



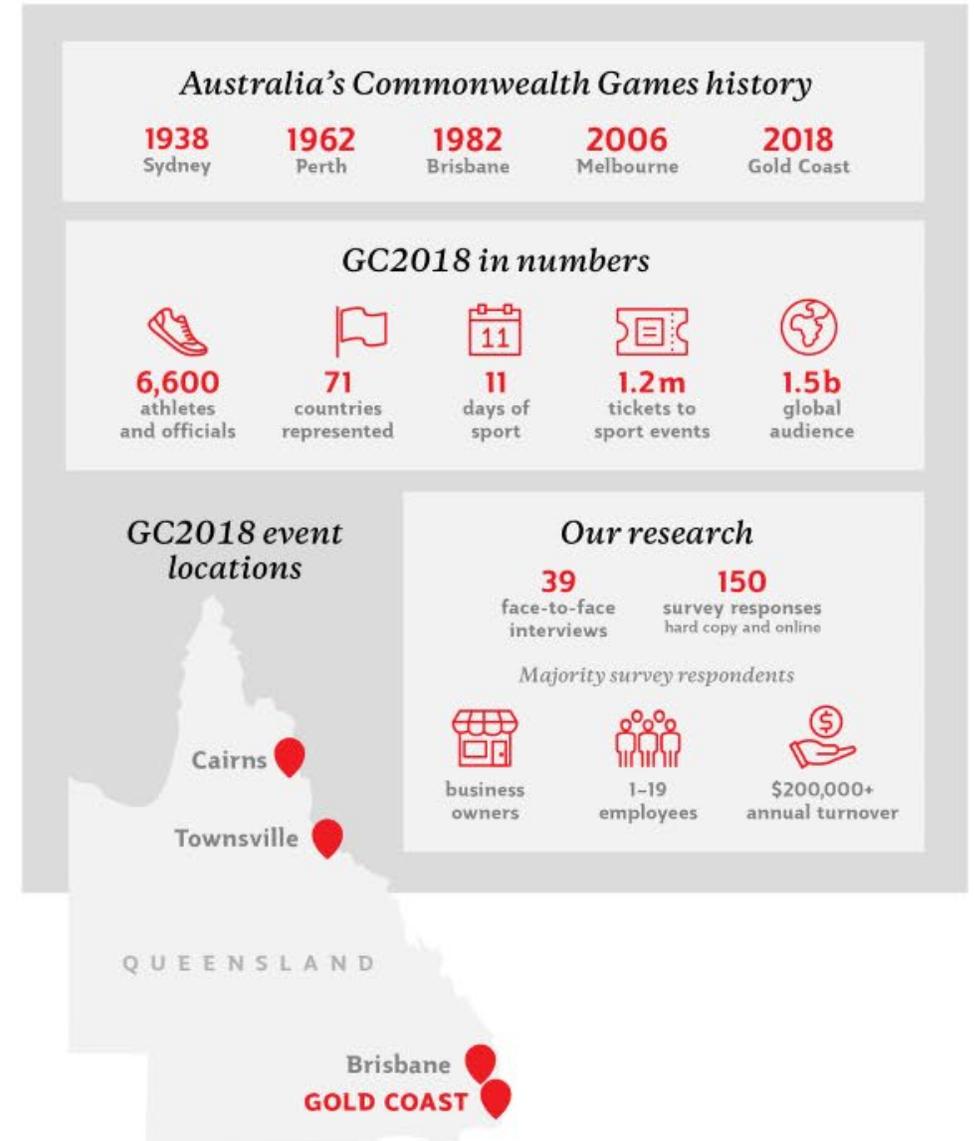
BUSINESS AND THE GOLD COAST 2018 COMMONWEALTH GAMES:

*Expectations, outcomes
and the future*

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Overview and rationale

- Research with **future relevance** to business on the Gold Coast, using GC2018 as a chronological pivot
- Research that **informs business** of emerging and over-the-horizon challenges
- Research that **collaborates with business** stakeholders in search of solutions
- Research that builds on pre-Games (2017) study in **rigour, breadth and depth**





Research approach and method

What is the impact of GC2018 on business, and the general Gold Coast business environment?

- Phenomenology approach – understand perceptions of those with direct experience
- Not concerned with ‘fact checking’ claims about economic benefits of GC2018





Research approach and method

What is the impact of GC2018 on business,
and the general Gold Coast business environment?

Phase one – in-depth interviews

- Identified main Gold Coast industries
- Businesses in diverse locations, age of business/interviewee, number of employees
- Included local industry associations and other experts
- Provided insights and nuances



Research approach and method

What is the impact of GC2018 on business, and the general Gold Coast business environment?

Phase two – survey

- Questions guided by phase one
- Included open ended options
- Sample – Gold Coast business owners and managers
- Participant recruitment – email dispersal via chambers of commerce, industry associations, and promotion via social and traditional media channels; paper surveys distributed across the Gold Coast



GC2018 – Business perceptions of impact

- **74%** of businesses reported that they were negatively impacted by GC2018



Q Which best describes how your business was impacted by GC2018?

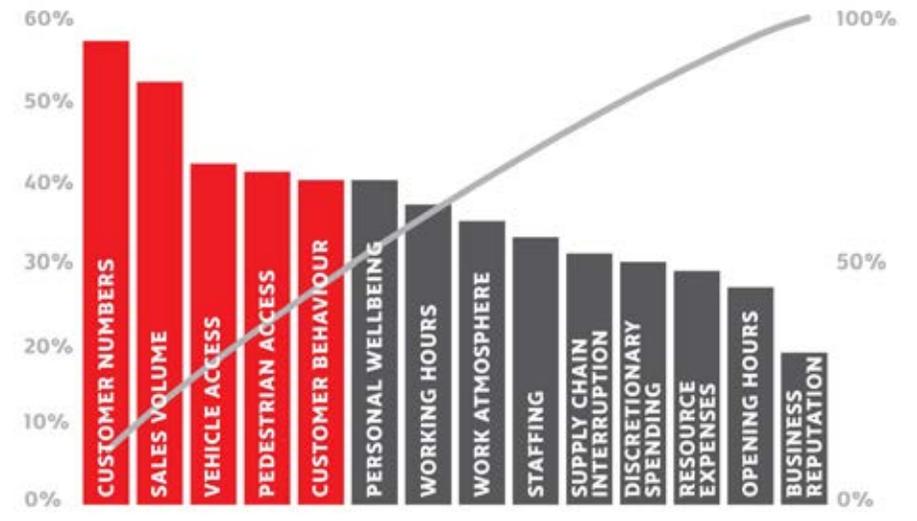


Study results

- Business impacts
- Business planning
- GC2018 business information
- City level impacts

Type of business impacts

- Business considers customer numbers, sales volume, access and customer behaviour as the most significant negative impacts of GC2018

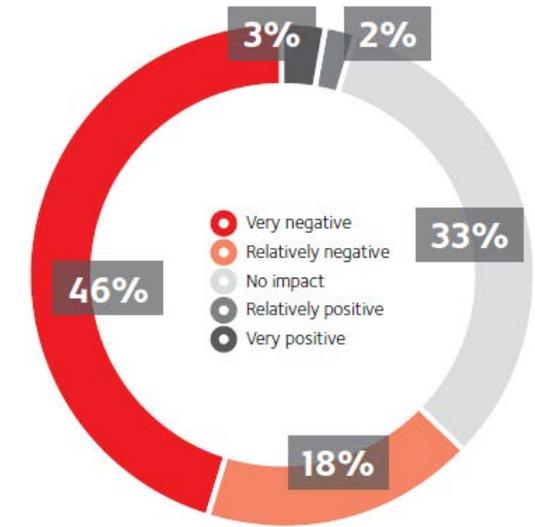
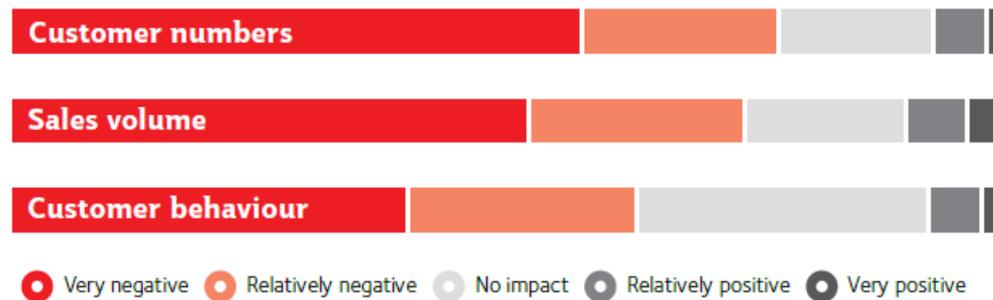




Customer numbers, behaviour and sales volume

Businesses were negatively affected by:

- 77% customer numbers
- 74% sales volume
- 63% customer behaviour



Q *If you noticed a decrease in the local population, how did it impact on your business?*

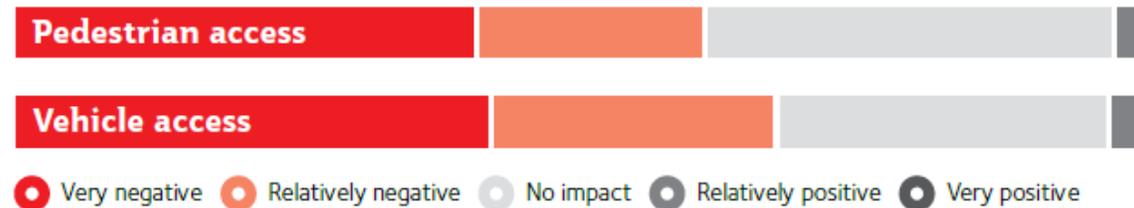
'...those people [GC2018 visitors] aren't on holidays, and so they then don't go down into the precinct and buy an ice-cream, do some retail shopping.' Accommodation and food service



Vehicle and pedestrian access

Businesses were negatively affected by:

- 67% vehicular access
- 61% pedestrian access



'All deliveries were at night between 1 and 6 am because of road closures. We had to stay at our shop all night to receive goods to enable us to trade. Tourists did not visit so we had very few customers for weeks before the Games started. We lost over \$80,000 through lack of trade.'
Accommodation and food service

'The road was cordoned off and all public sent via an alternate route by signage. Not even our regular clients came they all went overseas.' Retail



Personal wellbeing and work hours

Businesses were negatively affected by:

- **59%** my personal wellbeing
- **58%** my working hours

'In short, we went from over 200 customers a week to ZERO for the duration of the Games.'

Accommodation and food service

'A very negative impact and our worst trading period in the 9 years we have been in business.'

Accommodation and food service



Work atmosphere and staffing

Businesses were negatively affected by:

- **59%** staffing
- **52%** work atmosphere

'Customer numbers and staff access impacted numbers of staff rostered on, but all staff are permanent so had to provide alternative hours for them and some forced annual leave which impacted staff morale.' Retail



Supply chain interruption

Businesses were negatively affected by:

- **63%** supply chain interruption



Reputation

Businesses had no impact

- **56%** reputation

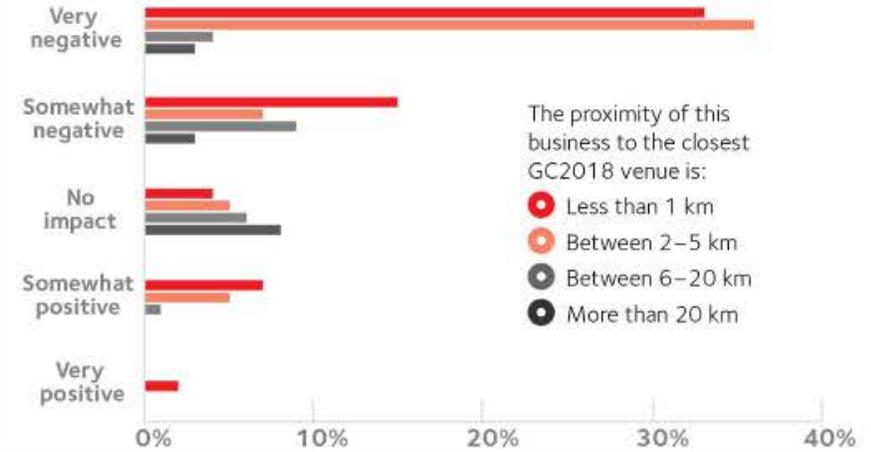
'...in the building industry, we were busy until the end of March..., everyone went away. The State Government spent all their money on the Games... New projects did not start to [be] sent out to price until November 2018. There is so much [work] to price now, that we will have trouble getting subcontractors to do the work, if everything starts around the same time.' Construction

'Servicing the Games, there was a certain 'prestige' being a locally based business.' Construction

'It stood us out from the rest of other [sporting venues like ours] worldwide.'
Sport

Impact by proximity of business to GC2018 venue

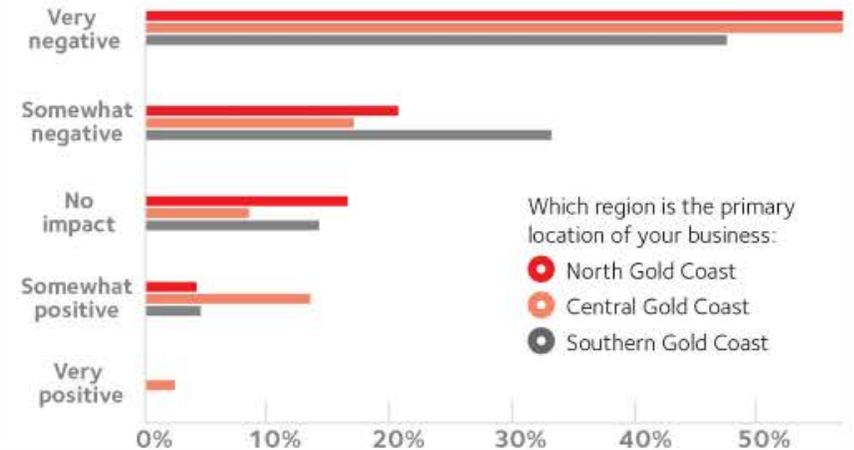
- Significant relationship between proximity to the Games venue and impact on business
- Those businesses closer to GC2018 venue were more likely to be very negatively affected



Q Which best describes how your business was impacted by GC2018?

Impact by regional location of business

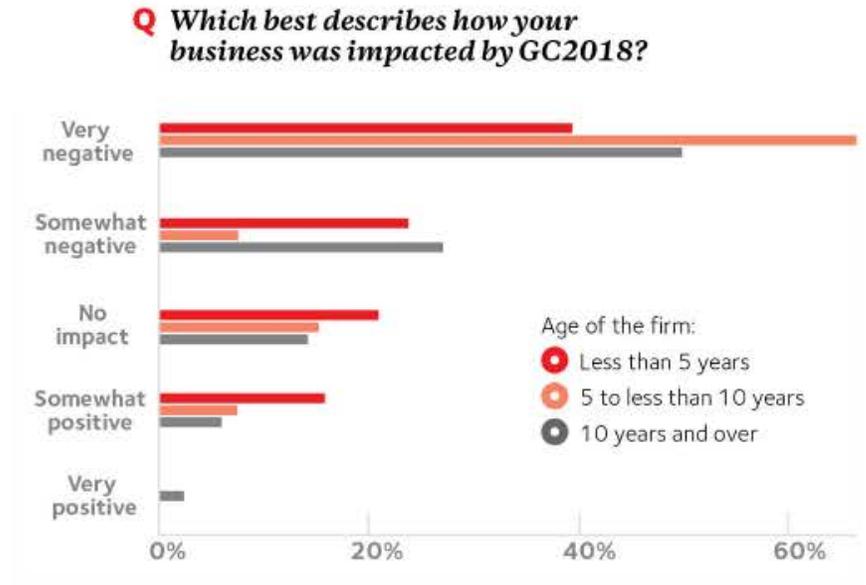
- No significant relationship between regional location and impact on business
- Businesses in North, Central and Southern Gold Coast were equally likely to experience negative impact





Impact by age of business

- No significant relationship between age of the firm and impact on business
- Older firms were just as likely to experience negative impacts as younger firms





GC2018 business information

Most used		Accurate		Not accurate	
Get set for the Games	12%	Professional contacts	33%	Get Set for the Games	62%
Social media	9%	Personal contacts	33%	Government	59%
Mainstream media	7%	Community hearsay	26%	Mainstream media	56%

'We were led to believe business would be strong, many people would attend [the Games]. Change operations to suit traffic conditions, etc. There were few travellers, roads were deserted, and no-one was spending money.'

Accommodation and food service

'It was a very strong campaign to convince the locals to stay home (or to close the business) and others to avoid Gold Coast during the Commonwealth Games. My observation [is that] this caused a large Gold Coast population [to] travel interstate or overseas. We experienced the worst Easter holiday period ever in our last 25 years of trade.' Tourism

Business planning

In planning for GC2018, most businesses used information for:

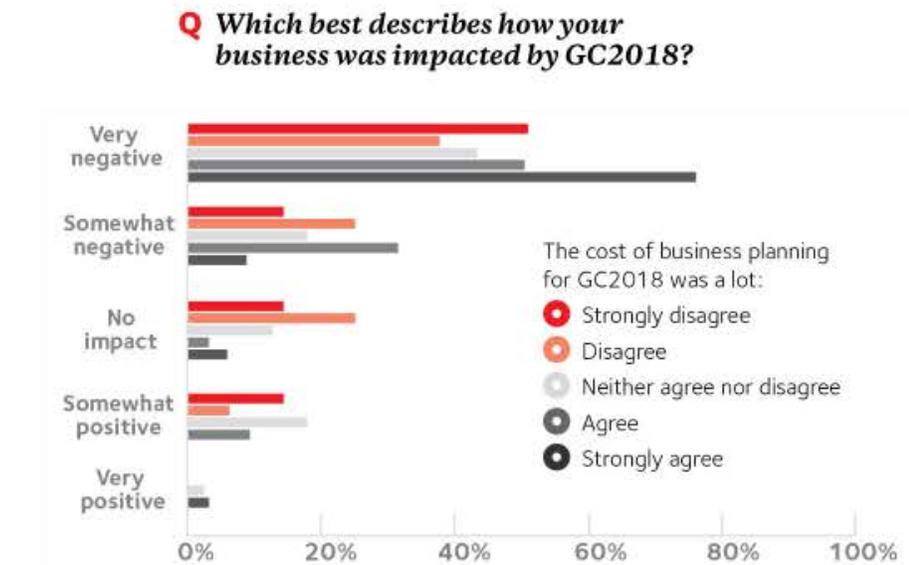
- Operational decision-making **27%**
(e.g. operating hours, predicting demand)
- Risk assessment **25%**
(e.g. whether changes such as road closures would affect business)
- Finance **16%**
- Marketing **16%**
- Investment decisions **11%**

Cost of business planning

There was a trend for businesses who thought the cost of planning for the GC2018 was a lot, and, those businesses who perceived that their business was negatively impacted.

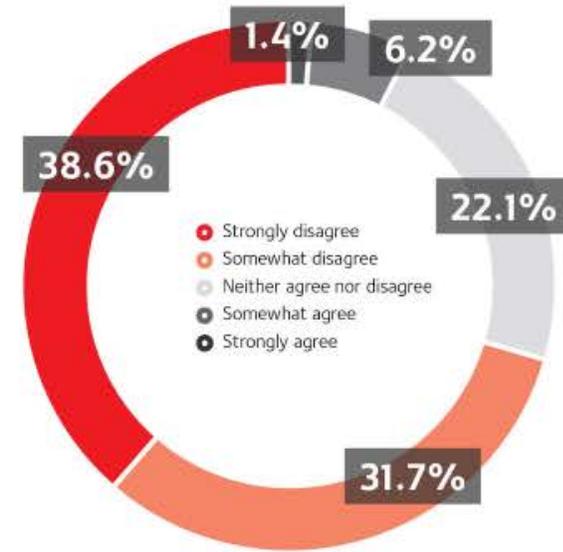
'We spent a lot of time creating logistics around how staff are going to get here, then working from home and costs. Then there was no traffic on the roads, so it all went out the window. Day one we went with our plan, and then we didn't need it from day two onwards.'

Real estate



Business involvement in event planning

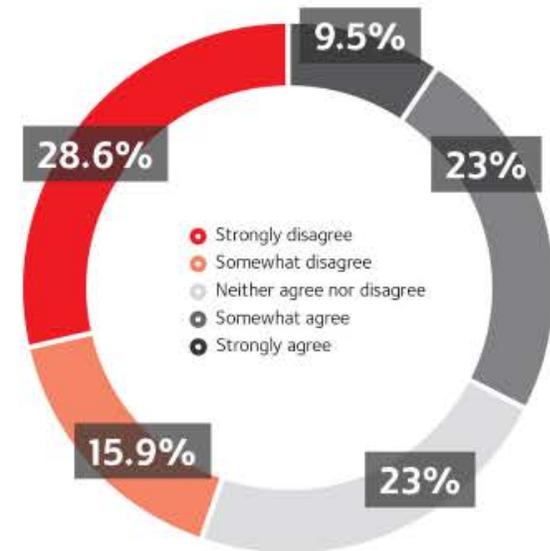
- **70%** of businesses felt they were not well represented in GC2018 planning process
- **22%** were undecided



Q *Gold Coast businesses were well represented during the GC2018 planning process*

Business leveraging

- **45%** of business did not understand how to leverage benefit opportunities from GC2018
- A further **23%** were unsure
- **32%** understood how to leverage benefit



Q *I understood how I could leverage opportunities from GC2018 to benefit my business*



City level impacts

Gold Coast City Image

- GC2018 increased awareness of the Gold Coast **nationally** – **63%***
- GC2018 will aid in **attracting more sporting events** to the Gold Coast – **62%***
- GC2018 increased awareness of the city **internationally** – **61%***
- GC2018 enhanced the ability of the Gold Coast to offer attractive **cultural, artistic and recreational resources** – **57%***
- GC2018 contributed to urban infrastructure that will **build city image** – **53%***
- GC2018 has contributed to the Gold Coast growing into a **world-class city** with distinct strengths – **43%***
- GC2018 improved Gold Coast's ability to meet the needs for **public services** – **42%***

(*sum – strongly agree and agree)

'[GC2018] portrayed the Gold Coast as a safe, enthusiastic wonderful city to be in.'

Accommodation and food service

'With better planning and less scare mongering from the media, I believe the GC is the perfect place to hold future similar events and I think this could be very beneficial to the Coast.'

Accommodation and food service



City level impacts

Business operating environment

- GC2018 positively impacted the Gold Coast from an **economic perspective – 55%***
- GC2018 improved the chances of businesses to **seek funding, finance and investment – 50%***
- GC2018 has **enhanced job prospects** for workers on Gold Coast – **48%***
- GC2018 has contributed to Gold Coast image as a **good place to do business – 44%***
- Improved the city's ability to **attract workers** from outside the Gold Coast – **36%***
- GC2018 has assisted the Gold Coast in becoming more attractive to **international trade and investment – 33%***

(*sum – strongly disagree and disagree)

'What a huge expense that costs local jobs and business thousands of dollars in lost trade and workers losing lost hours!' Retail

'The GC2018 was for the greater good of all. We LOVED the Games. Sadly business was turned on its head.'
Accommodation and food service

'A lot of the locals went overseas which took money out of our economy. The cost of funding the Games was horrendous.' Professional service



City level impacts

Government and leadership during the GC2018

- The state/federal government assisted businesses during GC2018 – **66%***
- **Local council assisted businesses** during GC2018 – **62%***
- **‘Informal leadership’** (e.g. community groups, industry associations) **assisted businesses** during GC2018 – **40%***

(*sum – strongly disagree and disagree)

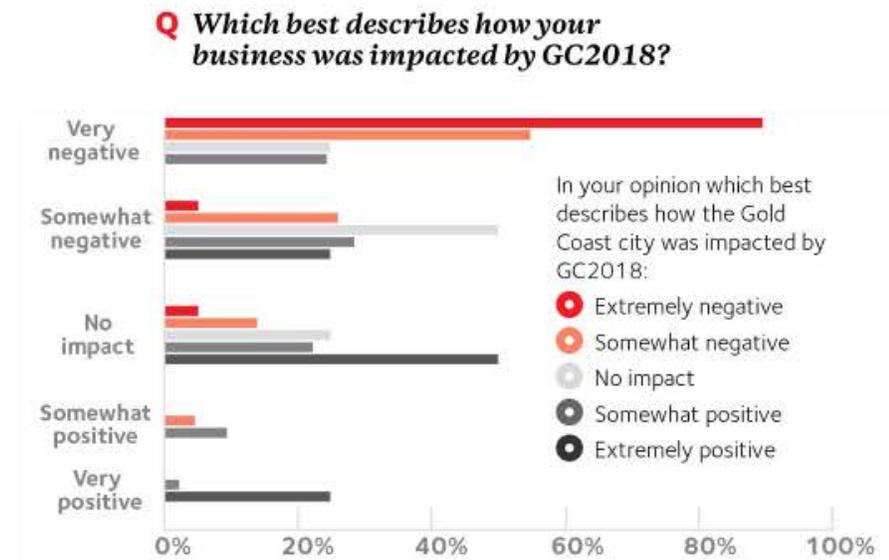
‘From what seemed like a great opportunity it turned into an awful nightmare, made worse by the lack of support, lies and insults made by our [local government] and [the organising committee]. The Gold Coast is still suffering economically as a consequence thereof.’

Accommodation and food service

Business vs city level impacts

Perceived impact of GC2018 on the Gold Coast city as a function of perception of business impact

- Significant relationship between perceptions of positive or negative impact on businesses as a result of GC2018 and respondents' views about the impact on the Gold Coast city as a whole.
- Those businesses who experienced more negative impact were more likely to say that there was a negative impact on the city as a whole. Conversely, those who experienced positive business impact were more likely to think that there was a corresponding positive impact on the city.



Recommendations

1. Authentic engagement with business is required

- Government and event organisers need to collaborate more closely in an integrated strategic way
- Opportunities for SMEs to have their say and influence key planning decisions

2. Businesses themselves need to be critical

- Greater scepticism towards information sources required
- Must be pro-active in accessing rigorous and independent research to enable strategic planning

3. Businesses need to be active in distributing information

- Comparing notes with peer competitors and accessing a variety of information channels a must
- Chambers and associations have an obvious role to play but so do universities

Future research

Future mega-events on the Gold Coast are inevitable – and as our report shows, the impact on business endures after the caravan moves on.

It's important therefore that further analysis of GC2018 is undertaken.

- Which businesses did prosper from GC2018? And what were the conditions?
- What have been the payoffs for Gold Coast businesses of public sector investment in arts, culture, and sport?
- Quantifying the impact on the Gold Coast flowing from GC2018, such as destination image, tourism, and trade and investment.

THANK YOU
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