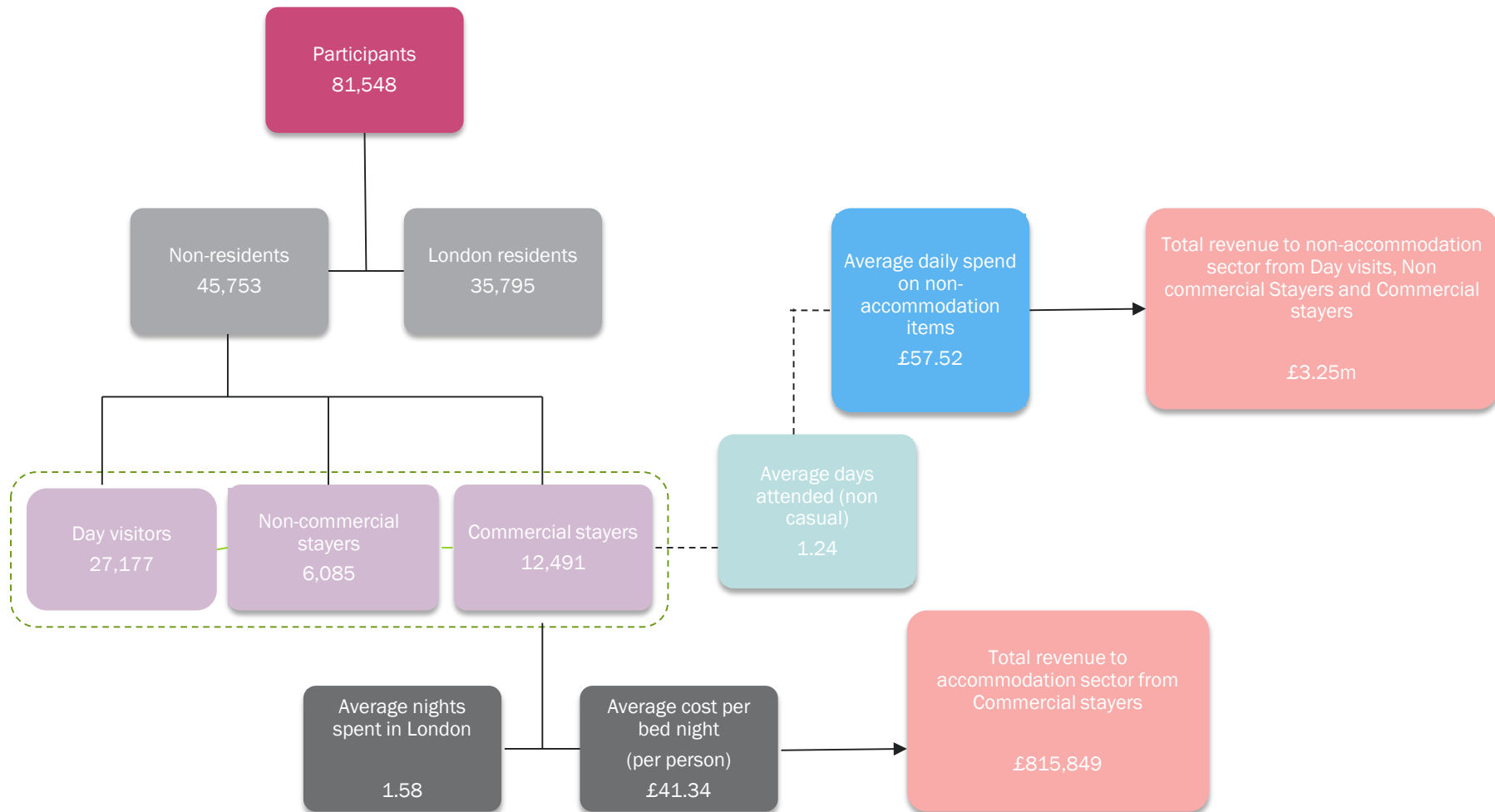
6 ECONOMIC IMPACT

London Spectators: Direct Economic Impact



6 ECONOMIC IMPACT

Participants: Direct Economic Impact



6 ECONOMIC IMPACT

Total Economic Impact: Multiplier Effect

- ▶ An event multiplier turns the Direct Economic Impact from an event into a figure that represents the Total Economic Impact
- ▶ Multipliers are used to assess the extent to which increased spending in the host economy produces subsequent benefits for that economy (indirect impact)
- ▶ The principle behind a multiplier effect is that a change in economic activity will have consequent effects for the rest of the economy, through two channels: (1) Supply-side linkages (B2B effects) – if industry demand increases it can be assumed production will also increase (2) Consumer or wage effects – an increase in activity will result in a higher wage bill, which will be spent in the economy. This rise in consumer demand increases the production of goods or services, hence increasing expenditure (the induced effect)
- ▶ Regardless of its type, the value of any multiplier is dependent on the size of the economy being considered. In simple terms, the smaller the host economy, the higher the chance of leakage and the lower the value of the multiplier
- ▶ In line with industry standards and the previous RideLondon study conducted in 2013, a multiplier of 2 has been suggested as appropriate for this event



ABOUT SMG INSIGHT

SMG Insight, the sports specialist arm of YouGov, is an independent research consultancy specialising in the business of sports and sponsorship fields. The company has many years of experience of working in the rights marketing environment, and in the development and application of sponsorship valuation models.

SMG Insight operates from an international network of offices in London, Edinburgh, North America, Scandinavia, Germany, France, and Middle East.

SMG Insight Head Office
50 Featherstone Street
London EC1Y 8RT

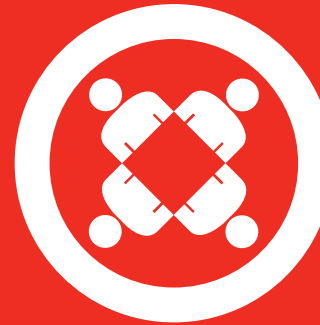
SMG Insight Scotland
2 Walker Street
Edinburgh EH3 7LB

T: +44 (0)20 7012 6000
E: info@smg-insight.com

T: +44 (0)131 240 5421
E: lucy.bell@smg-insight.com

www.smg-insight.com

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