RANDOX 2022 GRAND NATIONAL

2022 GRAND NATIONAL ECONOMIC IMPACT REPORT

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LIVERPOOL JOHN MOORES UNIVERSITY | LIVERPOOL BUSINESS SCHOOL

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EXECUTIVE SUMMARY

KEY HIGHLIGHTS

TOTAL UNIQUE VISITORS

120K

TOTAL VISITORS

150K

PER PERSON PER DAY SPEND

£440

DIRECT ECONOMIC IMPACT

£43.0M

TOTAL ECONOMIC IMPACT

£60.2M

The Grand National Festival presents the Jockey Club, Aintree Racecourse and the surrounding area with the opportunity to welcome thousands of visitors ranging from attendees, officials, trainers, and jockeys to commercial partners and the media. Prepared by Liverpool John Moores University Business School for the Jockey Club, this report assesses the economic impact the three-day 2022 Grand National Festival had on the Liverpool City Region (LCR) economy.

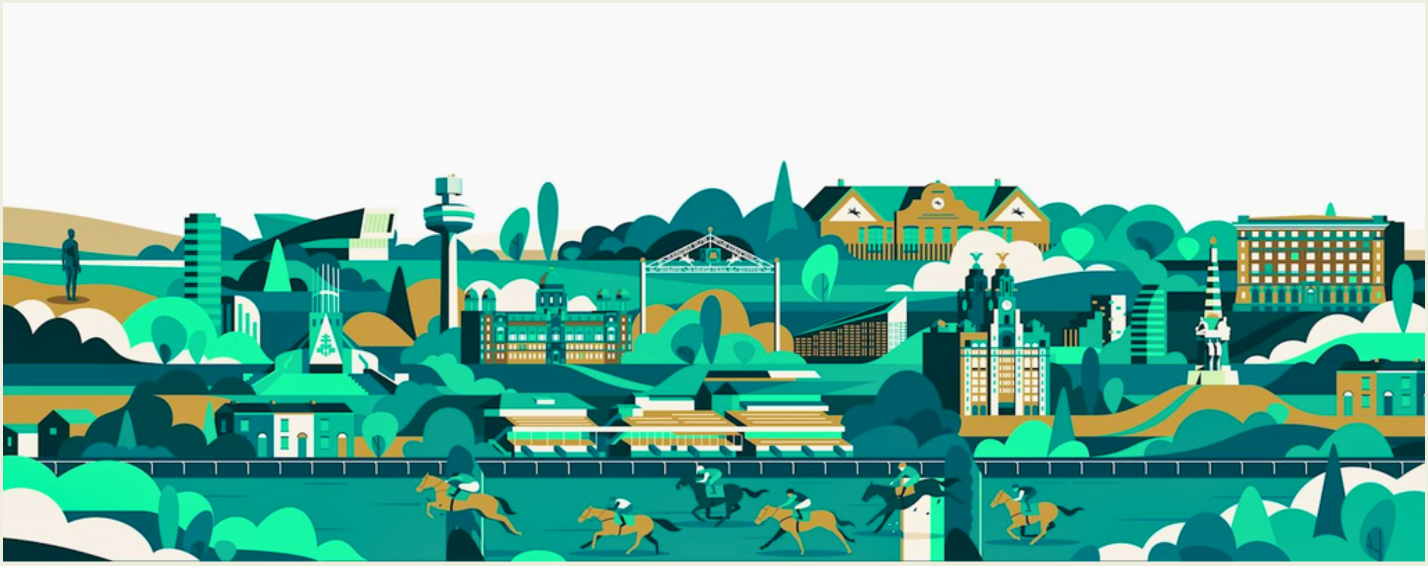
INTRODUCTION

The United Kingdom (UK) has established itself as a leading sporting nation with sport and physical activity contributing **£39 billion** annually to the economy (GOV UK n.d.). It has solidified its position as a top host for sporting events since successfully organising the 2012 Summer Olympic Games in London, with the North-West of England a key contributor.

A range of sporting events have been organised within the North-West region. These include the 2022 World Artistic Gymnastic Championships in Liverpool and the 2022 European and World Taekwondo Championships in Manchester. These events, amongst others, have contributed to a **£132 million** cumulative direct economic impact to the host UK cities since 2021 (The Sports Consultancy, 2022). Upcoming events such as The Open 2023 - one of the world's oldest and most prestigious golf tournaments - being held at Royal Liverpool, Hoylake further underline the continuing popularity of sporting events within the LCR and the surrounding areas. The LCR itself hosts renowned sporting venues, from football and rugby league to horse racing and golf, alongside other cultural institutions related to art and music.

The **Grand National Festival** is at the forefront of these events within the LCR with a tradition stretching back to **1839**. The festival consists of a three-day jump racing event taking place every year in April at Aintree Racecourse. Thursday witnesses the grand opening with Ladies Day on Friday, before Saturday then stages the familiar and historic horse racing steeplechase known as The Grand National. The race covers over four and a quarter miles, with 40 runners competing against each other and jumping 30 fences in a bid to win a share of a **£1 million prize pot** (£500,000 to the winner). The race is watched by an estimated **600 million** people globally (The Racing Post, n.d.).

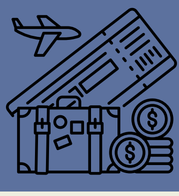
As a sporting institution, the 2022 Grand National was the **174th running** of the event and the first which saw spectators return to Aintree racecourse after government-imposed restrictions in response to COVID-19 forced the race to be cancelled in 2020, and in 2021 be held behind closed doors. After three days of jump racing, the 2022 event witnessed 50-1 Noble Yeats ridden by Sam Waley-Cohen and trained by Emmet Mullins win by two and a quarter lengths to claim The Randox Grand National Trophy (The Racing Post, n.d.).



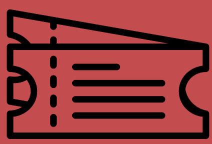
KEY RESULTS

7 Spending Areas

TRAVEL
£5.6M

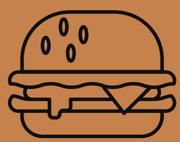


TICKETS
£10.3M



ACCOMODATION
£4.8M

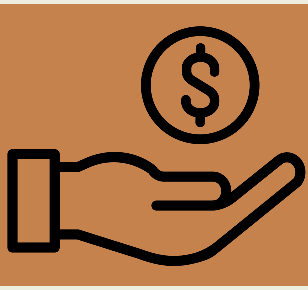
FOOD & DRINKS
£13.2M



SHOPPING
£2.2M

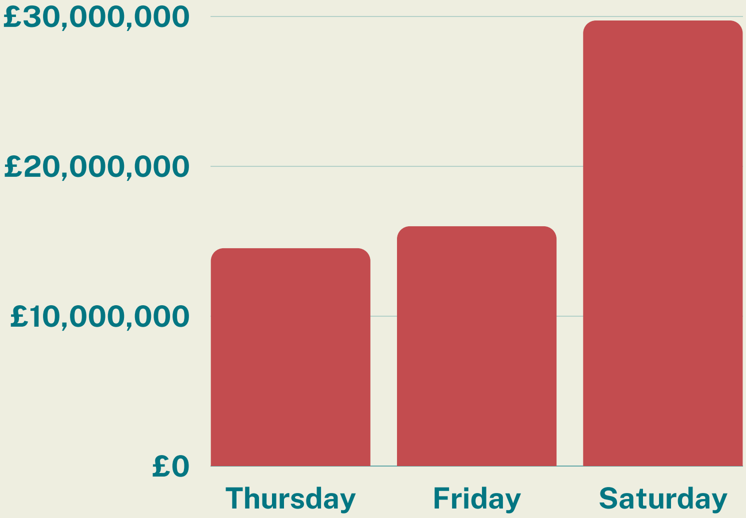
ENTERTAINMENT
£17.2M

OTHER
£0.4M



Economic Contribution

Direct economic impact	**£42,990,295**
Total economic impact	**£60,186,414**



Event Comparison

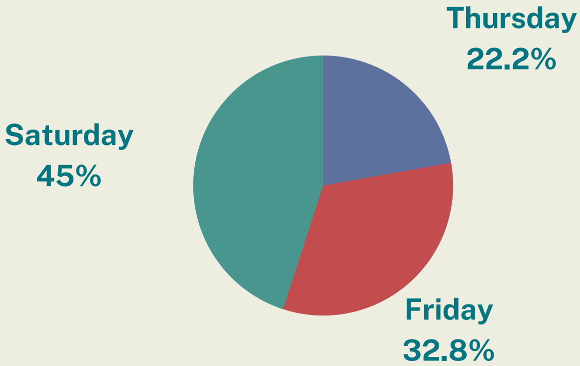
The festival shows a smaller economic impact (**£60.19 million**) to that of other racing events such as the Cheltenham Festival (**£274 million**) (Jockey Club, n.d.) and Melbourne Cup Carnival (**£234.2 million**) (Victoria Racing Club, 2023) as well as other events including The Open (**£113.4 million**) (The Open, 2022). The fact these events span across four days as opposed to the three day festival could perhaps contribute to these variances.

Attendee Summary

150,905 TOTAL VISITORS

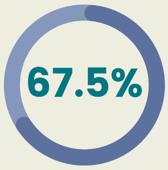
120,975 UNIQUE VISITORS

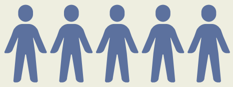
The Festival is a well-attended **social event** with nearly all attendees coming with friends or family. A small percentage (**7.2%**) come alone or with colleagues.



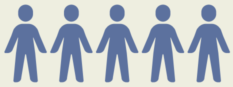
Unsurprisingly, Saturday sees the highest attendance due to the hallmark event of the Randox Grand National (**45%**). This is then followed by Ladies Day which occurs on Friday (**32.8%**) and Opening Day which occurs on Thursday (**22.2%**).

Attendance by Age

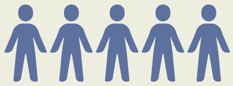




67.5% of attendees are over 45



45% of attendees are over 55.

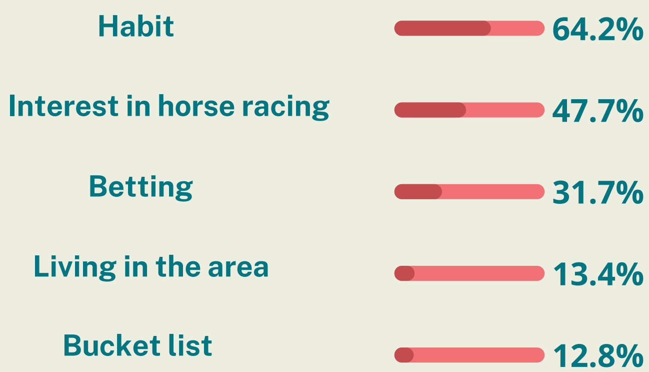


Only **15.6%** of attendees are under 34

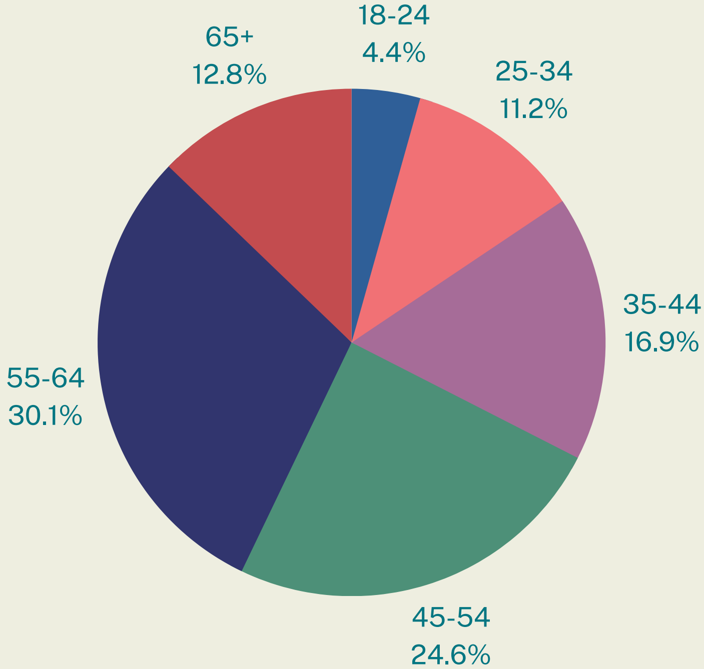
Attendee Motivations

The event has a **loyal following** with the majority attending out of habit (**64.2%**). Surprisingly, less than half of attendees indicated they have a keen interest in horse racing (**47.7%**), indicating that other elements of the event take priority in choosing to attend.

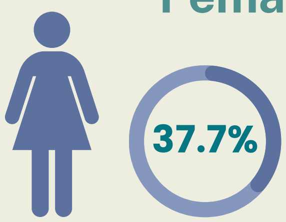
It is important to note that horse racing and betting go hand-in-hand with **31.7%** listing it as a motivation.



Overall Attendance by Age

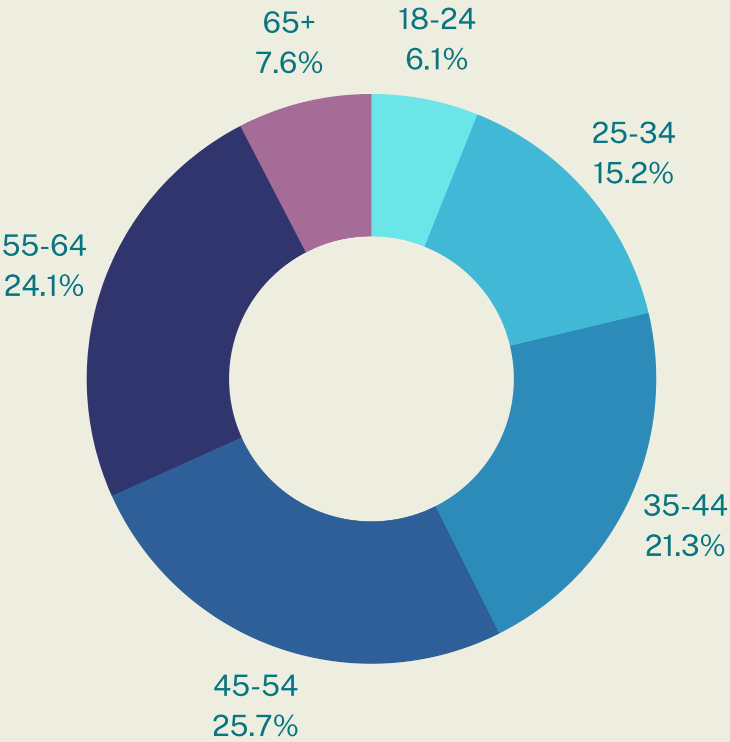


Female Attendees

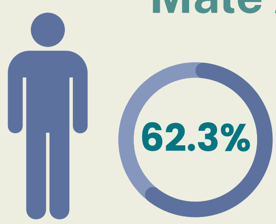


37.7% of attendees are female

Female Attendance by Age

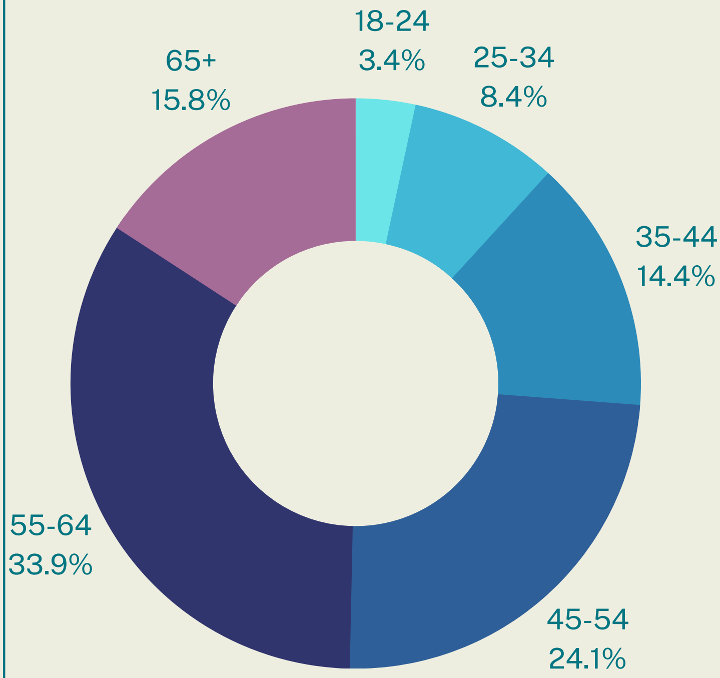


Male Attendees



62.3% of attendees are male

Male Attendance by Age



There is a significant gender difference between younger and older age brackets. Female attendees **outnumber their male counterparts by 2 to 1 amongst those under the age of 34** and see **higher attendance at ages 35-44**. This difference **equalises in the 44-54 age bracket**, with similar attendance levels for both genders.

In the **55-64 age bracket**, male attendees have higher attendance levels than females, and in the 65+ age bracket is observed at **16%**.

No significant gender divide is present for any one of the event days.

Gender differences are present in attendance patterns. Further analysis shows that women are more likely to attend for a single day (**86.6%**) compared to men (**73.7%**) who seem more willing to attend multiple days of the event. Particularly Saturday stands out with female single-day attendance (**37.65%**) significantly higher compared to male attendees (**27.99%**), yet multi-day attendance equalised this gender divide making all days equally popular amongst both genders.

Admission Type

Most attend for a **single day** rather than for the full event duration. Multi-day and full-event attendance are at **20.7%**.

Women are more likely to attend a single day (**86.6%**) than males (**74%**). Male attendees are more likely to attend for a second day or for the full event duration at **26%** compared to females at **13.4%**.

(Social) Media Coverage

7.5M

UK Peak TV Audience Figure

2022 saw a decrease in the TV audience for the Grand National compared to the historic 2021 race that witnessed **8.8 million** tune in for Rachael Blackmore to become the first female jockey to win the hallmark race (Racing Post, 2022).

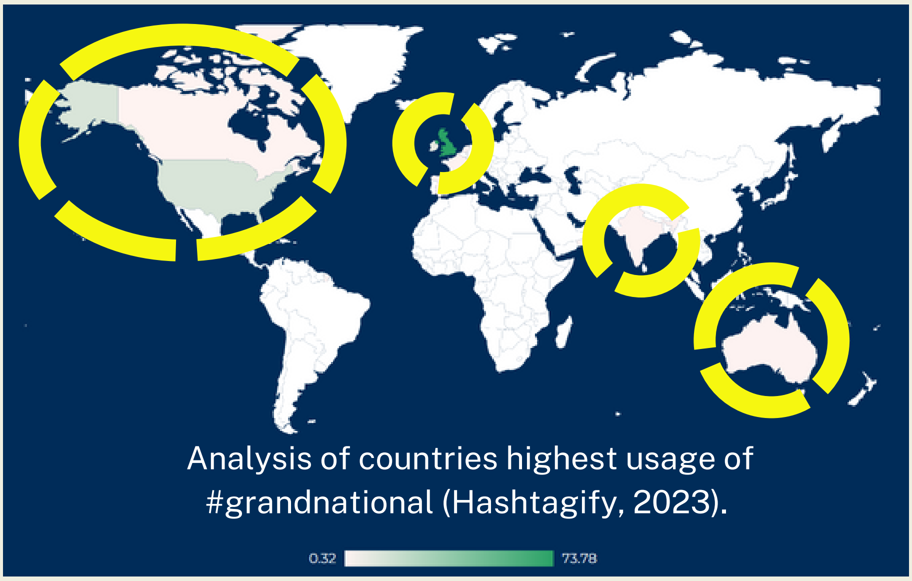
*As of 4th April 2023

Facebook	Twitter	Instagram	Tiktok
72K	42K	27K	27.7M
Likes	Followers	Followers	Views for Grand National Race

The home of the Festival - Aintree Racecourse - shows significant social media presence with a combined **141,000 followers** and likes across Facebook, Twitter, and Instagram. Over **27.7 million** have also further engaged with videos relating to the festival races on the ever-growing social media platform of TikTok.

The Jockey Club itself has:

- Over **79,200** Facebook likes.
- Over **58,000** Twitter followers.
- Over **64,000** Instagram followers.
- Over **73,000** TikTok followers.



Analysis of countries highest usage of #grandnational (Hashtagify, 2023).

While the largest proportion of active users engaging with the Festival on social media are from the UK (**74%**), the Festival is actively engaged with globally. The United States, Australia, and India all show some social media engagement to varying degrees.

CONCLUSION

Insights

This report has explored the economic realities of the 2022 Grand National festival, basing our findings on **survey data from 1544 attendees**. The survey itself focused on demographic and spending data, capturing the seven spending areas presented in the key impacts section of this report.

As headline figures, the direct and total economic figures sit respectively at **£43 million** and **£60.2 million**. This is accompanied by insights such as **£440 per day** spend by attendees.

When we consider attendees on the whole, these skew towards an older demographic. **54.7% of attendees** are aged 45 and over, rising to **61.6% for those over 35**. Overall, the data highlights significant age and gender differences among attendees at the Grand National event, meaning that a younger crowd appears to be less developed. Within the younger age brackets, female attendees are more likely to attend at younger age with the trend reversing within older age brackets

A number of factors could be at play within the above observations. The factors attracting the shifting demographics could include interest in **horse racing, affordability, habituality, event prestige and locality**. These are factors included within the surveyed motivations for attending, but do not fully unfold these at individual and group levels.

What becomes clear from the survey and comparative data is the **Grand National Festival** remains a major player within the LCR, UK sporting, and global racing calendars. The media analysis section, for example, begins to highlight major social media interest in North America, India and Australia. Whilst this analysis is fleeting within the report, it points to a need to explore impact and engagement across these networks more closely.

Recommendations

Based on the findings of this survey, we have several recommendations for future directions which may help capture the impact and demographic development of the event:

- There is scope to develop a report into areas such as **sustainability and societal impact** to help situate the festival within the needs of 21st Century sporting events.
- **Gambling** is omitted or obscured within the reported spend data. Some may have included this element within their event spend, whereas others may have not. Given the motivational aspect of gambling, a separate category within future surveys would be prudent to help isolate this data.
- **Employment, sponsorship and media** are areas not accounted for, which would need to be considered for broader direct and indirect insights into the event's economic impact.
- The **demographic** data unfolded several areas of interest relating to younger female attendees and skewed towards an older demographic. Clarity of questioning around motivation to allow correlative analysis could perhaps be useful for analysing and attracting new markets to future events.
- When producing the media analysis, we note the lack of a **TikTok account for Aintree/The Grand National**. There are around **27.7mil views** for the search **Grand National Race**, providing a potential area for development around engaging younger audiences.

OUR APPROACH

Our estimation of the economic impact was derived from a survey of visitors to the 2022 Grand National Festival in Aintree. Respondents were asked various demographic questions alongside queries on the details of their stay. We estimated the economic effect using reported levels of spending for various categories including tickets, accommodation, food and drinks, entertainment, and shopping. The survey received **1845 responses**. We removed 283 observations due to missing data. Reasons for removal included missing or unclear spending information and missing group size. We also removed 10 variables where the length of stay calculated did not match with whether they were a day visitor or not. We also removed 7 observations where the spending data was well outside of the range seen from other respondents. This left us with **1544 unique useable responses**.

To estimate the economic impact, we adapted the standard **EventImpacts method** for assessing economic impact by accounting for reported group size. Using survey responses, we calculated daily averages for spectators' spending activity. We then used the attendance figures for 2022 to aggregate up the spending after excluding any local or casual spectators who are assumed not to influence the overall economic impacts of events. This allowed us to estimate the economic impact associated with each day of the festival as well as overall. The full Economic Impact Assessment can be seen in table A3.

Due to the focus of the survey, our analysis was **purely based on spectators' spending activity**, with it not possible to estimate the economic benefits that derive from the production side of the event. Consequently, the **overall economic impact is likely to be higher than the estimated figure**.

We calculated individual impact assessments for each individual day as spending behaviour may differ by day. This analysis allowed us to correct for the overrepresentation of Thursday and underrepresentation of Saturday spectators in the survey (see table A1). There was a slight risk of bias in dealing with the smaller sample sizes of individual day attendance. However, the final aggregated figures closely matched the result when the analysis used the full sample with an overall estimate of £62.4 million compared to our reported finding (see table A5 for more details).

The key assumptions within the model were:

- The geographical scope of the economic impact of the Grand National is within the LCR.
- The spending information of respondents from Liverpool were excluded from the analysis. We assumed their spending would occur whether the event took place or not.
- Any accommodation spending outside of the LCR was excluded from the final analysis and is reported as "leakage".
- We assumed that 20% of spending within the event "leaks" outside of the LCR due to the presence of non-local vendors. A more restrictive assumption of 30% leakage would reduce the total estimate to £53 million.
- To capture the dynamic effects of the events we assumed that 40% of the direct economic impact of the Festival is re-spent within the local economy. This multiplier effect estimates the extent to which the initial direct expenditure linked to the Festival produces repeat rounds of expenditure in the LCR. In the absence of detailed input-output data this assumption is a necessary simplification which may either under- or over-estimate the true economic impact of the event. For example, if we assume that the indirect impact is 30% (50%) of the direct impact then the total estimate is approximately £56 million (£64.5 million).
- Reported spending is weighted by group size if respondents indicate they attended with family. Otherwise, we assumed respondents have reported their individual spending.

Table A2 details how we estimated the number of event specific visitors from the official admission figures for 2022. The process was as follows:

- The average number of event days attended was estimated by summing up the product of the group size for each respondent and the reported number of days attended and then dividing by the sum of all reported group sizes.
- We then divided the original attendance figures by this estimate to calculate the number of unique spectators.
- The proportion of local spectators was calculated using those who responded to being from the LCR when asked about when they arrive or left. It was assumed that local spectators have no impact as their spending would have taken place within the city region whether the event occurred or not. Removing these from the number of unique spectators gave us the number of non-local spectators.
- Casual spectators were also assumed to have no economic impact. These are non-local spectators who happened to be in the area when the Grand National was on. Again, it was assumed that their spending would occur in the area whether they attended the event or not. The proportion of casual visitors was calculated from those that responded they were nearby as their reason for attending. Removing these casual spectators leaved us with our estimate of event specific visitors.

Table A4 breaks down spectator spending by the various categories. We estimated the figures as follows:

- Number of commercial stayers was estimated by multiplying the original attendance figures for each day by the share of respondents who indicated they stayed in a commercial room (including hotels, apartment, Air BnB, etc.)
- The number of commercial bed nights was calculated using the survey response to when respondents arrived and left and estimated number of commercial stayers.
- Responses on spending on accommodation and family group size was used to estimate the average cost of bed per night per person. Gross accommodation revenue was then calculated by multiplying this figure by number of commercial stayers.
- We calculated accomodation leakage by multiplying the proportion of respondents who reported staying outside of the LCR by the gross accommodation revenue figure. From this we were then able to estimate the total revenue for the LCR accommodation sector.
- Spending for the other categories was calculated using the number of event specific visitors and the average number of days spend in the area reported in the survey. Multiplying these together gave us an estimate for the number of days visits generated by the event.
- We then multiplied this figure by the average daily spend reported by respondents for each spending category to calculate the total spending.

APPENDICES

Appendix 1 - *Table A1 Day share of total attendance*

	2022 attendance figures	Sample responses
Thursday	22.17%	33.62%
Friday	32.77%	27.18%
Saturday	45.06%	39.19%

Appendix 2 - *Table A2 Estimation of event specific visitors*

	Total	Thursday	Friday	Saturday
Total spectator admissions	150905	33451	49454	68000
Average number of event days attended	1.25	1.49	2.01	1.12
Number of unique spectators	120303	22458	24585	60985
% of spectators in the host economy	39.72%	41.77%	42.08%	40.42%
Number of non-local spectators	72513	13078	14241	36332
% of non-local who are casual spectators	1.75%	1.51%	0.95%	1.74%
Number of event specific visitors	71244	12881	14105	35702

Appendix 3 - *Table A3 Economic Impact Assessment*

	Total	Thursday	Friday	Saturday	Average daily spend per person
Total spectators	150905	33451	49454	68000	-
Survey sample size	1544	646	558	722	-
Eligible Number of spectators	62688	12881	14105	35702	-
Commercial Bed-Nights	40452	5386	9253	25813	-
Spending					
Tickets	£10,258,972	£2,695,775	£2,760,532	£4,802,665	£66.97
Travel	£5,644,090	£1,354,104	£1,490,270	£2,799,716	£36.19
Accommodation	£4,828,410	£648,335	£1,220,006	£2,960,070	£122.30
Food & Drink	£13,248,164	£3,493,144	£3,489,275	£ 6,265,745	£86.20
Shopping	£2,242,417	£200,550	£681,047	£1,360,821	£13.38
Entertainment	£17,165,080	£4,483,775	£4,412,310	£8,268,995	£111.04
Other	£364,684	£51,460	£116,446	£196,779	£2.28
Total visitor spend	£53,751,817	£12,927,141	£14,169,885	£26,654,790	-
Direct Leakage	£(10,761,522)	£(2,563,017)	£(2,759,362)	£(5,439,143)	-
Eligible visitor spend	£42,990,295	£10,364,125	£11,410,524	£21,215,647	£438.36
Eligible visitor spend (minus tickets)	£32,731,324	£7,668,350	£8,649,992	£16,412,982	£371.39
Direct Economic Impact	£42,990,295	£10,364,125	£11,410,524	£21,215,647	-
Indirect Economic Impact (40%)	£17,196,118	£4,145,650	£4,564,210	£8,486,259	-
Total Economic Impact	£60,186,414	£14,509,774	£15,974,733	£29,701,906	

Appendix 4 - *Table A4 Spectator spending*

	All days	Thursday only	Friday only	Saturday only
Number of commercial stayers	16288	1974	3337	10978
Average number of nights spent in host economy	2.62	2.73	2.77	2.35
Number of commercial bed-night	40452	5386	9253	25813
Average cost per bed-night (per person)	£122.30	£120.38	£131.85	£114.67
Gross Revenue for accommodation sector	£4,828,409.96	£648,334.50	£1,220,005.81	£2,960,069.64
Leakage (accommodation spending about LCR)	£(976,840.24)	£(107,255.34)	£(169,385.69)	£(700,199.21)
Total Revenue for LCR accommodation sector	£3,851,569.71	£541,079.17	£1,050,620.12	£2,259,870.43
Event specific figure				
Number of event specific visitors	44146	10668	10238	23241
Average number of days spent in area	3.62	3.73	3.77	3.35
Day visits generated	156292	39773	38628	77891
Travel per person per day				
Average daily spend	£36.19	£34.05	£38.58	£35.94
Visitor spend	£5,644,089.74	£1,354,104.16	£1,490,269.89	£2,799,715.68
Food per person per day				
Average daily spend	£86.20	£87.83	£90.33	£80.44
Visitor spend	£13,248,164.38	£3,493,143.75	£3,489,275.45	£6,265,745.17
Ticket per person per day				
Average daily spend	£66.97	£67.78	£71.46	£61.66
Visitor spend	£10,258,971.76	£2,695,775.05	£2,760,531.90	£4,802,664.81
Shopping per person per day				
Average daily spend	£13.38	£5.04	£17.63	£17.47
Visitor spend	£2,242,417.19	£200,549.52	£681,046.62	£1,360,821.05
Entertainment per person per day				
Average daily spend	£111.04	£112.73	£114.23	£106.16
Visitor spend	£17,165,079.69	£4,483,774.65	£4,412,309.86	£8,268,995.17
Other per person per day				
Average daily spend	£2.28	£1.29	£3.01	£2.53
Visitor spend	£364,684.40	£51,459.65	£116,445.88	£196,778.87
Average total spend	£438.36	£429.10	£467.09	£418.88
Average total spend (minus tickets)	£371.39	£361.32	£395.63	£357.22
Visitor spend with non-local traders	£(9,784,681.43)	£(2,455,761.36)	£(2,589,975.92)	£(4,738,944.15)
Spectator spend before leakage	£53,751,817.11	£12,927,141.28	£14,169,885.42	£26,654,790.41
Net spectator spend	£42,990,295.43	£10,364,124.59	£11,410,523.80	£21,215,647.04
Net spectator spend (minus ticket sales)	£32,731,323.67	£7,668,349.54	£8,649,991.90	£16,412,982.23

Appendix 5 - *Table A5 Alternative Economic Impact Assessment using full sample*

Spectators	Total
Total Spectators	150905
Survey sample size	1544
Eligible Number	71244
Commercial Bed-Nights	34133

Spending	
Tickets	£10,474,888
Travel	£6,114,949
Accommodation	£3,999,533
Food & Drink	£14,483,781
Shopping	£2,604,752
Entertainment	£17,638,594
Other	£439,167
Total visitor spend	£55,755,664

Economic impact	
Direct Leakage	£(11,191,584)
Eligible visitor spend	£44,564,080
Eligible visitor spend (minus tickets)	£34,089,192
Direct Economic Impact	£44,564,080
Indirect Economic Impact (40%)	£17,825,632
Total Economic Impact	£62,389,712

Appendix 6 - *References*

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