

CULTURAL FESTIVALS AND REGIONAL ECONOMIC DEVELOPMENT: THE CASE OF THE EPIDAUROS FESTIVAL

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THE GROWING IMPORTANCE OF CULTURAL EVENTS IN REGIONAL ECONOMIC DEVELOPMENT

Increased significance of cultural events  heightened interest in the study of policies, frameworks, and positive economic outcomes.

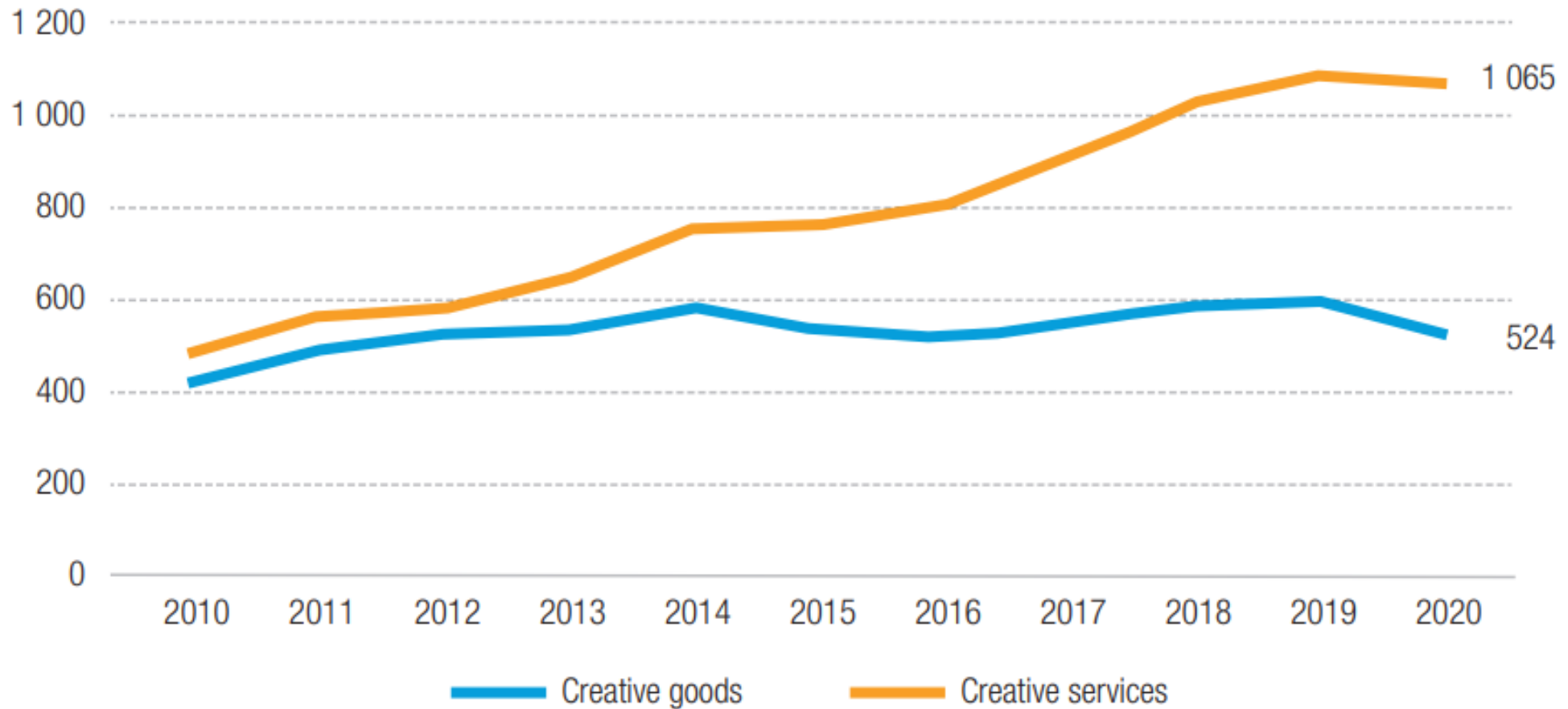
Festivals are simultaneously cultural and economic activities that use equipment, facilities, have audiences and encompass services or entertainment products.

Emphasis in the literature on the tourism aspect.

The ability of festivals to attract visitors is seen in many regions, especially those that are chiefly rural, as a factor that promotes economic wellbeing.



GLOBAL EXPORTS OF CREATIVE GOODS AND SERVICES, 2010–2020 (US\$ BILLION)



Source: UNCTAD.



CONTRIBUTION OF CREATIVE INDUSTRIES TO ECONOMIC GROWTH

UNCTAD (2022) estimated that the cultural sector in 2020 accounted for 3.1% of global GDP.

Creative goods and services represented 3% and 21% of total merchandise and service exports respectively.

Cultural industries provide 6.2% of all employment, generating nearly 50 million jobs worldwide, and employ more young people (15–29-year-olds) than other sectors!



THE IMPORTANCE OF THE CREATIVE AND CULTURE SECTOR FOR THE EUROPEAN ECONOMY

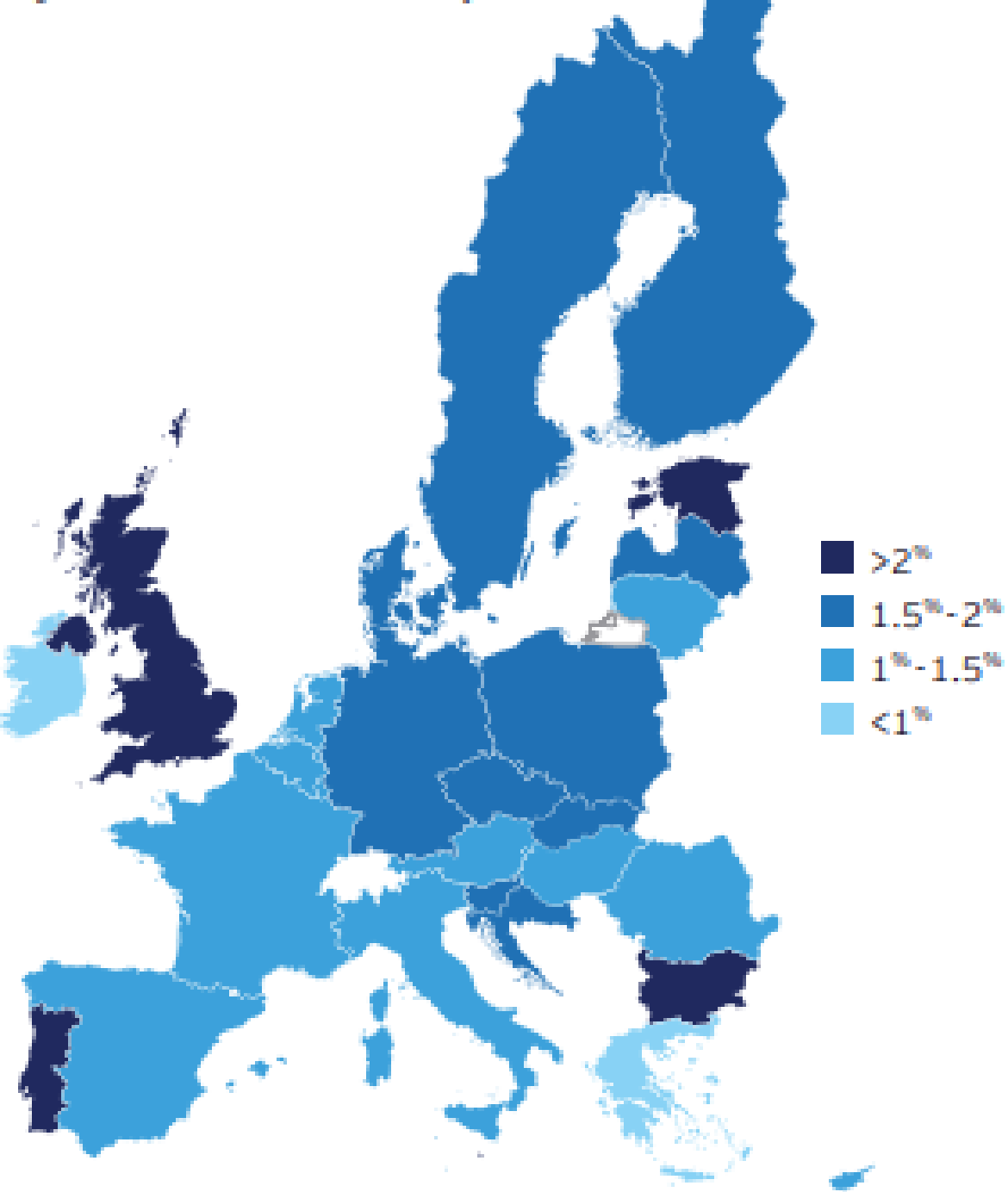
With a turnover of €643 billion and a total added value of €253 billion in 2019, the core activities of the cultural and creative industries (CCIs) represented 4.4% of EU GDP in terms of total turnover.

The economic contribution of CCIs is greater than that of telecommunications, high technology, pharmaceuticals or the automotive industry!

Since 2013, total CCI revenues have increased by €93 billion and by almost 17%.

At the end of 2019, CCIs employed more than 7.6 million people in the EU-28, and they have added approximately 700,000 (+10%) jobs, including authors, performers and other creative workers, since 2013 (Ernst & Young, 2021)





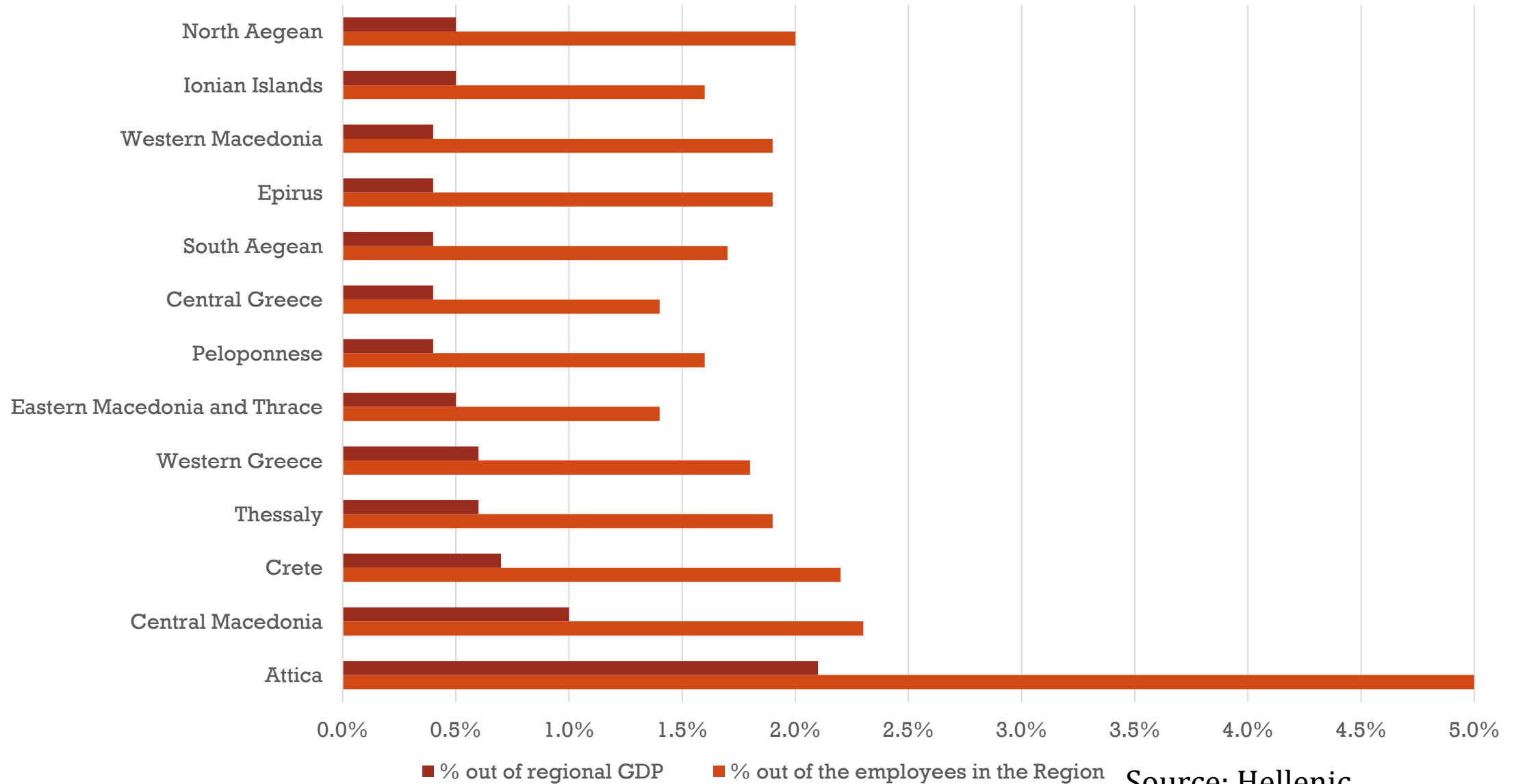
SHARE OF CCIS' VALUE ADDED IN
TOTAL COUNTRY VALUE ADDED (IN
% OF NATIONAL GDP; EU-28)
SOURCE: ERNST & YOUNG, 2021



THE GREEK CULTURAL AND CREATIVE INDUSTRIES

- The cultural and creative sector in Greece in 2014 employed 110,688 employees in 46,370 enterprises.
- Sold goods and services valued at € 5.3 bn, with about € 2.1 bn added value for the Greek economy, and 1.4% contribution to the GDP. (Hellenic Republic, 2015)

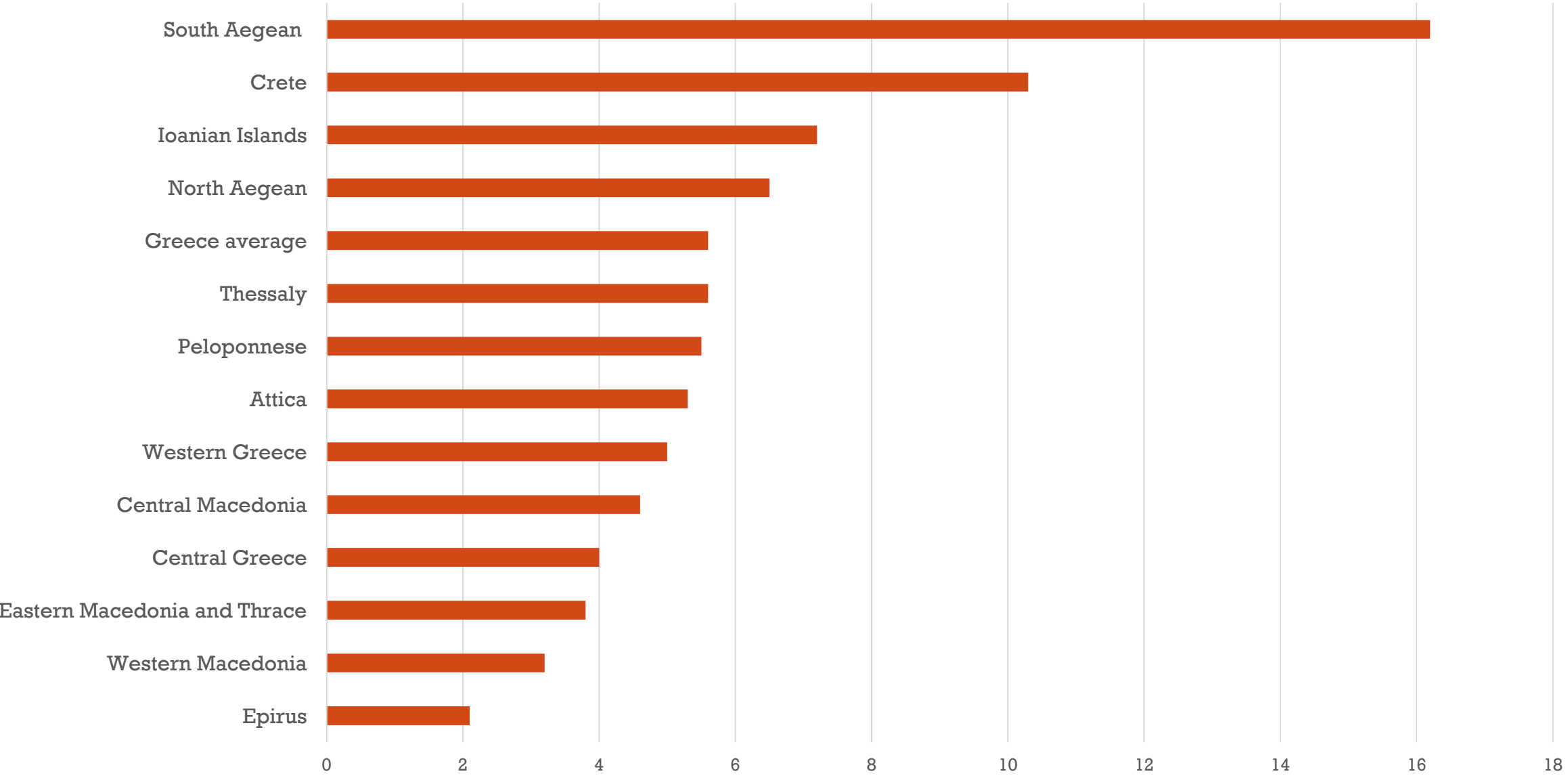
CULTURAL AND CREATIVE INDUSTRIES IN THE GREEK REGIONS (2014)



Source: Hellenic Republic (2015)



NUMBER OF FESTIVALS PER 100,000 RESIDENTS IN 2015



Source: Hellenic Republic (2015)



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GREEK FESTIVAL EXAMPLES



THE ROLE OF FESTIVALS IN REGIONAL DEVELOPMENT

Category	Positive	Negative
Economic	Income/reserve; Multiplier effect from visitor spending; Employment	Increased prices for locals; Opportunity costs
Tourism	Enhance destination image; Extension of tourism season	Risk of reputation damage
Physical	New facilities & infrastructure; Regeneration of rundown areas	Environmental damage; Overcrowding, congestion
Sociocultural	Social opportunities for locals; improved social networks	Commodification of culture; Dissatisfaction with event culture
Psychological	Enhanced sense of community; Excitement & pride	Conflict
Regional community development	Enhance skills for volunteers & participants; Support for other regional products & services; Development of partnerships and alliances	Conflict with other regional activities

Source: Moscardo, 2007, p.24



THE ECONOMIC IMPACT OF FESTIVALS

- The main economic impact of festivals relates to their role in creating opportunities to generate regional income through employment, multiplier effects from visitor spending, and investments in facilities and equipment (Getz, 2010).
- The created income opportunities support existing businesses, stimulate the creation of new start-ups, and generate public support for local and national governments (Dwyer et al., 2005).
- The three main models used for forecasting and evaluating the economic impacts of tourism on a region are computable general equilibrium (CGE) models, input-output analysis, and cost benefit analysis.



GREEK STUDIES

- Kostopoulou et al. (2013, p.192) examined the impact of regional film festivals and found “a significant cumulative development impact on host localities through tourism development, employment generation, and community networking”.
- Kostakis et al. (2020, p. 20) argue that “the promotion and development of cultural heritage may act as a catalyst for challenging regions to create of a proper environment that would attract high level human capital”.
- Established events such as the Athens & Epidaurus Festival, Patras Festival, Sani Festival and Philippi Festival have a significant impact on income, which is however difficult to accurately calculate due to a lack of available data.



- Spanning 68 years.
- Music, dance and theatre performances.
- In collaboration with Greek and International organisations.
- Events held at the Odeon of Herodes Atticus, the Ancient Theatre of Epidaurus and the post industrial venue of Peiraios 260.
- The Festival lasts 3 months with the majority of the events taking place from June to August.

THE ATHENS EPIDAUROS FESTIVAL



CULTURAL PARTICIPATION (AT LEAST ONCE A YEAR) %

	Any cultural activity	Cinema	Live performances	Cultural sites
EU-28	64%	46%	43%	43%
Greece	47%	33%	34%	17%

CULTURAL PARTICIPATION IN GREECE

■ Source: EUROSTAT (2015)





OK, by from the scattered one,
heaven and earth will cry.

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Examination of the economic impact of the Athens Epidaurus Festival



Data from the Hellenic Festival S. A. and the National Statistical Authority



Focus on the *Argolis* regional unit (*perifereiaki enotita*) in the Peloponnese Region



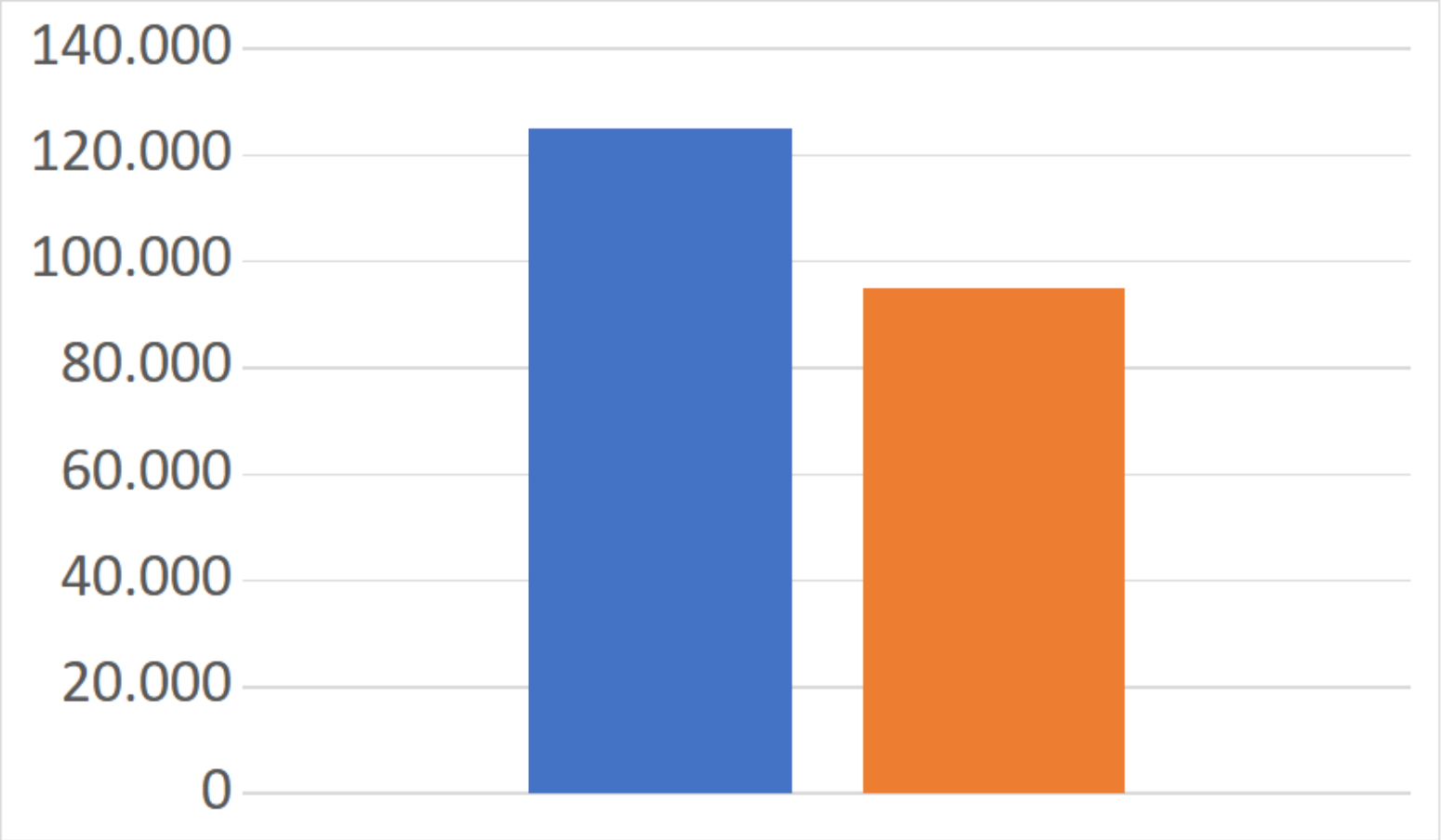
Customer survey to calculate the percentage of local guests and whether visitors opted for an overnight stay

METHODOLOGY





TICKET SALES BY REGION (2019)



ATHENS

EPIDAURUS



THE IMPORTANCE OF THE EPIDAUROS THEATRE FOR THE LOCAL ECONOMY

- Epidaurus is a characteristic examples of cultural tourism and local economic development due to festival activity.
- The ancient theatres of Epidaurus are a stable tourist destination for many visitors, who organize their holidays and getaways based on the Festival's programme and strengthen the local economy of the region and the neighbouring areas (Argolida, Nafplio, etc.).
- The local economy, which has a strong agricultural character, has now developed and organized itself to a large extent around the cultural activity: hotels, rooms to let, restaurants, cafeterias, beach bars, family businesses, most of them based their activity on the Festival and its visitors.

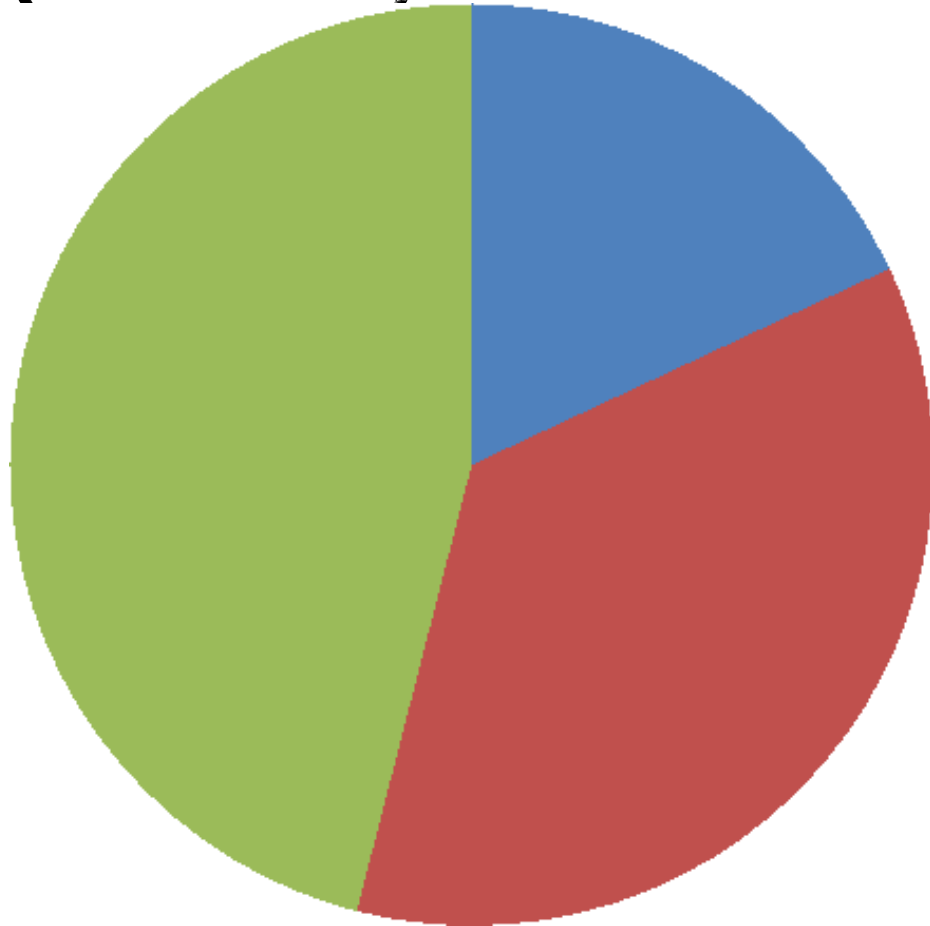


DIRECT EMPLOYMENT (2019)

JOB	NUMBER OF EMPLOYEES	TOTAL COST
Theatre ushers	120	180.000 €
Box office	5	6.000 €
Technical staff	40	200.000 €
Artistic groups (18)	740	450.000 €
TOTAL ARGOLIDA	905	836.000 €



RETURN FROM EPIDAUROS (2022)



46% Takes place after an overnight stay

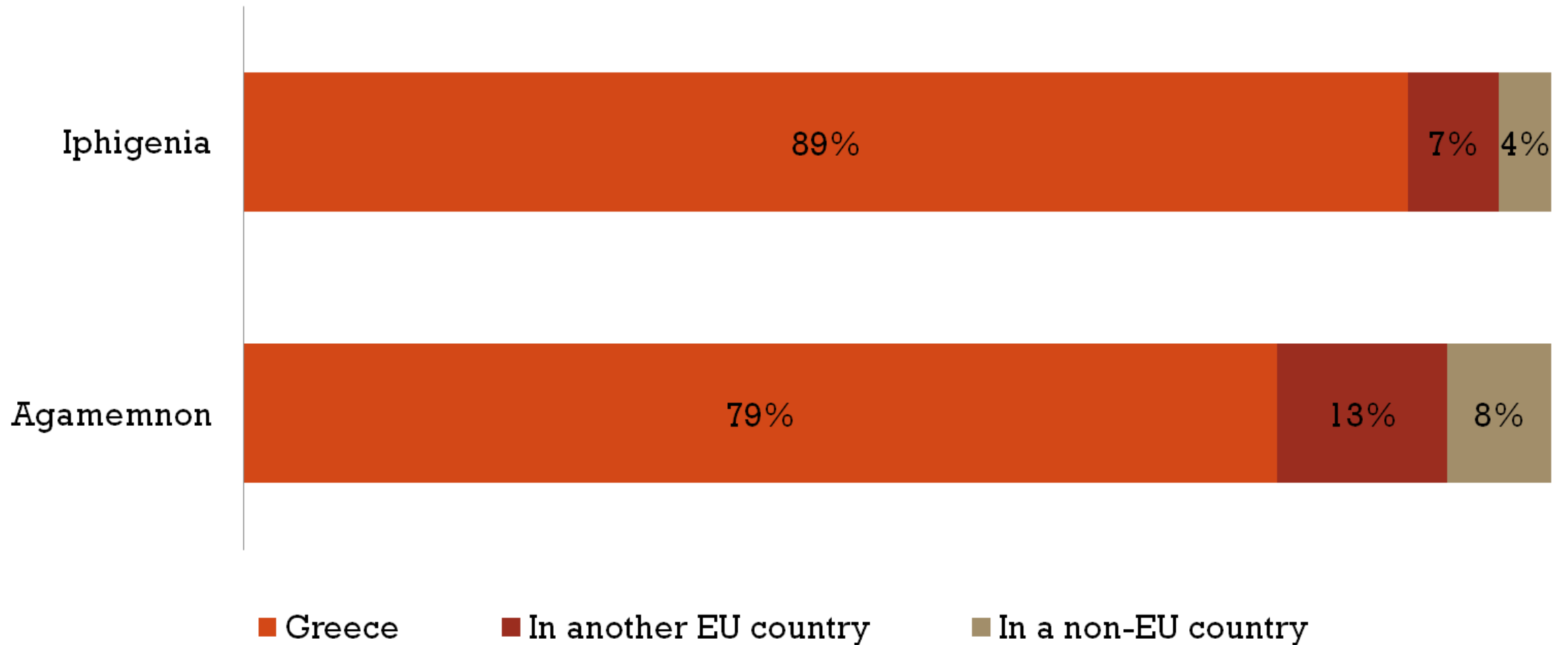
18% Takes place on the same day within the region of Argolis

36% Takes place on the same day outside the region of Argolis

Source: HELLENIC FESTIVAL's consumer survey



RESPONDENT COUNTY OF RESIDENCE (2022)



ARGOLIDA - TOTAL ACCOMMODATION & CATERING COSTS (2019)

ACCOMMODATION & CATERING COSTS FOR EPIDAUROS FESTIVAL	EVALUATION
SPECTATOR/VISITOR COSTS	5.400.000€
ACCOMMODATION & RESTAURANT COSTS FOR STAFF OF STAFF MEMBERS	90.000€
EXPENDITURES OF FOREIGN ARTISTIC GROUPS	58.000€
FESTIVAL PRODUCER'S EXPENSES	85.300€
EXPENDITURE BY PRIVATE PRODUCERS	160.000€
TOTAL ACCOMMODATION & RESTAURANT EXPENDITURE ARGOLIDA	5.793.300€



TOTAL ECONOMIC BENEFITS FROM THE FESTIVAL IN ARGOLIDA

TOTAL ACCOMMODATION & RESTAURANT EXPENDITURE ARGOLIDA	5.793.300€
TOTAL EMPLOYMENT, ACCOMMODATION & RESTAURANT EXPENDITURE ARGOLIDA	6.629.300 €

- The table above presents only the direct economic impact of the Festival and is a lower-bound estimate.
- In addition to these direct jobs, there are many more indirect jobs, as many workers are employed in catering, transport, and hospitality related to the Festival in the areas nearby Epidaurus.



IN ADDITION TO THE ECONOMIC IMPACT

- the Festival has a significant contribution both in terms of social and infrastructural impact:
- The Festival supports vulnerable economic groups through its social pricing policy (discounted tickets for people with disabilities, students, citizens over 65, students of art schools, etc.)
- Infrastructure improvements in cooperation with the competent authorities



CONCLUDING REMARKS

- Creative and Cultural Industries are important for the economy of EU and Greece
- Festivals role in creating opportunities to generate regional income through employment, multiplier effects from visitor spending, and investments in facilities and equipment
- Epidaurus is a characteristic examples of cultural tourism and local economic development due to festival activity.
- The local economy relies on the two-month Epidaurus festival, that attracts more than 80k visitors
- The Festival has a significant contribution both in terms of social, cultural, economic and infrastructural impact



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THANK YOU!

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