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MAJOR FESTIVAL FINAL EVALUATION REPORT

Prepared for: Hawaii Tourism Authority

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EXECUTIVE SUMMARY

(final piece to be added)

Introduction

BACKGROUND

The “*Hawaii Tourism Strategic Plan: 2005-2015*” (TSP) included “Tourism Product Development” as one of the nine essential elements of a State tourism strategy to achieve comprehensive success of Hawaii’s visitor industry.¹ TSP acknowledges that enhancing the tourism product inventory can be a means of encouraging repeat visitation or attracting new visitors, as well as a way to increase visitor expenditures.² It further states that “private infrastructure to diverse experiential activities” offered to visitors in Hawaii is its strategic focus of the tourism product development.³ According to DBEDT’s visitor survey, while most target visitors responded positively about their recent travel experience in Hawaii, they are also looking for new and unique experiences that fulfill their interests such as local festivals that can provide opportunities for them to experience Hawaii’s diverse and multi-ethnic events and activities.⁴

Hawaii Tourism Authority’s (HTA) goal for product development is:

To provide a diverse and quality tourism product unique to Hawaii that enhances the Hawaii visitor experience and enriches residents' quality of life.

HTA’s objectives for product development are:

- ❑ *Develop new, and strengthen existing experiential visitor activities and products*
- ❑ *Develop new, and rejuvenate existing physical elements of the tourism product*
- ❑ *Identify and support niche products with potential for successful market development*

HTA, through its Product Development Program, has since funded many types of events and programs in different areas as part of the TSP initiatives. One of these areas is Major Festivals. These events are some of the largest festivals in the State. The events funded by the Major Festivals Program were expected to have significant attendance and provide significant marketing opportunities within and outside of the State of Hawaii.

OBJECTIVE OF THE MAJOR FESTIVAL PROGRAM

The Major Festivals Program is situated within the Product Development initiative of the Hawaii Tourism Strategic Plan. The strategic plan states that one of the strategic directions is to develop and strengthen new and existing experiential visitor activities and products by supporting programs that attract visitors to Hawaii to participate in or attend the activities that are unique to Hawaii.⁵ The HTA website implies that the Major Festivals can provide both visitors and residents with activities and events that express the fabric of Hawaii community, and it adds values to the visitors’ experience. It also implies that Major Festivals help to support HTA’s goals such as increasing visitor expenditures and average length of stay, and filling in

¹. State of Hawaii, Hawaii Tourism Authority, *Hawaii Tourism Strategic Plan 2005-2015*.

². Ibid.

³. Ibid.

⁴. Ibid.

⁵. Ibid.

“valley” times of Hawaii tourism industry.⁶ However, these statements do not explicitly express what the Major Festivals Program’s objectives are and how the program contributes to the objectives.

As primary differences between Product Enrichment Program and Major Festivals Program, it states that Major Festivals (1) engender significant attendance, attracting visitors to Hawaii specifically to attend the festival, and (2) provide opportunities for significant marketing activity outside of and within Hawaii.⁷ Although these still do not explain the clear role of the Major Festivals in the scope of the Tourism Product Development, we use these statements as the objectives of the Major Festivals Program for the purpose of this evaluation project.

OVERVIEW OF THE MAJOR FESTIVALS PROGRAM 2003-2005

Table 1 provides a summary of the festivals that were funded by the HTA’s Major Festivals Program between since 2003. In 2005, the program funded nine different events at various locations across the state throughout the year.

Table 1: Major Festival Program 2003-2005

| Event | Organization | Location | Event Date | Evaluated Year | | | Funding Amount (2005) |
|---|--|------------|---------------------|----------------|------|------|-----------------------|
| | | | | 2003 | 2004 | 2005 | |
| Honolulu Festival | Honolulu Festival Foundation | Oahu | March | | x | x | \$150,000 |
| Pan-Pacific Festival—Matsuri in Hawaii | Kintetsu International Express (USA), Inc. | Oahu | June | | x | x | \$150,000 |
| Aloha Festivals | Aloha Week Hawaii, Inc. | Statewide | September & October | x | x | x | \$250,000 |
| Hawaii International Film Festival | Hawaii International Film Festival | Statewide | November | x | x | x | \$100,000 |
| Maui Film Festival | Maui Economic Development Board, Inc | Maui | June | | x | x | \$100,000 |
| Hawaii International Jazz Festival | World Music Association | Oahu, Maui | July | | x | x | \$50,000 |
| Maui Writers Conference & Retreat | Maui Writers Foundation | Maui | August | x | x | | |
| Koloa Plantation Days | Koloa Plantation Days Event Committee | Hawaii | July | | x | x | \$50,000 |
| Hawaii’s Big Island Festival—A Celebration of Diversity | Big Island Group | Hawaii | November | x | x | x | \$50,000 |
| The Volcano Party Festival | Maui AIDS Foundation | Oahu, Maui | April & May | | x | x | \$50,000 |

⁶. Hawaii Tourism Authority website, http://www.hawaiitourismauthority.org/index.cfm?page=what_pd_major&level1=what_we_do&level2=what_pd_overview, downloaded in February 2006.

⁷. Ibid.

PURPOSE OF THE EVALUATION

As part of funding requirements, each festival was required to submit a report summarizing several key outcomes for their festival, such as attendance, number of visitors, economic impact, etc. In the past, festivals had different methods of estimating these outcomes, and there was little consistency between festivals. One of the important functions of this evaluation is to provide HTA with consistent and comparable results, using standardized techniques for determining outcomes.

The concept behind the evaluations of these events is multi-fold. Most importantly, since HTA is a government entity and spending taxpayer dollars, these evaluations are one accountability tool for HTA, providing the agency with an objective view of what occurred at each festival.

The evaluations provide accountability because they measure the economic impact of the festivals. They provide comparability across all events, as all events have standardized techniques used for the evaluations, which was missing in the past. These evaluations also provide a quantitative base for HTA to refine its product development strategy and overall system-wide strategy.

Within the individual festival evaluation during 2005, our evaluation activities assessed specific outcomes for each festival, including overall attendance, visitor attendance, visitor and resident demographics, experiential outcomes and economic impact.

The evaluations are really more about “valuation” than evaluation. Assessing the value of a festival is more than just calculating the spending of visitors that come to Hawaii specifically for an event. There is a broader definition of the “value” of a festival. The majority of visitors that attended Major Festivals did not come to Hawaii specifically for the event, and were often excluded from the impact of event. But the Major Festivals gave those visitors something fun and exciting to do during their trip, and there is value of enriching their travel experience. This is referred to as the diversity effect—there is always something fun and exciting to do in Hawaii. The evaluations done for the Major Festivals in 2004 and 2005 estimated this additional value created by the Major Festivals.

Each evaluation was also designed to benefit the festivals themselves, as well as HTA, since they can use much of the information to improve their events in the future. Actually, that was one of the most important outcomes of the evaluations: providing the festivals with information to enhance their events.

OBJECTIVE OF THIS REPORT

The overall goal of this final evaluation report is to develop a set of recommendations useful for HTA’s program improvements, funding decisions, and strategic planning. The specific objective of this report is to summarize the aggregate impact of all the festivals funded by HTA during 2005, and to investigate the trend of attendance and people’s reaction to those festivals. Our evaluation research of the Major Festival Program began in 2003, when four of the festivals were evaluated. These evaluations continued into 2004 and 2005. At least two-year data, three-year for the four festivals, are available for this year’s report.

APPROACHES AND METHODS

Survey Methodology

Two main types of surveys were done for the Major Festivals in 2005. The most frequent type of survey done was the intercept survey. In this type of survey, an interviewer would approach a festival attendee and ask that person a series of questions, and record their answers on a survey form. The surveys usually consisted of roughly 15-20 questions, capturing just the most important information. The intercept survey typically would take a few minutes to complete per person. The survey was kept short in order to maximize the number of surveys that could be completed during the festival.

The second type of survey done was the web survey. It was not done for every festival, but if the festival had a reliable list of email addresses of its attendees, a web survey was implemented (email addresses were often collected as part of the intercept survey to supplement the festivals email list). The web survey would then be conducted about a week or two after the event ended. The advantage of the web survey was that it provided very detailed information about the attendees, including detailed satisfaction and behavioral information. The main drawback with the web survey is that the sample sizes are often on the small side due to limited email databases.

Estimating Attendance

If an event was ticketed, attendance was based on tickets collected. Most events, however, had at least some components that were not ticketed. For those events, two techniques were used to estimate attendance: point-in-time counts (sweeps), and counts of persons entering and exiting the event (flow counts).

For sweeps, the venue map was divided into sections on a grid. Counters were assigned to each section and counted all persons in that section. The total point-in-time attendance was calculated by summing the people in each grid square. Sweeps were conducted several times throughout the duration of the event, typically once every hour.

For flow counts, counters were positioned at each entrance to the venue. They counted all persons entering and leaving through that entrance for a set period of time, usually 10 or 15 minutes. Flow counts were conducted at every entrance, once an hour, throughout the duration of the event.

Using the sweeps and the flow count data, it is possible to estimate the total number of attendees, the size of the crowd at any given time, and turnover rates throughout the day.

Types of Events

Although every festival was different from other festivals in many ways, certain groups of festivals had important similarities as well.

This report discusses the major festivals not individually, but as types of festivals. The objective of using this grouping is to demonstrate the characteristics of the types of events, and show how each type of event has its strengths and weaknesses. It should be remembered that each event

is unique. However, trying to discuss nine separate and very different festivals simultaneously in this report would be confusing and the report would be cumbersome and difficult to read.

The Major Festivals consisted of three categories of events:

Large-scale events: Aloha Festivals, Honolulu Festival, Pan Pacific Festival, and Koloa Plantation Days. These events included parades, block parties, or both, and took place in major tourist areas.

Theater events: Hawaii International Film Festival, Maui Film Festival, and Hawaii International Jazz Festival.

Niche-market events: Volcano Party (a gay-friendly event) and the Big Island Festival (a high-end gourmet food and wine event).

Koloa Plantation Days was under CPEP until 2004 and it was newly added as one of the Major Festivals from 2005. In order to make overall comparison within each category of events between 2004 and 2005, Koloa Plantation Days is reported separately.

Defining Common Terms

To further standardize the evaluation process, it is necessary to clarify commonly used terms throughout this report.

Attendance: Attendance is the number of people who showed up at the events.

Visitor: Visitors are people who came from outside of Hawaii to visit Hawaii. For the purpose of this research, people who identify themselves as “part-time resident” are considered visitors.

Resident: Residents are people who reside on one of the Hawaiian Islands.

Participants: Participants are one of the types of visitors, but they are the people who were involved in the actual festival activities in the form of performer, chaperone, activity coordinator, and etc. For the purpose of this report, participants who were residents of Hawaii are excluded.

Economic contributor: Economic contributors are participants and visitors who came to Hawaii because of the festival. Visitors who did not come to Hawaii for the events are not included in this report.

CAVEATS

1. In 2005, the Maui Writers Conference was not funded as a part of the Major Festivals Program. Instead, Koloa Plantation Days was newly added this year. Although this festival can be categorized as one of the large-scale events, it was excluded from the analysis in order to make a fair comparison of the total impact between 2004 and 2005.

FINDINGS

The evaluation of the Major Festivals was designed to provide HTA with consistent and comparable results all across the nine events funded in 2004 and 2005. This comparison allows investigating trends within individual festivals as well as overall Major Festival Program. This report presents some of the key findings.

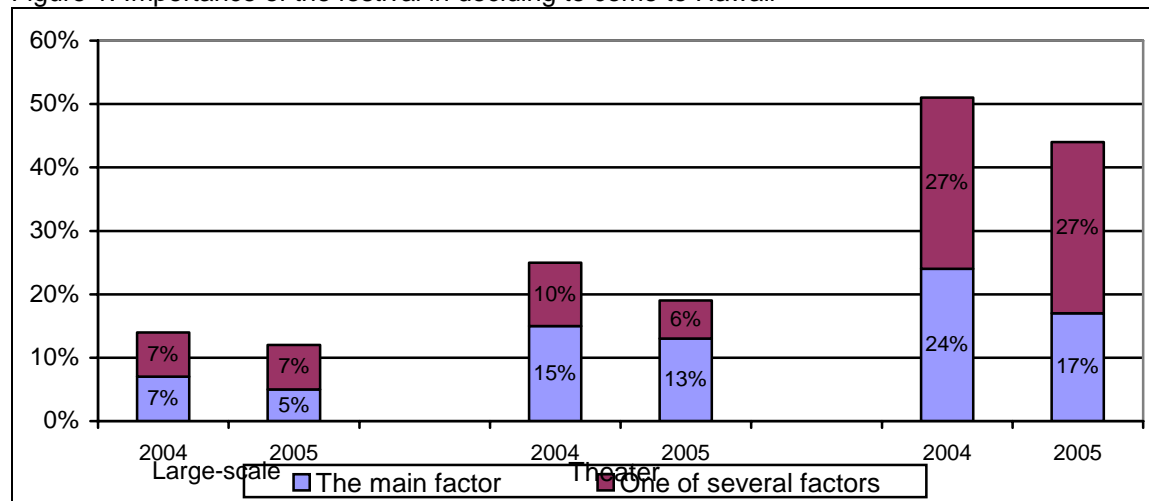
CORE MEASURES OF SUCCESS

From the perspective of the HTA, the bottom line festival success should be festivals drawing a large enough audience to contribute to Hawaii's economy. In order to assess this fundamental success, our research has focused on estimating economic impact, attendance, and residents-visitors mix of each event as essential indicators since 2004.

Economic Impact and Attendance

Economic impact was computed based on the estimated amount of spending for the Hawaii trip of festival participantsⁱ and visitors who came to Hawaii for the events. Festival coordinators reported the number of participants. The number of visitors who came for the event was estimated using the survey question "How important was attending this festival to you in deciding to come to Hawaii?" Those who said the festival was "the main factor" or "one of several factors" were considered as visitors who came to Hawaii for the events (Figure 1).

Figure 1: Importance of the festival in deciding to come to Hawaii



The total spending for their Hawaii trip was then asked. This includes airfare, hotel, shopping, etc. It should be noted that the computed economic impact does not include the effects of advertising and PR efforts in major visitor markets. Tax dollars are then computed using the standardized rate (9.9 percent) of the visitors' spending.

The attendance counts the number of people who attended the event and the number of visitors. The total attendance is estimated by ticket sales and on-site counting. The percentage

ⁱ See the definition of participants on page 7.

of visitors is calculated by randomly collected surveys, this is then translated into the estimated total number of visitors.

Large-Scale Events

Figure 2: Economic Impact of Large-Scale Events in 2004 and 2005

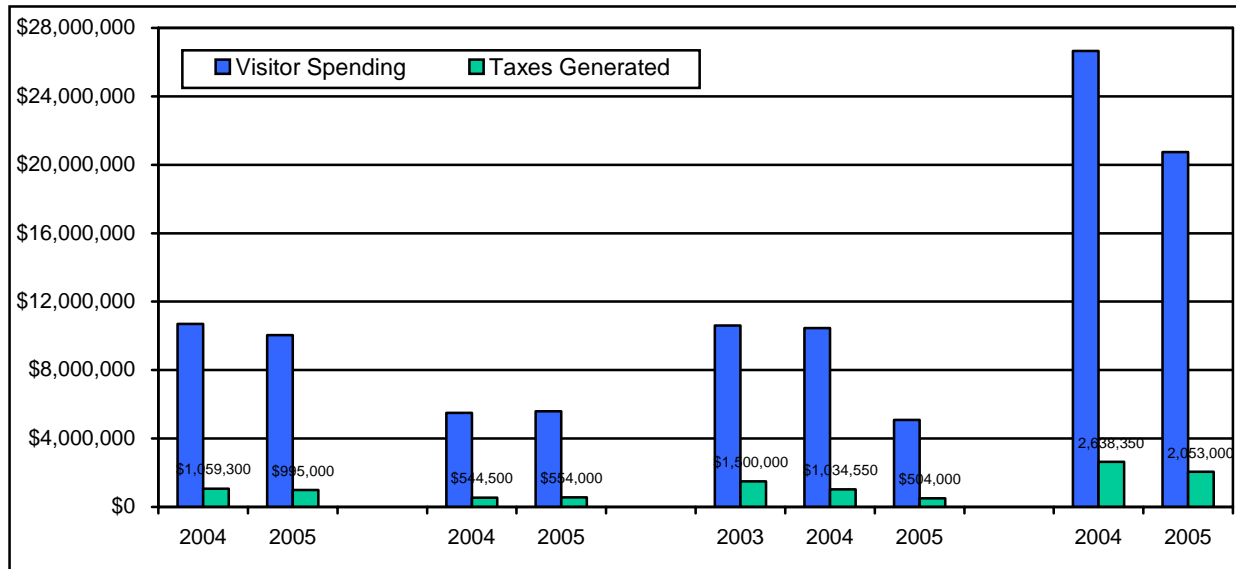
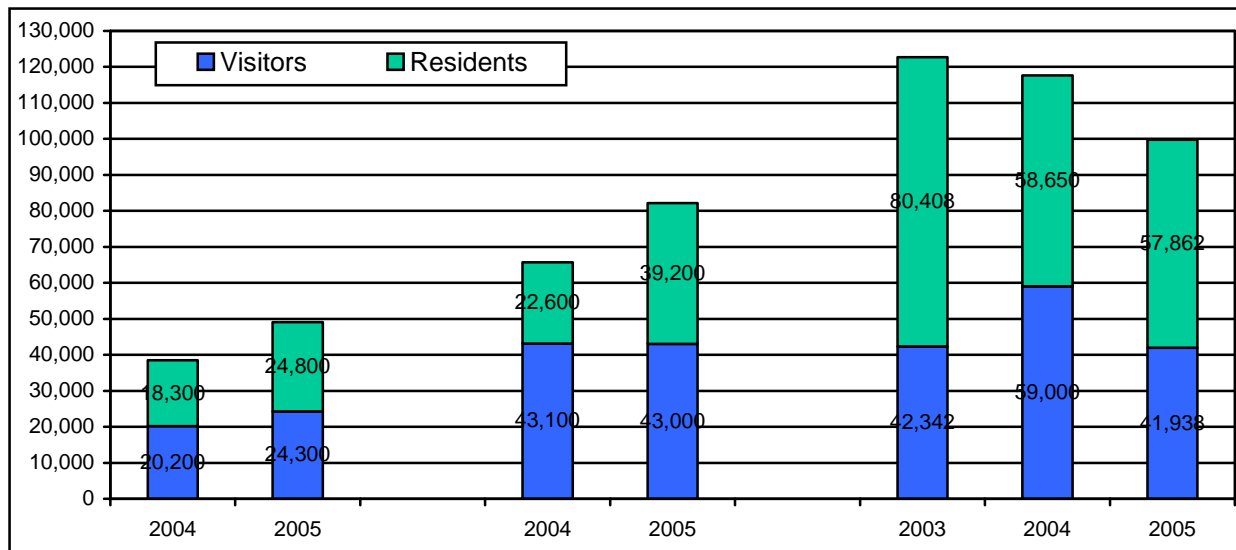


Figure 3: Attendance at Large-Scale Events in 2004 and 2005



The large-scale festivals bring by far the biggest economic impact (Figure 2). In 2005, the total visitor spending is estimated to exceed 20 million dollars generating over 2 million tax dollars. However, compared with 2004, the large-scale events in total had a 22 percent decrease in economic impact. By individual festivals, Aloha Festival's visitor spending declined by more than 50 percent. Honolulu Festival and Pan-Pacific maintained almost the same level of economic impact in 2005 as 2004.

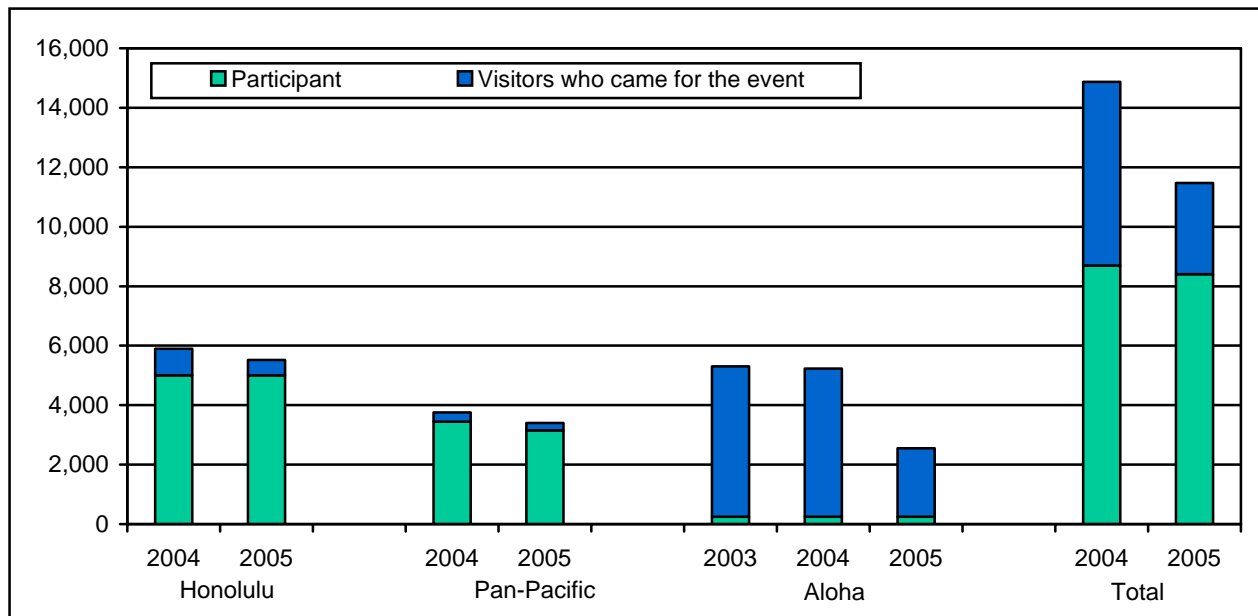
Figure 3 shows the attendance of visitors and residents at large-scale events in 2004 and 2005. Aloha Festival's drop in attendance of both visitors and residents is the most noticeable. The visitors' participation sharply fell by 29 percent, and the total attendance dropped by 15 percent. Pan-Pacific and Honolulu Festival increased the total attendance by more than 25 percent, however, these increases of attendance are primarily attributed to heavier participation of residents.

There are several notable findings:

1. In spite of the increases in total attendance at Honolulu Festival and Pan-Pacific, there was little growth in the festivals' economic impact. The number of visitors stayed almost the same.
2. At Aloha Festival, a decrease in total attendance was mainly due to the decrease of visitor attendance. Resident attendance stayed almost the same. But the economic impact of the festival was dramatically lessened.
3. Honolulu Festival has had the largest economic impact although the level of attendance, both residents and visitors, has been the smallest.

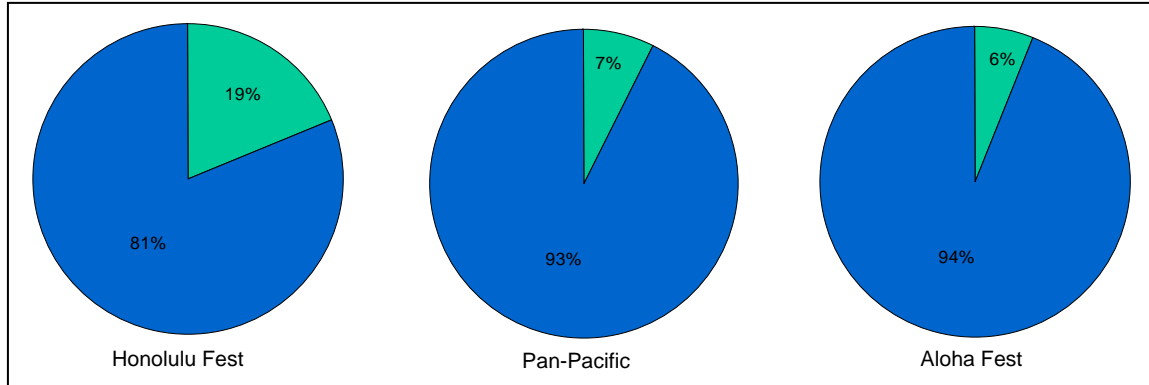
A consistent factor of these findings is visitor attendance. Smaller visitor attendance seems to have caused the declined festivals' economic impact. However, in order to find out the economic impact brought by visitors, we need to further break down the types of visitors. Visitors are comprised of event participants from outside of Hawaii, visitors who came to Hawaii for the event, and visitors who did not come to Hawaii for the event. Among them, participants and visitors who came to Hawaii for the event bring economic contributions. Figure 4 illustrates the number and the composition of these economic contributors in each large-scale event in 2004 and 2005.

Figure 4: The number and composition of economic contributors at large-scale events



At all the large-scale events held in 2005, these numbers went down, and in total the numbers sharply fell by 33 percent from 2004. The number of these people is almost proportionate to the festival's economic impact. At Pan-Pacific, the economic impact stayed almost the same level because the number of economic contributors stayed the same. In contrast, the economic impact of Aloha Festival sharply fell because of the drop of the number of these people.

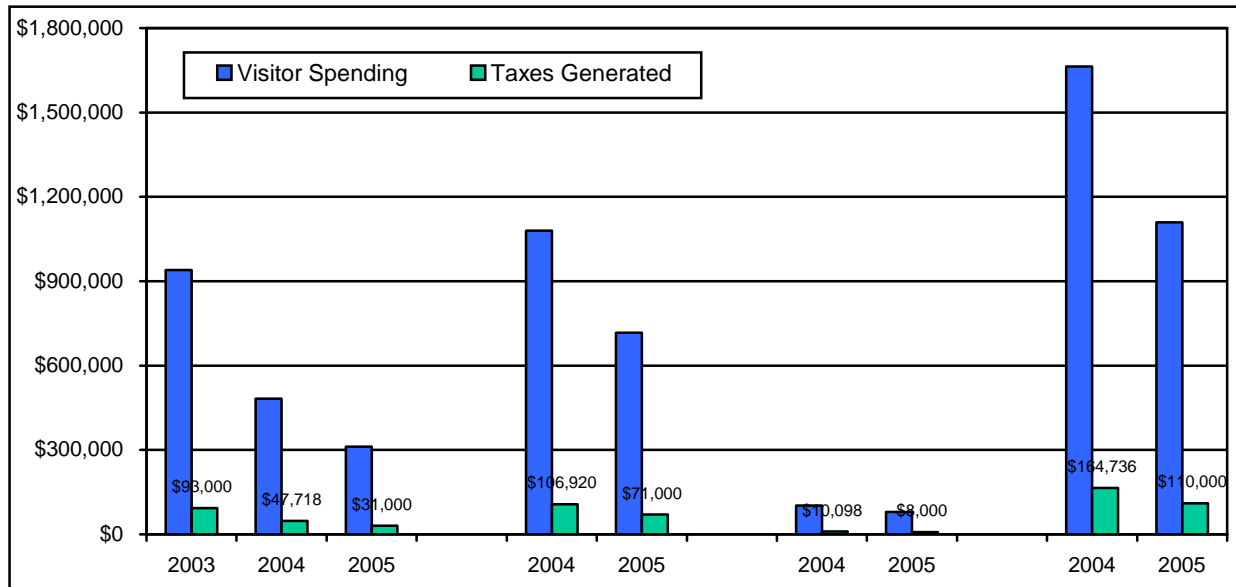
Figure 5: Percentage of economic contributors at large-scale events in 2005



Honolulu Festival has had the largest economic impact in spite of the smallest attendance among the large-scale events. Figure 5 shows the percentage of economic contributors of all the visitors (shown in figure 3). Honolulu Festival draws a much larger portion of the economic contributors relative to other large-scale events. This is due to the fact that the festival is designed to bring in a large number of Japanese participants.

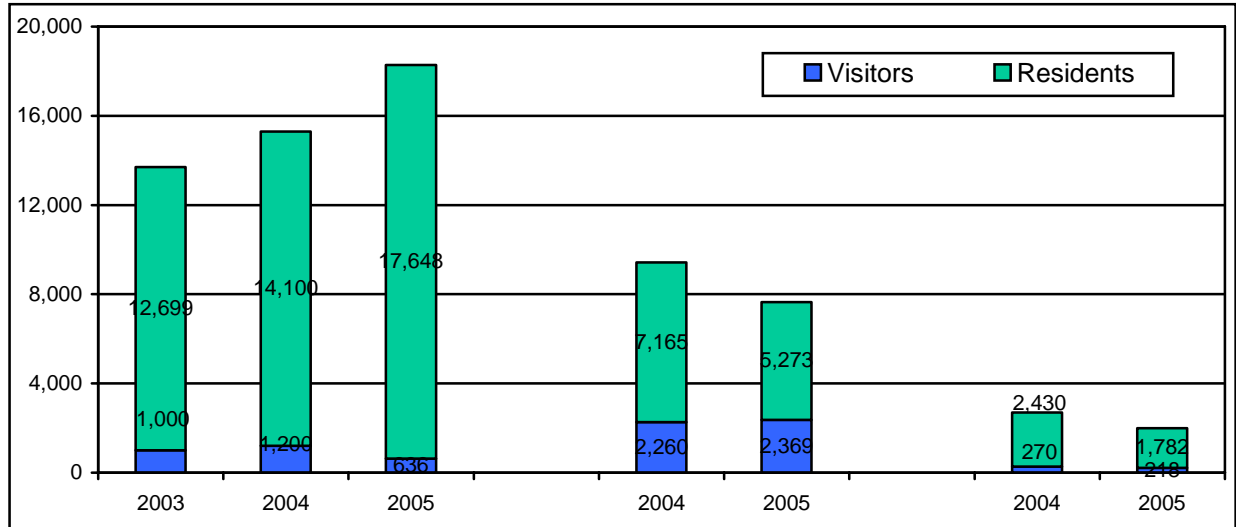
Theater Events

Figure 6: Economic Impact of Theater Events in 2004 and 2005



The economic impact of the theater events was the smallest among the three types of events. In 2005 all the theater events lessened the economic impact, totaling a 33 percent reduction from 2004. Both Hawaii International Film Festival (HIFF) and Maui Film Festival had reduced impacts by 35 percent, and Honolulu Jazz Festival had 22 percent reduction.

Figure 7: Attendance at Theater Events in 2004 and 2005



A consistent trend of all the theater events is the small participation of visitors. In 2005, the visitor participation was even lower than 2004, while the number of residents slightly increased. At HIFF, more participation of residents increased the total attendance by 20 percent, but it continuously attracts a very small number of visitors. At the Maui Film Festival and the Honolulu Jazz Festival, fewer attendance of residents resulted in smaller attendance. These theater events overall seem to be designed to meet the more specific needs of local audience.

Figure 8: The number and composition of economic contributors at theater events

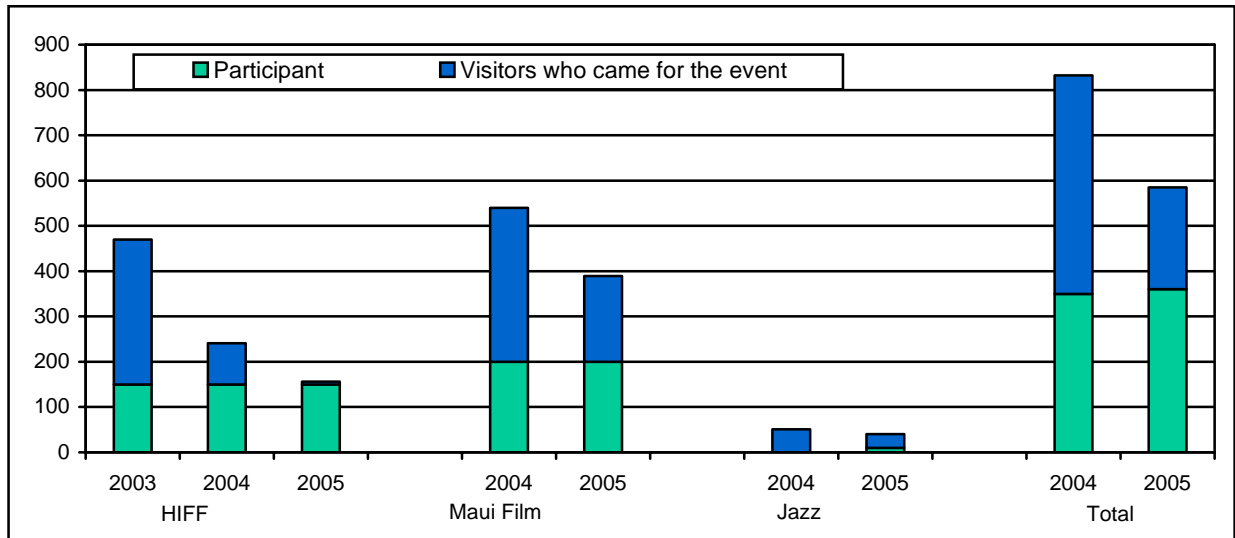
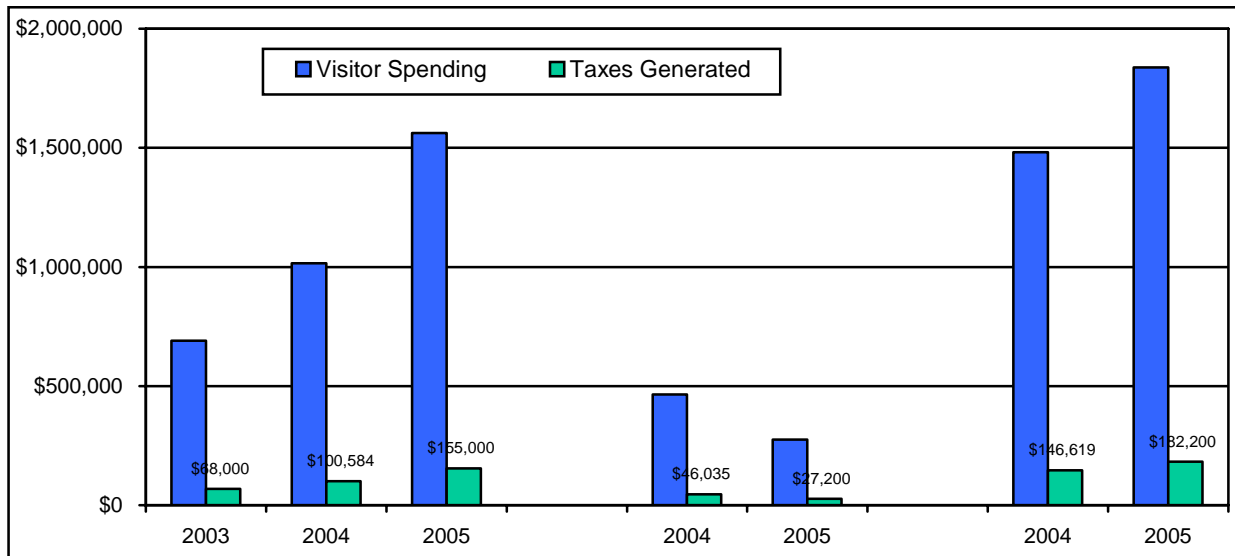


Figure 8 shows that economic impact of all the theater events declined as a consequence of a fall in the number of economic contributors. It also tells that, while the numbers of participants in these events were almost constant, the decline of the number of visitors who came for the event caused the smaller total economic contributors.

Niche-Market Events

The niche-market events were the only category among the three types of events that increased the total economic impact in 2005. Although we considered only two festivals as niche-market events, the sum of the economic impact exceeded the theater events in 2005. The Big Island Festival mostly contributed to this growth.

Figure 9: Economic Impact of Niche-Market Events in 2004 and 2005



The total attendance of both events declined in 2005. Also less visitors participated in the events. At the Big Island Festival, however, there was a larger economic impact in spite of the smaller number of visitors.

Figure 10: Attendance at Niche-Market Events in 2004 and 2005

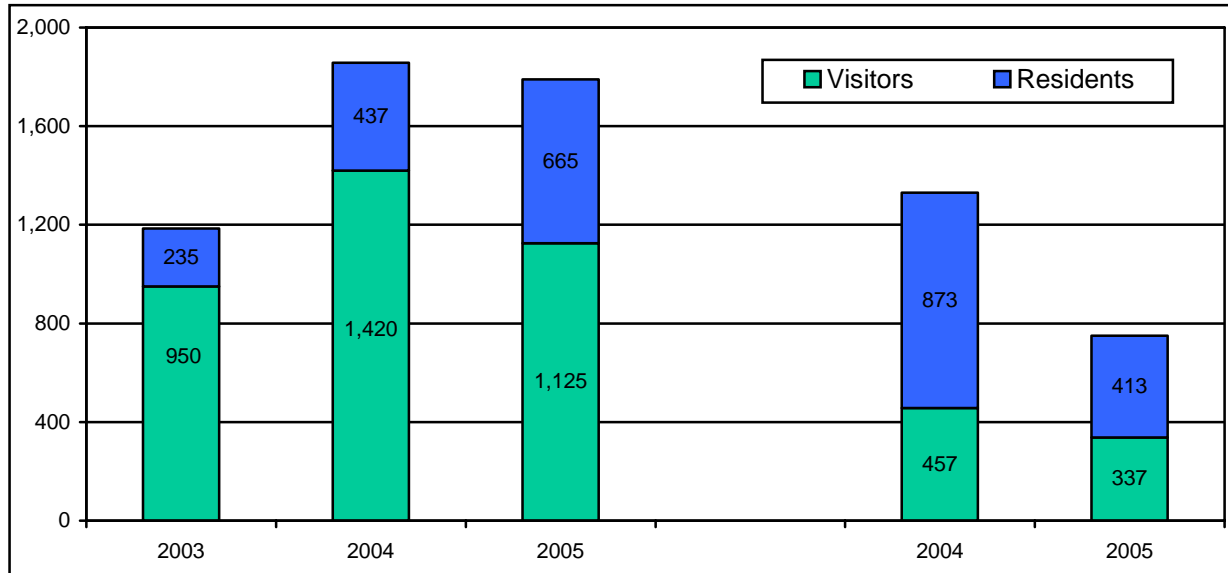


Figure 11: The number and composition of economic contributors at niche-market events

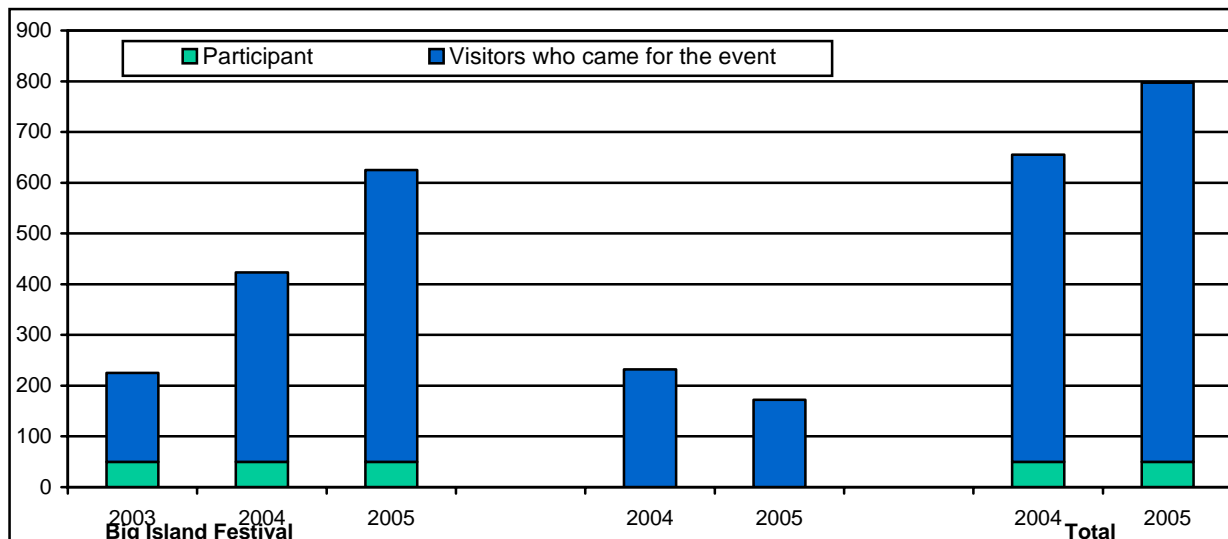
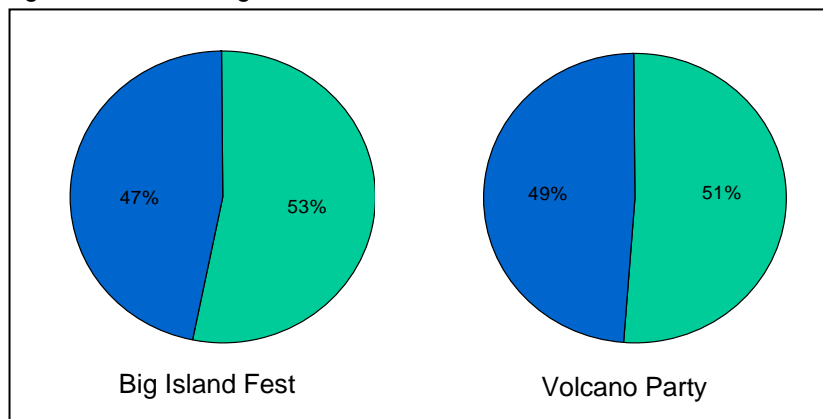


Figure 11 explains why there was a total increase in economic impact when the total number of visitors declined at niche-market events. There was a larger number of economic contributors as a whole. At the Big Island Festival, the number of visitors who came for the event went up by 54 percent in 2005 from 2004.

It seems that a rather large percentage of visitors at niche-market events come to Hawaii for the events. Of all the visitors at these festivals, more than 50 percent of people said they came to

Hawaii for the events (figure 12). This rate is much smaller in other types of events—averaging 10 percent at large-scale events and 18 percent at theater events.

Figure 12: Percentage of economic contributors at niche-market events in 2005



Unit Cost of HTA Grant Per Economic Contributor

As repeatedly mentioned in this report, there seems to be a direct correlation between the size of economic impact and the number of economic contributors. This means the more number of participants and visitors who came to Hawaii for the event, the more economic impact the festivals can expect to bring. We assume that one of the objectives of the Major Festivals Program is to optimize the economic impact each festival can contribute to. Then, it is reasonable to assume that the more specific objective of the Major Festivals Program is to, by providing grants to the festivals, maximize the number of economic contributors each festival brings.

Our question is to what extent did the Major Festivals Program contribute to the number of economic contributors. Table 2 shows the unit costs of the HTA grant per economic contributor that each festival brought in 2004 and 2005. It provides another way of examining how much it costs to bring one economic contributor at each festival.

Table 2: Unit Cost of HTA Grant Per Economic Contributor

| Event Category | Festival | 2004 | 2005 | Change |
|----------------|------------------------|-------|---------|--------|
| Large-Scale | Honolulu Festival | \$34 | \$27 | (\$7) |
| | Pan-Pacific | \$53 | \$44 | (\$9) |
| | Aloha Festival | \$57 | \$98 | \$41 |
| Theater | HIFF | \$415 | \$641 | \$226 |
| | Maui Film Festival | \$185 | \$257 | \$72 |
| | Honolulu Jazz Festival | \$980 | \$1,250 | \$270 |
| Niche-Market | Big Island Festival | \$118 | \$80 | (\$38) |
| | Volcano Party | \$216 | \$290 | \$75 |

The large-scale events have relatively lower unit cost compared with theater and niche-market events. The theater events seem to be the most costly to draw economic contributors.

All the large-scale events decreased the number of economic contributors in 2005, but Honolulu Festival and Pan-Pacific lowered the unit costs. This is due to the fact that these events received less amount of HTA grant in 2005 than 2004. Big Island Festival was the only event that lowered the unit cost when the grant amount stayed constant.

These unit cost figures could be compared with ones of other events that HTA has funded. One of them is NFL Pro Bowl. In 2004, HTA expended \$5.3 million dollars to host the event and it was estimated that the event brought 22,000 visitors. The unit cost for this event was approximately \$241.

MEASURES OF FESTIVAL QUALITY

One of the major objectives of the HTA grant was to enhance visitors experience in Hawaii in order to continuously grow Hawaii's tourism industry. The impact of these festivals was not limited to just the narrow definition of economic impact as discussed in the earlier section. Those festivals were expected to have a significant impact even for visitors that did not come to Hawaii for the festival, providing something fun and entertaining to do. The assumption of the Major Festivals Program, therefore, is that if the festivals' qualities are high, visitors experience will be enriched and ultimately this will bring more visitors to Hawaii. The survey asked a couple of questions that relate to this assumption: (1) How likely will you be to attend the festival in the future? (2) Was the festival a highlight of your trip?

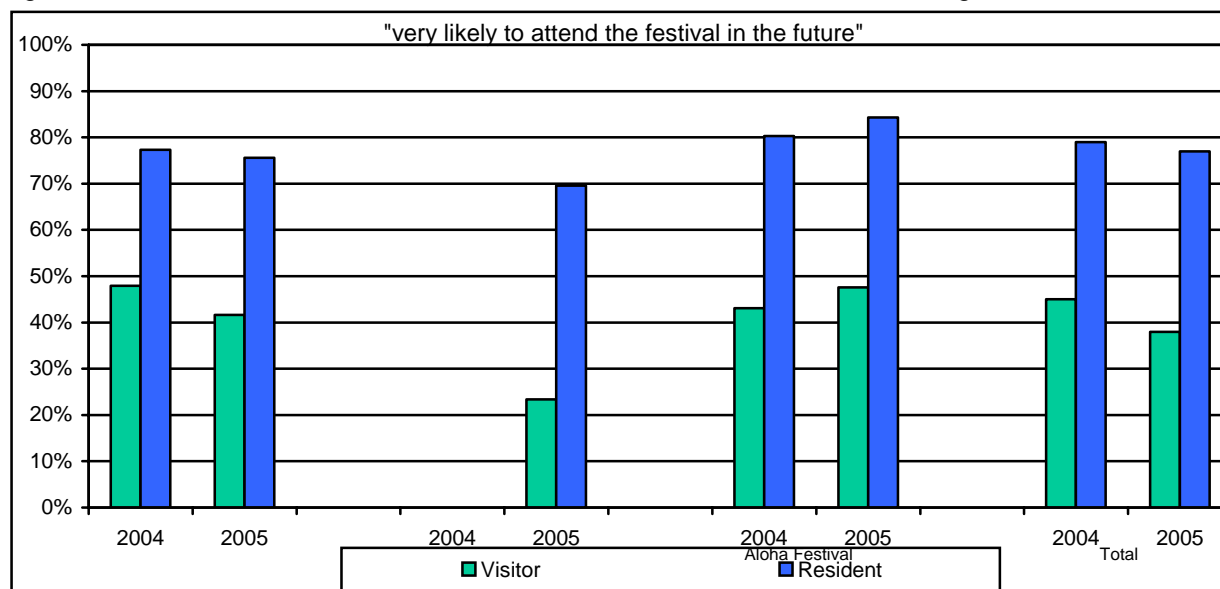
Likelihood to Return and Highlight

Likelihood to return is an important factor, and is an indirect measure of festivals' quality and people's satisfaction. If a person were more satisfied with the event, the more likely they would be coming back to Hawaii. This question was asked for both residents and visitors.

An additional function of these events is to increase "diversity" of visitor attractions—whether the festivals enriched their experience and provided added values for visitors who did not come to Hawaii for the events. A question was asked of visitors if the event was the "highlight of their trip" to investigate if these events played any role of diversifying visitor attraction. This provides an additional indicator to measure the festival quality for visitors. If a person perceived the festival as their trips' highlight, the more likely they perceive Hawaii as a future travel destination for them and/or their friends and family that there is always something fun and exciting to do no matter what their interests may be.

Large-Scale Events

Figure 13: Likelihood to Return of Residents and Visitors in 2004 and 2005 at Large-Scale Events



The overall satisfaction of the large-scale events among residents is continuously scored high. Almost 80 percent of them said they are very likely to attend the event in the future (Figure 13). Visitors were moderately satisfied, totaling 38 percent said they are very likely to come back, though this score dropped by 7 percent compared with 2004.

At Aloha Festival, higher percentage of residents as well as visitors was satisfied. At Honolulu Festival, this rate dropped by 6 percent among visitors while residents' satisfaction stayed almost the same.

Figure 14: Highlight of their trip at Large-Scale Events in 2004 and 2005

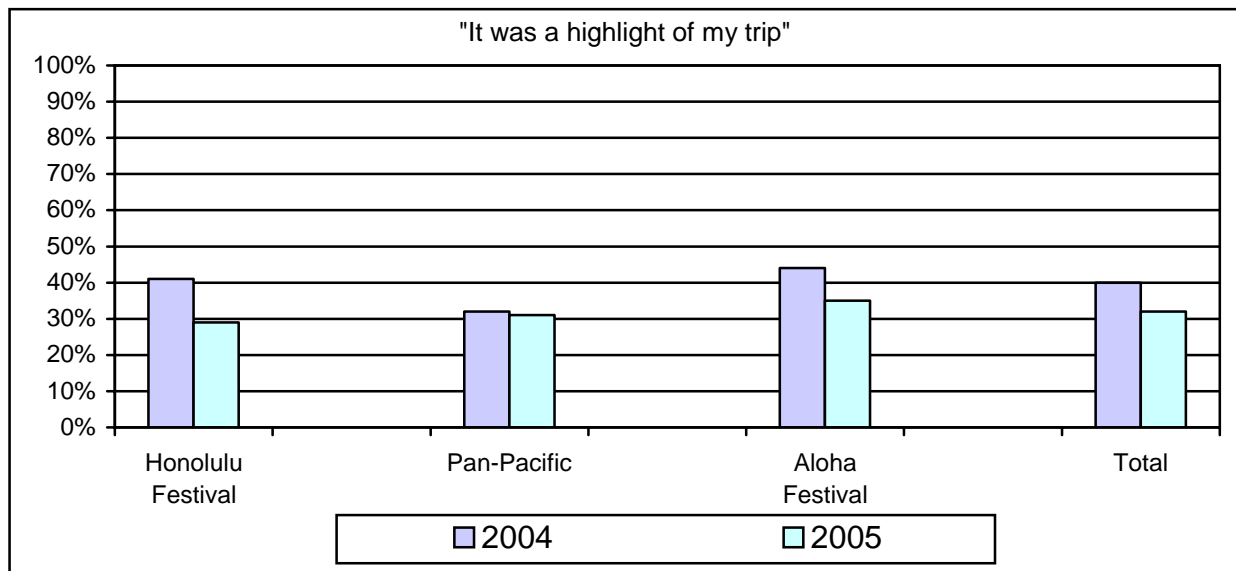
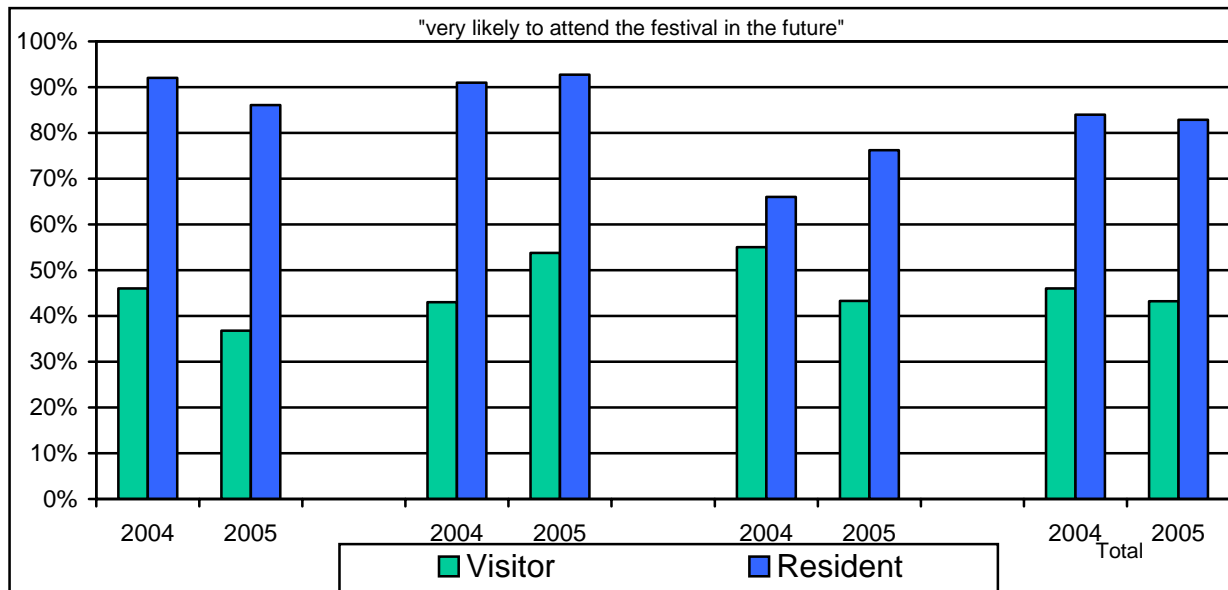


Figure 14 shows the percentage of people who said the event was a highlight of their trip among the visitors who did not come to Hawaii for the events. In 2005, at all the large-scale events, approximately 30 percent of them thought the events was a highlight of their trip. In total, this rate went down by 10 percent from 2004. When the answers “it was OK, something extra to do” are considered, the festivals seemed to have functioned to provide positive experiences to more than 70 percent of those visitors.

Theater Events

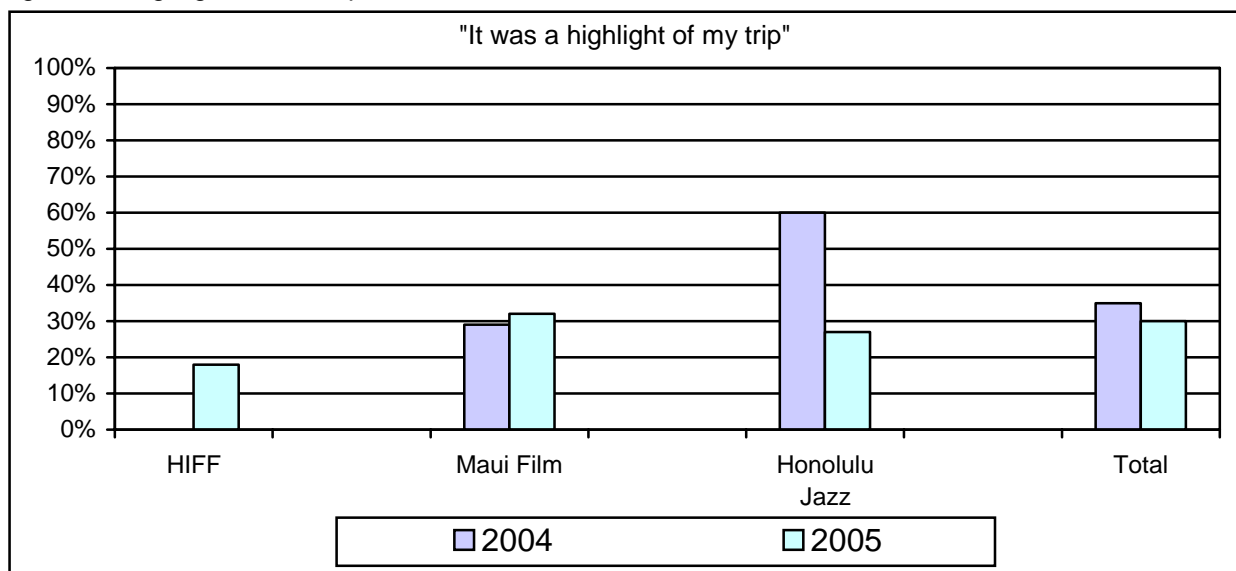
Compared with other types of events, the theater events have scored the highest satisfaction both among residents and visitors. At Maui Film Festival, more than 90 percent of residents and 50 percent of visitors said they are very likely to attend the event in the future. These scores are higher than any other major festival events. At HIFF and Honolulu Jazz Festival, visitors' satisfaction dropped by more than 10 percent, but most residents seemed to be highly satisfied. Overall this may suggest that this type of events is designed to meet the specific desires of a particular group, especially for local residents.

Figure 15: Likelihood to Return of Residents and Visitors in 2004 and 2005 at Theater Events



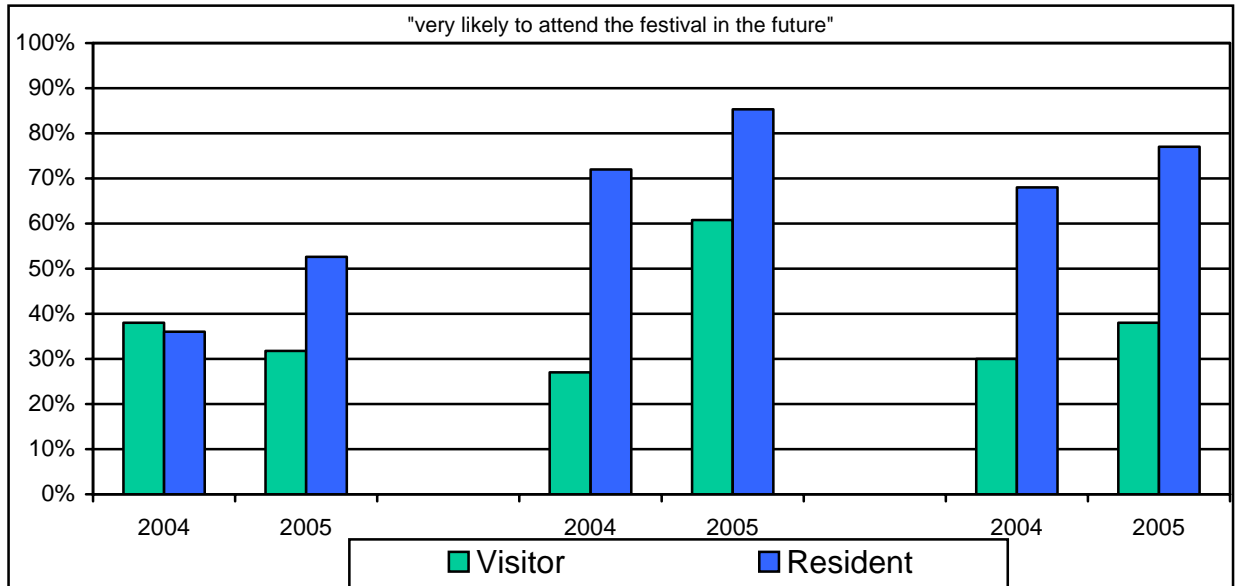
For visitors who did not come to Hawaii for the events, approximately 30 percent responded that it was a highlight of their trip. When the answers “it was OK, something extra to do” are considered, the events provided added values to approximately 50 percent of the visitors who did not come to Hawaii specifically for the events.

Figure 16: Highlight of their trip at Theater Events in 2004 and 2005



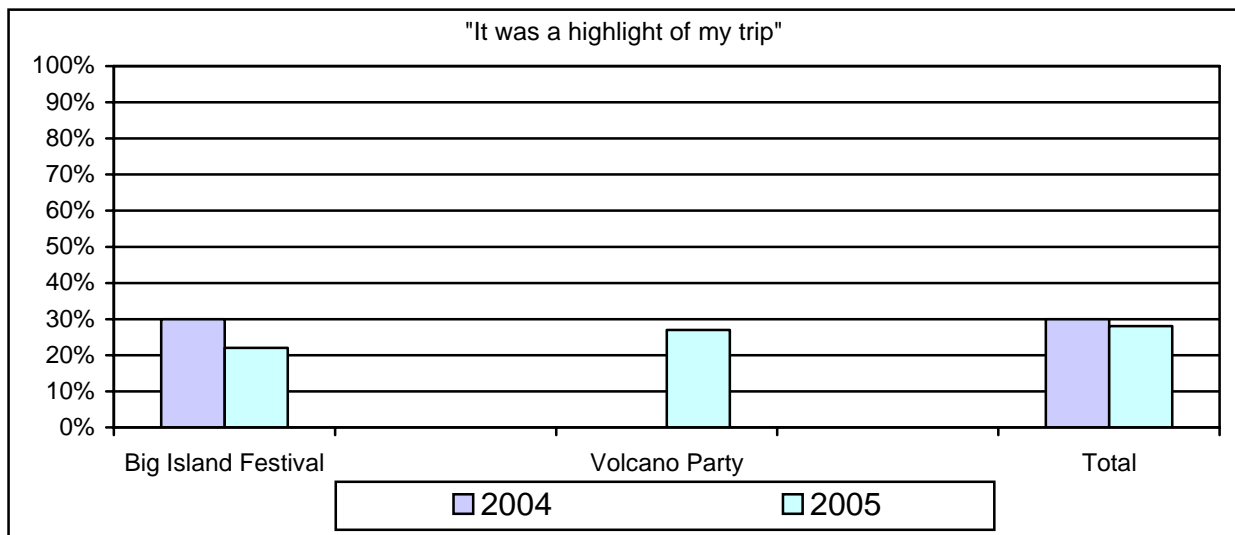
Niche-Market Events

Figure 17: Likelihood to Return of Residents and Visitors in 2004 and 2005 at Niche-Market Events



At niche-market events, the level of satisfaction was improved at both festivals. In total 78 percent of the residents and 38 percent of the visitors provided the highest satisfied remarks in 2005.

Figure 18: Highlight of their trip at Niche-Market Events in 2004 and 2005



The diversity effect of the niche-market events seems to be the smallest among the three types of events. At Big Island Festival, it provided a trip highlight only for 20 percent of the visitors who did not come to Hawaii for the event.

MEASURE OF MARKETING AND PROMOTION

The purpose of HTA grant is increasing the event promotions so that these events can bring more visitors to Hawaii. Therefore, one of the success measures of the Major Festivals Program should be the magnitude of promotional activities of the events. In the survey, we asked visitors when they first knew about the festivals. This is an important measure because the more people know about the festival before coming to Hawaii can indicate increased promotional activities to bring more visitors for the events.

Figure 19: When visitors first knew about the festival in 2004 and 2005 by event types

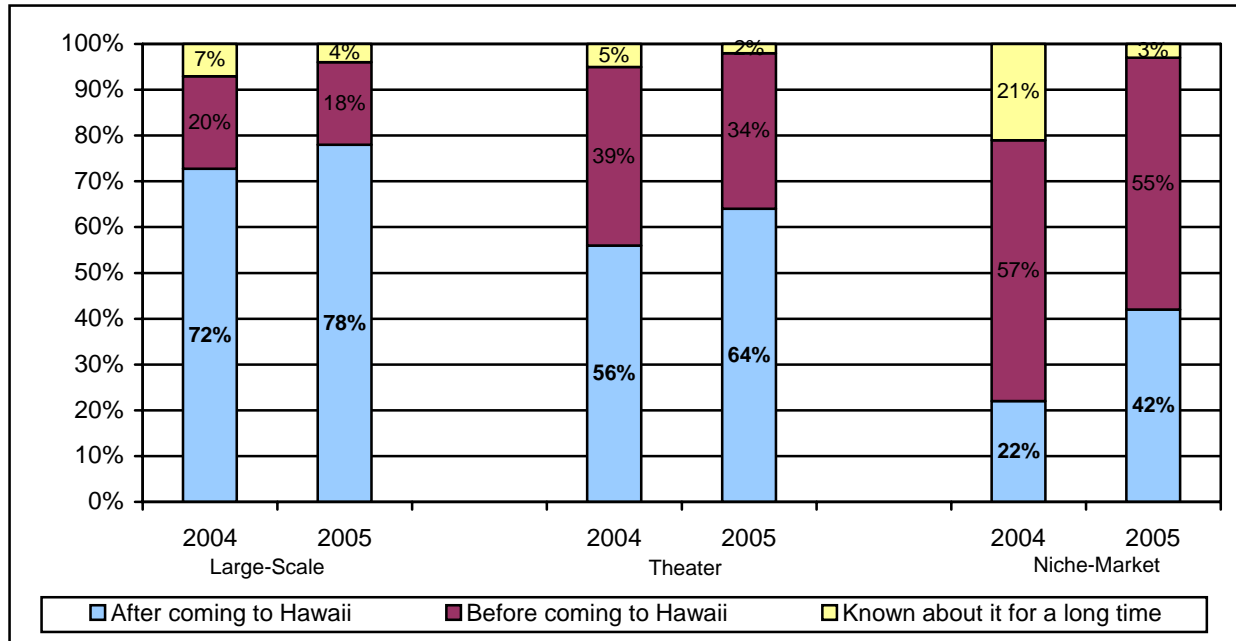


Figure 19 illustrates that, compared with 2004, in all event types a larger percentage of visitors was informed of the events after arriving in Hawaii and less percentage of people knew about the events before coming to Hawaii. The figure also shows that less percentage of people who know about the events for a long time were at the events. These may suggest that event promotions in 2005 were overall not reaching potential visitors as effective as 2004.

CLUSTER ANALYSIS

(to be added)

CONCLUSION

Table 3: Festival Outcomes Summary Comparing 2005 with 2004 by Event Types

| | Large-Scale Events | Theater Events | Niche-Market Events |
|-----------------------------------|--------------------|----------------|---------------------|
| Economic impact | ↓ | ↓ | ↗ |
| Total attendance | → | → | ↓ |
| Visitor attendance | ↘ | ↓ | ↓ |
| Economic contributors | ↓ | ↓ | ↑ |
| Likelihood to return of residents | → | → | ↗ |
| Likelihood to return of visitors | ↘ | → | ↗ |
| Diversity effect | ↘ | ↘ | → |
| Promotion effect | ↘ | ↘ | ↘ |

→: change less than 4%, ↗/↘: change between 5% and 14%, ↑/↓: change more than 15%

Table 3 summarizes the outcomes of the major festivals in 2005 with a comparison of 2004 outcomes.

Large-scale events overall had declines in all areas of the measures. Although the total attendance was maintained at the same level, the number of visitors especially visitors who came to Hawaii for the events sharply declined. As a consequence, there was a sharp fall of economic impact. While the satisfaction of residents at these events was maintained high, less percentage of visitors indicated that they come back to Hawaii for the events. The diversity effect of these events seems to be less effective than 2004. A larger percentage of the visitors did not know about the festivals until they arrived in Hawaii indicating that the effect of promotional activities of these events seems to be less effective.

Most of the success indicators of the theater events also showed negative trends. While more number of residents supported these events, they continuously attracted very small number of visitors. Consequently, the number of economic contributors and their economic impact was even smaller than 2004. The satisfaction of people attended was higher than other types of events, but the diversity effect on visitors was not as effective as previous year. It seems that these events are designed to appeal to rather specific local audience.

Niche-market events demonstrated a unique result. Although the total attendance and the number of visitors were smaller, more visitors came specifically for these events. As a result, there was a larger economic impact and this seems to be growing. These events overall increased the level of satisfaction, further indicating that it is likely these events will grow in the future.

RECOMMENDATIONS

We recommend that the HTA more closely monitor how the grant funds are expended.

One of our most important recommendations is that HTA clarify the Major Festivals Program's objectives, which HTA has already decided to do by creating a strategic plan for its Product Development Program in 2006.

One of the outcomes of these evaluations is that the events and festivals being funded simply do not have the ability to accurately report back to HTA about what actually happened at their events (attendance, visitors, economic impact). Therefore, we recommend that HTA plan on continuing the evaluation process in some form after the strategic plan is completed. It is the only way HTA will be able to have any confidence in knowing the outcomes of their programs.

APPENDIX

Attendance summary of large-scale events

| | Large-Scale Events | | | | | | | | | | | |
|---|--------------------|--------|------|-------------|--------|------|----------|--------|------|---------|---------|------|
| | Aloha | | | Pan-Pacific | | | Honolulu | | | Total | | |
| | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. |
| Total attendance | 117,650 | 99,800 | -15% | 65,700 | 82,200 | +25% | 38,500 | 49,100 | +28% | 221,850 | 231,100 | +4% |
| Total visitors | 59,000 | 41,938 | -29% | 43,100 | 43,000 | 0 | 20,200 | 24,300 | +20% | 122,300 | 109,238 | -11% |
| % of visitors | 50% | 42% | -8% | 66% | 50% | -16% | 52% | 49% | -3% | 56% | 47% | -9% |
| # of visitors who came HI for the event | 5,225 | 2,547 | -51% | 3,750 | 3,400 | -9% | 5,900 | 5,525 | -6% | 14,875 | 11,472 | -23% |
| Participants | | | | | | | | | | | | |

Attendance summary of theater events

| | Theater Events | | | | | | | | | | | |
|---|---------------------|--------|------|-----------|-------|------|--------------------|-------|------|--------|--------|------|
| | Honolulu Int'l Film | | | Maui Film | | | International Jazz | | | Total | | |
| | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. |
| Total attendance | 15,300 | 18,284 | +20% | 9,425 | 7,642 | -19% | 2,700 | 2,000 | -26% | 27,425 | 27,926 | +2% |
| Total visitors | 1,200 | 636 | -47% | 2,260 | 2,369 | +5% | 270 | 218 | -19% | 3,730 | 3,223 | -14% |
| % of visitors | 8% | 3% | -5% | 24% | 31% | +7% | 10% | 11% | +1% | 14% | 12% | -2% |
| # of visitors who came HI for the event | 241 | 470 | +95% | 540 | 189 | -65% | 51 | 40 | -22% | 832 | 699 | -16% |
| Participants | | | | | | | | | | | | |

Attendance summary of niche-market events

| | Niche Market Events | | | | | | | | |
|---|---------------------|-------|------|---------------|-----|------|-------|-------|------|
| | Big Island | | | Volcano Party | | | Total | | |
| | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. |
| Total attendance | 1,857 | 1,790 | -4% | 1,330 | 750 | -44% | 3,187 | 2,540 | -20% |
| Total visitors | 1,420 | 1,125 | -21% | 457 | 337 | -26% | 1,877 | 1,462 | -22% |
| % of visitors: | 76% | 65% | -11% | 34% | 45% | +11% | 55% | 58% | +3% |
| # of visitors who came HI for the event | 423 | 625 | +48% | 232 | 172 | -26% | 655 | 797 | +22% |
| Participants | | | | | | | | | |

Economic Impact of large-scale events

| | Large-Scale Events | | | | | | | | | | | |
|------------------|--------------------|-----------------|------|-----------------|-----------------|------|-----------------|-----------------|------|-----------------|-----------------|------|
| | Aloha | | | Pan-Pacific | | | Honolulu | | | Total | | |
| | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. |
| Visitor spending | \$10.45 million | \$5.09 million | -51% | \$5.5 million | \$5.6 million | +2% | \$10.7 million | \$10.05 million | -6% | \$26.65 million | \$20.74 million | -22% |
| Taxes generated | \$1.034 million | \$0.504 million | -51% | \$0.544 million | \$0.554 million | +2% | \$1.059 million | \$0.995 million | -6% | \$2.638 million | \$2.035 million | -22% |

Economic impact of theater events

| | Theater Events | | | | | | | | | | | |
|------------------|---------------------|-----------------|------|-----------------|-----------------|------|--------------------|-----------------|------|-----------------|-----------------|------|
| | Honolulu Int'l Film | | | Maui Film | | | International Jazz | | | Total | | |
| | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. |
| Visitor spending | \$0.482 million | \$0.312 million | -35% | \$1.08 million | \$0.717 million | -34% | \$0.102 million | \$0.08 million | -22% | \$1.664 million | \$1.109 million | -33% |
| Taxes generated | \$0.047 million | \$0.031 million | -35% | \$0.106 million | \$0.071 million | -34% | \$0.01 million | \$0.008 million | -22% | \$0.164 million | \$0.11 million | |

Economic impact of niche-market events

| | Niche Market Events | | | | | | | | |
|------------------|---------------------|-----------------|------|-----------------|-----------------|------|-----------------|-----------------|------|
| | Big Island | | | Volcano Party | | | Total | | |
| | 04 | 05 | var. | 04 | 05 | var. | 04 | 05 | var. |
| Visitor spending | \$1.016 million | \$1.562 million | +54% | \$0.465 million | \$0.275 million | -41% | \$1.481 million | \$1.837 million | +24% |
| Taxes generated | \$0.100 million | \$0.155 million | +54% | \$0.046 million | \$0.027 million | -41% | \$0.146 million | \$0.182 million | +24% |

How they heard about events, visitors came to Hawaii for the event

| | Large scale | | Theater events | | Niche market | |
|------------------|-------------|------|----------------|------|--------------|------|
| | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 |
| Hotel; concierge | 8% | 15% | 3% | 7% | | |
| Word of mouth | 24% | 36% | 40% | 31% | 36% | 45% |
| Internet | 9% | 24% | 20% | 17% | 33% | 24% |
| Magazine | | 4% | | 7% | 10% | 18% |
| Newspaper | 4% | 12% | 10% | 7% | 11% | |
| Repeat attendee | 21% | 9% | | | 4% | 26% |
| Email/Mail | | | 7% | 7% | 1% | |
| Travel agent | 9% | | | | 3% | |
| Other source | 28% | 11% | 20% | 31% | 11% | 6% |

How they heard about events, visitors who did not come to Hawaii for the event

| | Large scale | | Theater events | | Niche market | |
|--------------------|-------------|------|----------------|------|--------------|------|
| | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 |
| Hotel; concierge | 23% | 30% | 14% | 8% | 6% | 11% |
| Word of mouth | 16% | 20% | 29% | 33% | 32% | 58% |
| Internet | 4% | 5% | 9% | 12% | 31% | 17% |
| Magazine | | 13% | | 28% | 10% | 6% |
| Newspaper | 16% | 19% | 23% | 22% | 10% | 3% |
| Repeat attendee | 6% | | 2% | | | |
| Email/Mail | | | | | | |
| Travel agent | 2% | | 1% | | 16% | |
| TV/Radio | 8% | 7% | 7% | 10% | | 12% |
| Walking by/pass by | 17% | 20% | | 6% | | 6% |
| Other source | 17% | 3% | 20% | 10% | 6% | 15% |