

# High Country Tourism: Economic Impact Studies

*Fall 2016*



Walker College of Business

APPALACHIAN STATE UNIVERSITY

**NABE**  
National Association for Business Economics

## **Economic Impact of the 2016 High Country Beer Fest**

The High Country Beer Fest (HCBF) is an annual event where participants can sample craft beers, craft food, enjoy music and attend seminars. It is a non-profit event that benefits the ASU Fermentation Sciences program and other non-profit organizations including High Country Local First, High Country Mommies, Blue Ridge Conservancy-Middle Fork Greenway Association, The Mountain Alliance, and Ivory Tower, Inc. The 8<sup>th</sup> annual HCBF was held on Saturday, August 27th.

An online survey using Survey Monkey© was administered to 873 participants who purchased tickets online. After the initial email invitation was sent on October 4 and a reminder on October 14, 169 respondents completed the survey. The completed response rate was 19%.

Survey respondents purchased 302 tickets and 17 designated driver tickets. Extrapolating to the 873 participants who purchased tickets online, the survey sample represents 1449 beer fest attendees. For 68% of the survey respondents, 2016 was their first HCBF attended. Fifty-one percent of the respondents were a passenger in a car, 31% took the shuttle from the university, 18% drove their own car, and 17% rode in a taxi. Seventy-six percent were very satisfied with the HCBF and another 19% were somewhat satisfied.

Fifty-five percent of the respondents live outside of Watauga County and 83% of these traveled to the area and stayed overnight. The average travel party size was 3.6 people. Of these travel parties, 39% stayed one night and 49% stayed two nights. Sixty-five percent of the overnight stays were with family or friends, 23% were in a hotel and 9% were in a rental house, cabin or condo.

Considering those respondents who traveled from their homes to the area, average total spending was \$238 during their stay. The top two categories for expenditures were lodging and bar/restaurants. Average lodging expenditures were \$63 and average bar/restaurant spending was \$55. Ticket revenue from out of town visitors is \$13,280. Summing these expenditures over the total number of non-local participants in 2016 yields total direct spending of \$87,000 associated with the HCBF event. Direct spending circulates through the regional economy and generates additional spending through the “multiplier effect.” Applying a RIMS II multiplier of 1.48 for the tourism sector yields a total economic impact of \$143,500.

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*This is a project of the App State Student Chapter of the National Association for Business Economics. Chapter members who contributed to the 2016 High Country Beer Fest Economic Impact Report are Anthony Santelle and Bobby Weant. Contact: John Whitehead, Professor of Economics, (828)262-6121 or whiteheadjc@appstate.edu.*

## **Economic Impact of the 2016 Blue Ridge Brutal**

The Blue Ridge Brutal (BRB) is a long distance road bike ride. The start and finish point is the Ashe Civic Center in West Jefferson, North Carolina. There are 100, 75 and 57 mile ride options and each travels through some of the most beautiful scenery in North Carolina. All of the rides are challenging and spend at least 20 miles on the Blue Ridge Parkway.

Following the 2016 ride an online survey was administered to participants using Survey Monkey©. Email invitations were sent on August 17 to 308 riders who had registered for the 2016 BRB. After the initial email, a reminder was sent on August 26. Seven emails bounced due to bad email addresses. One-hundred forty-four responses were received and 139 riders completed the survey. The response rate was 47%.

Of those who participated in the 2016 ride 78% were extremely satisfied with the BRB. Seventy-three percent of the respondents traveled to the West Jefferson area and stayed overnight. Of these, 43% stayed one night, 43% stayed two nights and 14% stayed more than two nights. Fifty-eight percent of overnight stays were in a hotel, 40% were in a rental house, 3% were at a campsite and 3% were in a bed and breakfast.

Considering those respondents who participated in the 2016 ride and traveled from their homes to stay at least one night in the area, average total spending was \$427 during their stay. The top two categories for expenditures were lodging and food/supplies. Average lodging expenditures were \$196 and average food expenditures were \$93. In addition, 14% of the non-locals took an average of three trips to the area before the 2016 Blue Ridge Brutal to train on the course. The average spending for each training trip was \$400.

Summing this over the total number of non-local participants in 2016 yields total direct spending of \$88,116 associated with the BRB event. Direct spending circulates through the regional economy and generates additional spending through the “multiplier effect.” Applying a RIMS II multiplier of 1.48 for the tourism sector yields a total economic impact of \$130,508. In addition, training ride spending totaled \$15,405 with an economic impact of \$22,799. The total economic impact of the 2016 BRB was \$153,207.

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## **Economic Impact of the 2016 Beech Mountain Metric**

The Beech Mountain Metric (BMM) is a classic mountain metric century road bike ride that finishes at the top of Beech Mountain. The BMM is challenging with 8000 feet of climbing. There is also a 43 mile ride with 5600 feet. The second annual Beech Mountain Metric was held on Saturday May 21, 2016.

Following the 2016 ride an online survey was administered to participants using Survey Monkey©. Email invitations were sent to 420 riders who had registered for the 2016 BMM. After the initial email invitation was sent on May 20 and a reminder on May 27, 310 responses were received and 132 riders completed the survey. The completed response rate was 31%.

Of those who participated in the 2015 ride, 82% were extremely satisfied with the BMM and another 12% were moderately satisfied. Eighty-three percent of the respondents traveled to the High Country and stayed overnight. Of these, 47% stayed one night and 40% stayed two nights. Thirty-four percent of overnight stays were in a hotel and 66% were in a rental house.

Considering those respondents who participated in the 2016 ride and traveled from their homes to the area, average total spending was \$390 during their stay. The top two categories for expenditures were lodging and food/supplies. Average lodging expenditures were \$232 and average food expenditures were \$112. In addition, 9% of the participants traveled to the area before the 2016 BMM to participate in the organized training ride. The average spending for the training trip was \$128.

Summing these expenditures over the total number of non-local participants in 2016 (n=319) yields total direct spending of \$215 thousand associated with the BMM event. Direct spending circulates through the regional economy and generates additional spending through the “multiplier effect.” Applying a RIMS II multiplier of 1.48 for the tourism sector yields a total economic impact of \$318 thousand. In addition, training ride spending totaled \$7 thousand with an economic impact of \$10 thousand. The total economic impact of the 2016 BMM was \$328 thousand.

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## **Economic Impact of the 2016 Blood Sweat and Gears**

Blood Sweat and Gears (BSG) is a demanding long distance road bike ride with a start and finish point in Valle Crucis, North Carolina. The 100 mile route roughly circles Boone and includes 21 miles on the Blue Ridge Parkway. The terrain is constantly changing with hills of all lengths and a large number of curves. The cumulative climbing elevation is 8800 feet with the climb up to the gap at Snake Mountain reaching a 20% grade. There is also a 50 mile ride option with 4200 feet climbing elevation. The 18<sup>th</sup> annual BSG was held on Saturday June 25.

Following the 2016 ride an online survey was administered to participants using Survey Monkey®. The survey was administered to 1384 riders who had registered for the 2016 BSG. After the initial email invitation were sent on June 26 and a reminder on July 1, 557 responses were received and 519 riders completed the survey. The completed response rate was 38%.

Of the 99% percent of the respondents who participated in the 2016 ride (n=531), 64% participated in the 90 mile ride. Eighty-four percent were extremely satisfied with the BSG and another 13% were moderately satisfied. Eighty-two percent of the respondents traveled to the High Country and stayed overnight. Of these, 34% stayed one night and 48% stayed two nights. Forty-eight percent of overnight stays were in a hotel, 49% were in a rental house and 3% were at a campsite.

Considering those respondents who participated in the 2016 ride and traveled from their homes to the area, average total spending was \$478 during their stay. The top two categories for expenditures were lodging and food/supplies. Average lodging expenditures were \$217 and average food expenditures were \$115. In addition, 17% of the non-locals took an average of 3 trips to the area before the 2016 BSG to train on the course. The average spending for each training trip was \$202.

Summing these expenditures over the total number of non-local participants in 2016 (n=1090) yields total direct spending of \$521 thousand associated with the BSG event. Direct spending circulates through the regional economy and generates additional spending through the “multiplier effect.” Applying a RIMS II multiplier of 1.48 for the tourism sector yields a total economic impact of \$771 thousand. In addition, training ride spending totaled \$112 thousand with an economic impact of \$166 thousand. The total economic impact of the 2015 BSG was \$937 thousand.

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