

Home > West Michigan Business > Region - WMBR

ArtPrize 2010 generated \$7 million economic impact, Grand Valley State University estimates

Published: Tuesday, March 01, 2011, 5:07 PM Updated: Tuesday, March 01, 2011, 8:56 PM

9

By Olivia Pulsinelli | Business Review West Michigan Follow



Although ArtPrize 2010 did not generate a huge economic impact for the city of Grand Rapids relative to its total GDP, Paul Sicilian believes the true impact goes beyond the dollar amount.

"There's no way to put a real hard dollar value on that," said Sicilian, professor of economics at Grand Valley State University. "But over the long run, that's very likely to have a larger impact on the quality of life in Grand Rapids."



The study conducted by GVSU and Experience Grand Rapids found that ArtPrize generated \$5.5 million in direct spending from nonlocal visitors, Sicilian said this morning during the International Council of Shopping Centers West Michigan Alliance Program at DeVos Place in Grand Rapids. Preliminary data from the study was released last fall.

When taking multiplier effects into account, the total economic impact of ArtPrize 2010 was approximately \$7 million to \$7.5 million, Sicilian said.

Restaurants benefited the most from the event.

"Meals were the dominant way people spent money during ArtPrize," Sicilian said.

About 49 percent to 55 percent of nonlocal spending went toward meals, Sicilian said. Direct spending on food totaled more than \$2.8 million.

The study estimates visitors spent approximately \$721,000 on lodging, nearly \$589,000 on transportation, around \$684,000 on retail purchases, and about \$168,000 on tourism, which includes things such as museum admission.

For the purposes of the study, GVSU estimated ArtPrize generated about 400,000 "visitor days"



Sponsored By:

Independent Bank

More West Michigan Business

Most Comments Most Recent

West Michigan Business stories with the most comments in the last 7 days.

- 70 Opponents of a property tax increase for The Rapid mass transit system in Grand Rapids say hybrid buses are not worth the extra cost
- 60 On health care, don't blame Obama or Congress, blame yourself
- 42 Rick Haglund: Remember Willow Run? Gov. Snyder hopes he can succeed where Engler failed

during the course of the event, Sicilian said. That number came from a variety of data, including information from the Grand Rapids Art Museum, which counted 161,218 visitors during the 19-day event.

"The only hard number that anybody has right now from ArtPrize 2010 is the Grand Rapids Art Museum, which actually attempted to count each and every person that walked into the door and took their zip code," Sicilian said.

For 87.5 percent of respondents to the GVSU survey, ArtPrize was the primary reason for their trip to Grand Rapids.

While 67 percent of nonlocals did not stay in Grand Rapids overnight, 9.5 percent of nonlocals booked a room at a hotel, motel or bed and breakfast, the study found.

"I think the estimate for the hotels is a pleasant surprise for Experience Grand Rapids, getting almost 10 percent of visitors staying in hotels," Sicilian said. "Last year we didn't collect any data, so it was just guess work, what ArtPrize 2009 generated. But they had estimated a lot smaller percentage than 10 percent for hotel stays."

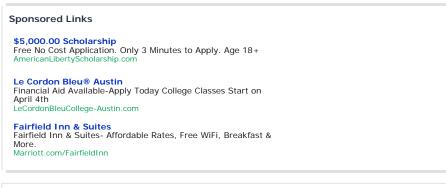
GVSU also learned a lot from the 2010 study that will help them in future ArtPrize studies, Sicilian said.

One thing he would change is clarifying the "transportation spending" portion of the survey. He would ask specifically about money spent locally on transportation — for instance, gas purchased in Grand Rapids specifically, not all money spent on gas the entire trip. He would also clarify things such as whether parking garage fees should be including in transportation spending or other spending.

GVSU also would like to ask businesses to complete a survey about their receipts during ArtPrize, as well.

"That will be nice to see the actual evidence from the businesses," Sicilian said.

Related topics: ArtPrize



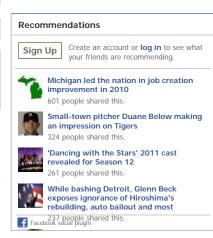


It would also be nice to see police overtime payments included in the financial analysis. Many people who pay taxes for police services saw no benefit from this activity.

- Renewable energy costs in Michigan lower than first anticipated as a 2015 mandate approaches
- 25 GM posts \$4.7 billion profit for 2010, \$510 million in fourth quarter as comeback continues







All Facebook & Twitter accounts »