



CHL Report



IMPACT ASSESSMENT - THIRD DRAFT
June 26, 2020



Consulting
Insight • Discovery • Sponsorship



CONTENTS OF REPORT

1. Summary of Project

2. Impact Assessment

3. Method

4. Cluster Analysis

5. Results - CHL

6. Results - Leagues

7. Results - Club by Club

8. Summary

Only intangible results remain to add for sub-leagues and clubs.

SUMMARY OF PROJECT

THE PROJECT

THE ASK

Leverage the T1 Consulting “Impact Assessment Tool” to provide estimates of the economic and non-economic value of the league and its 60 member clubs.

Where necessary, employ a segmentation approach where club data not available

THE OBJECTIVES

Provide realistic, conservative and clear assessments of each of the following for the CHL and its 60 clubs:

- *Economic Impact (base)
- *Economic Impact (multiplier)
- *Intangibles (quantitative)

SUCCESS METRICS

Results useful for CHL

Results useful for LHJMQ, WHL, OHL

Results useful for individual clubs



IMPACT ASSESSMENT



WHAT IS IMPACT ASSESSMENT

- The impact on local markets of sport organizations, their events and, their venues is well-researched.
- The need for funders (governments, sponsors, foundations, etc.) to justify their investments to support high profile sport properties, including events, is ongoing and often required in the form of an analysis from the property.
- Often, these analyses have focussed only on the economic return and often they have overstated the impact of the sport property, thereby undermining the efficacy and leading to scepticism of these analyses.



A HOLISTIC AND CONSERVATIVE APPROACH

- This impact analysis is undertaken using a realistic, conservative and reliable lens.
- The analysis will include the following elements:
 1. An economic impact assessment without multipliers
 2. An economic impact assessment with multipliers
 3. A quantitative assessment (non-financial) on variables in each of the following areas:
 - *Community*
 - *Sport*
 - *Volunteer*
 - *City/Region Brand*

Impact studies in sport: the development of an assessment process model

Impact studies
in sport

OUR APPROACH

- Based on published article in peer-review journal.
- Data behind paper includes results of four large impact studies.
- Summary work of many research projects and thesis works.
- Deep consideration of intangible factors.



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Abstract

Purpose – The criticisms put forward against economic impact studies lead to a key question: “Is it possible to measure the impact of sporting properties and events in a holistic, conservative, and reliable way?” This research endeavors to build on the academic literature to add to the scope and rigor of economic impact research by proposing an impact assessment process model for practitioners that facilitates employment of a holistic, conservative and reliable impact study and seeks to address these concerns.

Design/methodology/approach – Using seven identified key realities that highlight the challenges facing impact studies, and adopting a collaborative self-ethnographic methodological approach, the work highlights lessons learned from four empirical economic impact studies undertaken by the authors over a five-year period.

Findings – The study provides a broad view of impact studies, which extend beyond financial implications and provides a more inclusive methodology. Particularly, the proposed impact assessment process model seeks to improve the credibility of impact studies by facilitating a holistic approach that incorporates direct, indirect and intangible impacts.

Research limitations/implications – The proposed model has value to researchers and is designed to improve the overall credibility of economic impact methodology. It also provides a more accurate measure of direct impact while considering intangible and indirect impacts, including social/community impacts.

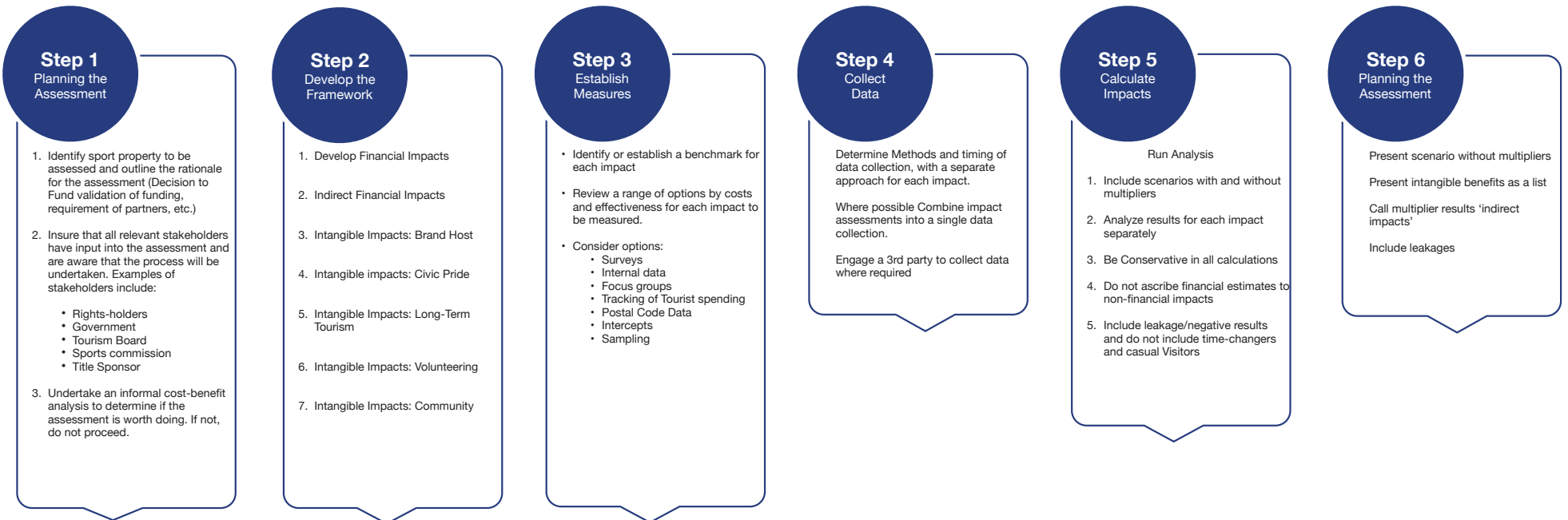
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OUR APPROACH

Assessment Process for the Study of Impact



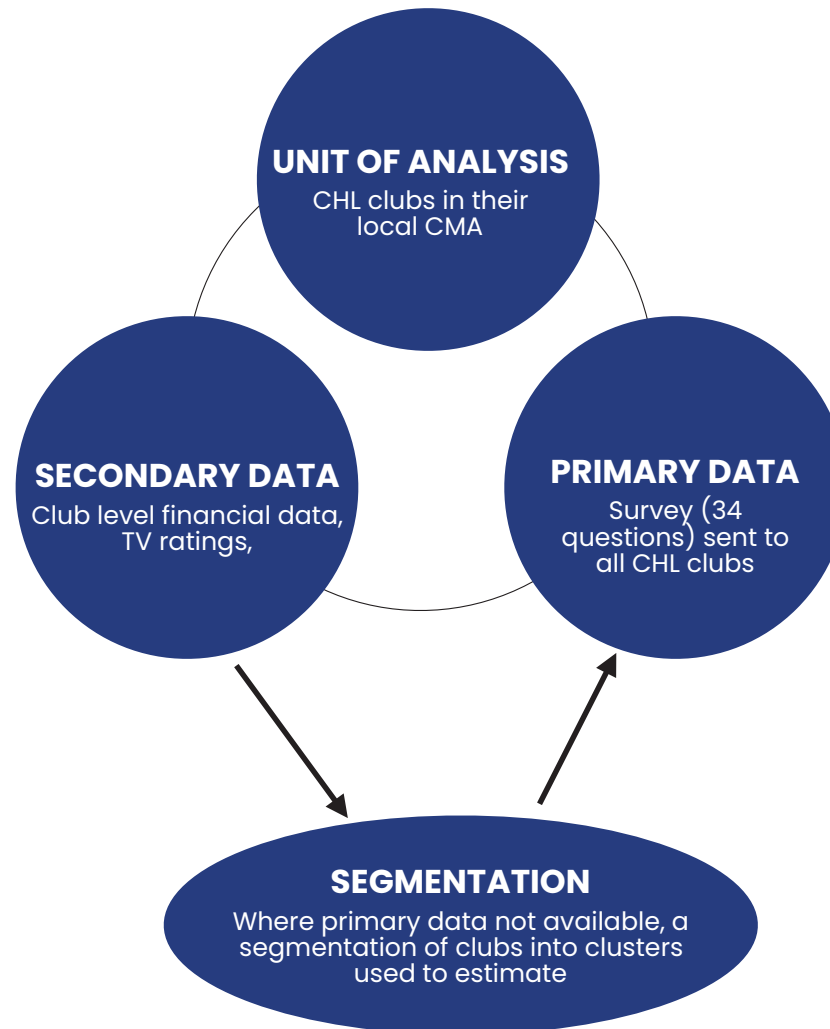
METHOD

METHOD

Per the approach described, Phases 1 through 4 are summarized on this slide. That process was followed.

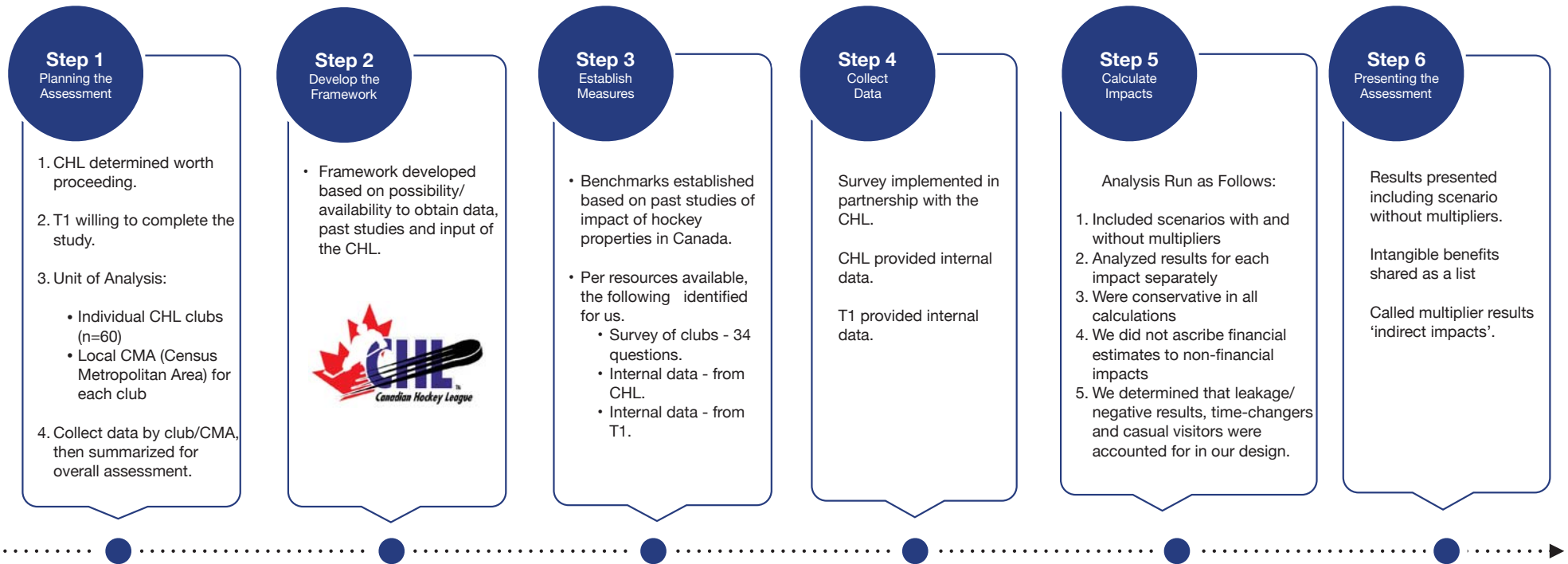
In terms of scope, the project assesses impact of each of the CHL clubs.

As a back-up for the survey information, a segmentation analysis clustered the clubs into clusters, used to extrapolate to fill any missing variables from the survey.



METHOD

How we Followed Assessment Process adapted to the CHL project



RESULTS

CLUSTER ANALYSIS

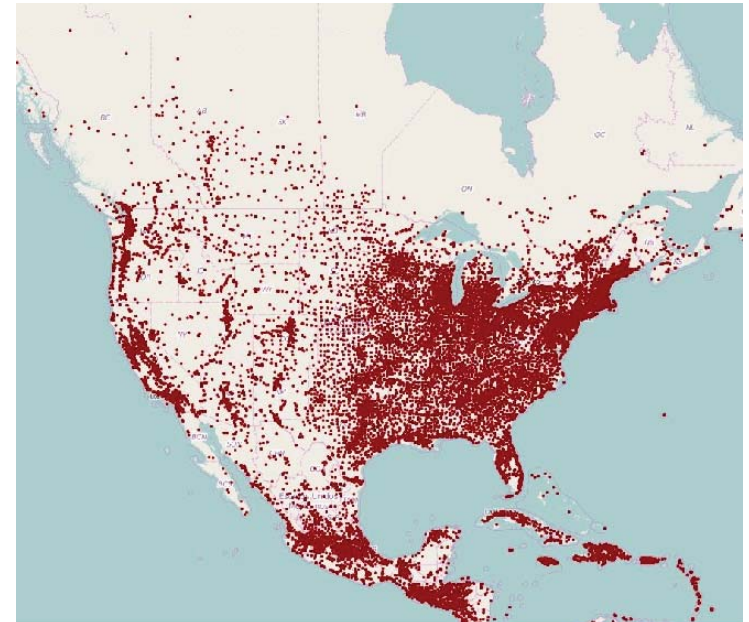
CLUSTER ANALYSIS



Overview

Based on secondary data provided by the CHL and accessed through public sources, the following were used to segment the clubs into groups for potential extrapolation during the analysis.

- League
- City
- Census Metropolitan Area (CMA)*
 - Note: DMA (Demographic Metropolitan Area) used for US Clubs
- CMA Population (Statistics Canada)
- Province /State
- Country
- Annual Revenue/Budget (CHL - confidential)
- Average Annual Attendance (from www.hockeydb.com)





CLUSTER ANALYSIS

Overall Sample

- League
 - LHJMQ - 18 clubs
 - WHL - 22 clubs
 - OHL - 20 clubs
- Census Metropolitan Area Population
 - Total Population: 36,136,195
 - Average Population: 602,270
- Country
 - Canada - 52 clubs in 9 provinces
 - USA - 8 clubs in 4 states
- Annual Revenue/Budget (n=59)
 - Total Revenue/Budget: \$191,515,675
 - Average Revenue/Budget: \$3,246,028
- Average Annual Attendance (n=60)
 - League-wide Average Attendance = 4,026





CLUSTER ANALYSIS

Results

Segment 1

- Edmonton Oil Kings
- Portland Winterhawks
- Seattle Thunderbirds
- Kitchener Rangers
- London Knights
- Oshawa Generals
- Halifax Mooseheads
- Quebec Remparts

Segment 2

- Calgary Hitmen
- Kelowna Rockets
- Red Deer Rebels
- Regina Pats
- Vancouver Giants
- Niagara IceDogs
- Windsor Spitfires
- Moncton Wildcats

Segment 3

- Brandon Wheat Kings
- Everett Silvertips
- Spokane Chiefs
- Sudbury Wolves
- Rimouski Oceanic
- Saint John Sea Dogs
- Sherbrooke Phoenix

Segment 4

- Kamloops Blazers
- Lethbridge Hurricanes
- Medicine Hat Tigers
- Moose Jaw Warriors
- Swift Current Broncos
- Victoria Royals
- Hamilton Bulldogs
- North Bay Battalion
- Sault Ste. Marie Greyhounds
- Cape Breton Eagles
- Charlottetown Islanders
- Chicoutimi Sagueneens
- Shawinigan Cataractes

Segment 5

- | | |
|-------------------------|--------------------------------|
| • Prince Albert Raiders | • Kingston Frontenacs |
| • Prince George Cougars | • Ottawa 67's |
| • Saskatoon Blades | • Owen Sound Attack |
| • Tri-City Americans | • Saginaw Spirit |
| • Winnipeg Ice | • Sarnia Sting |
| • Erie Otters | • Blainville-Boisbriand Armada |
| • Guelph Storm | • Drummondville Voltigeurs |
| | • Gatineau Olympiques |

Segment 6

- Barrie Colts
- Flint Firebirds
- Mississauga Steelheads
- Peterborough Petes
- Acadie-Bathurst Titan
- Baie-Comeau Drakkar
- Rouyn-Noranda Huskies
- Val-d'Or Foreurs
- Victoriaville Tigres

RESULTS

CHL

CHL RESULTS

Context

The following results are presented as a sum of the impact of the 60 clubs on their local markets. The results are drawn from the cluster analysis, the secondary data and the survey results of the clubs.

Note: the survey results from the clubs are, by far, the most important source of information. All 60 clubs responded the survey and provided responses to most of the 34 questions asked. In some cases, a club was not aware of an answer or an 'un-useable' answer was provided. In these cases, the segmentation extrapolation was used, but this is rare in the data due to high response rate.

Overall, the survey response was very impressive and much appreciated.



CHL RESULT – ECONOMIC IMPACT ON LOCAL MARKETS (N=60)

Source of Impact	Operation	Source	Clubs	Data Point	Direct Impact (Base)	Indirect Impact (Multiplier)
Out of Market Season Ticket Holder	Benchmark	Survey	60	14,580	\$156,151,800	\$327,918,780
Out of Market Corporate STH	Benchmark	Survey	60	2,723	\$43,050,630	\$90,406,323
Out of Market Single Game Ticket Holder	Benchmark	Survey	60	296,293	\$93,332,295	\$195,997,820
Out of Market Suites	Benchmark	Survey	60	106	\$9,082,080	\$19,072,368
Tourists for Non-Game Reasons (e.g., camp)	Benchmark	Survey	14	55,110	\$17,359,650	\$36,455,265
Opposing Teams Staying Over	Benchmark	Survey	60	1,190	\$16,868,250	\$35,423,325
Non-Market Players	Benchmark	Survey	60	1,306	\$1,306,000	\$2,742,600
TOTAL					\$337,150,705	\$708,016,481

CHL RESULT – QUANTIFIED INTANGIBLES – PAGE 1

The CHL has a long and impressive list of impacts from the 2019-2020 Season

184,131

Total Number of Season Ticket Holders

2.32 MILLION

Total Number of Single Game Purchasers

94.7%

Percentage of Suites Sold Across the League (n=1467 suites)

466

Number of non-CHL events hosted by clubs at their venues

1,306

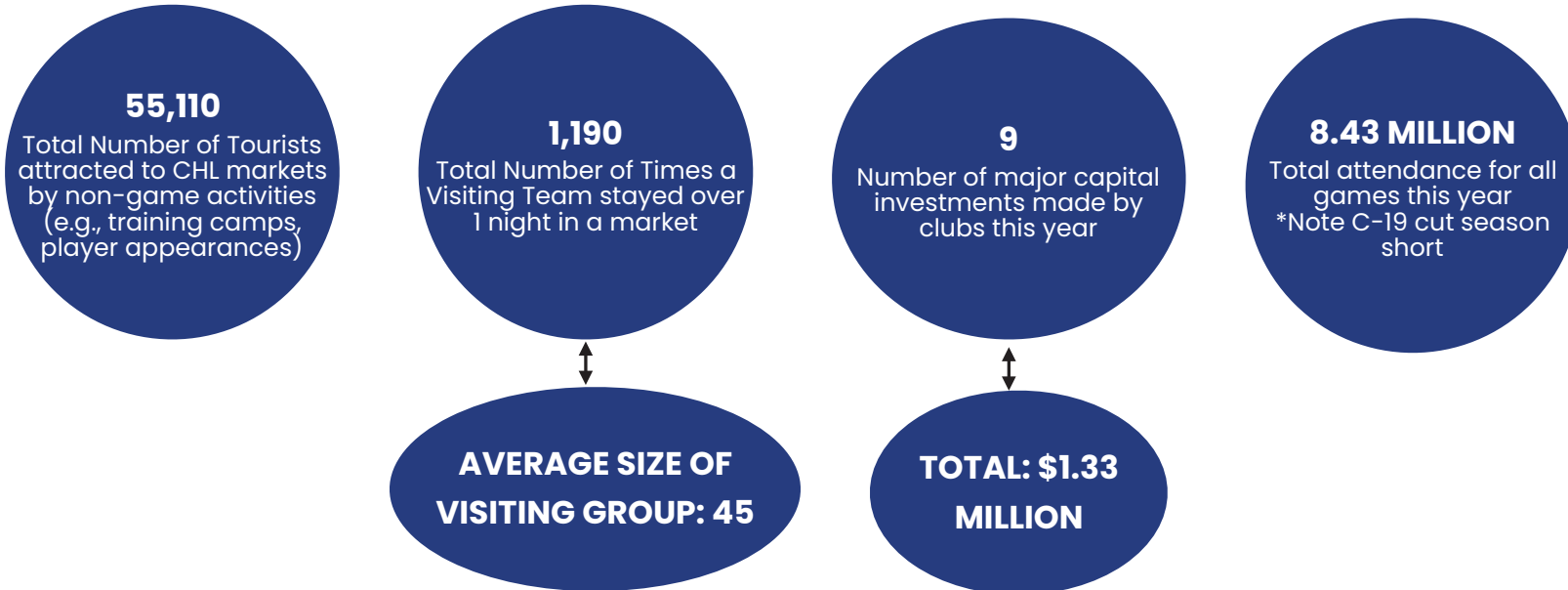
Total Number of CHL Players who are from outside of the market they play in

7.9% FROM OUTSIDE OF LOCAL MARKET

12.8% FROM OUTSIDE OF LOCAL MARKET

CHL RESULT – QUANTIFIED INTANGIBLES – PAGE 2

The CHL has a long and impressive list of impacts from the 2019-2020 Season



CHL RESULT – QUANTIFIED INTANGIBLES – PAGE 3

The CHL has a long and impressive list of impacts from the 2019-2020 Season

2,959

Total Number appearances made at hospitals or schools or other community events by players, coaches, owners or alum

45

Total Number of fan focussed programs offered that included club alumni

10,808

Total number of people who participated in participation programs offered by the clubs (e.g., Learn to Skate)

43.7%

Proportion of all club budgets that were spent on local products or services

27%

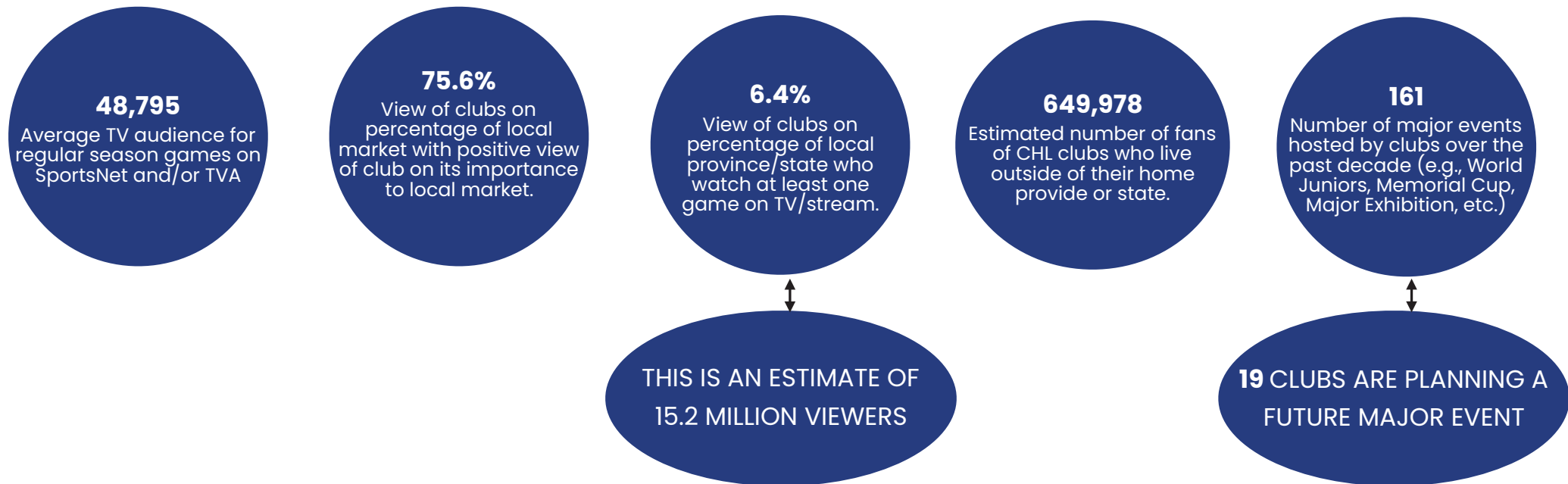
Club opinion of percentage of local CMA who watched or streamed at least one game

THIS REPRESENTS ABOUT 2.02 MILLION VIEWERS



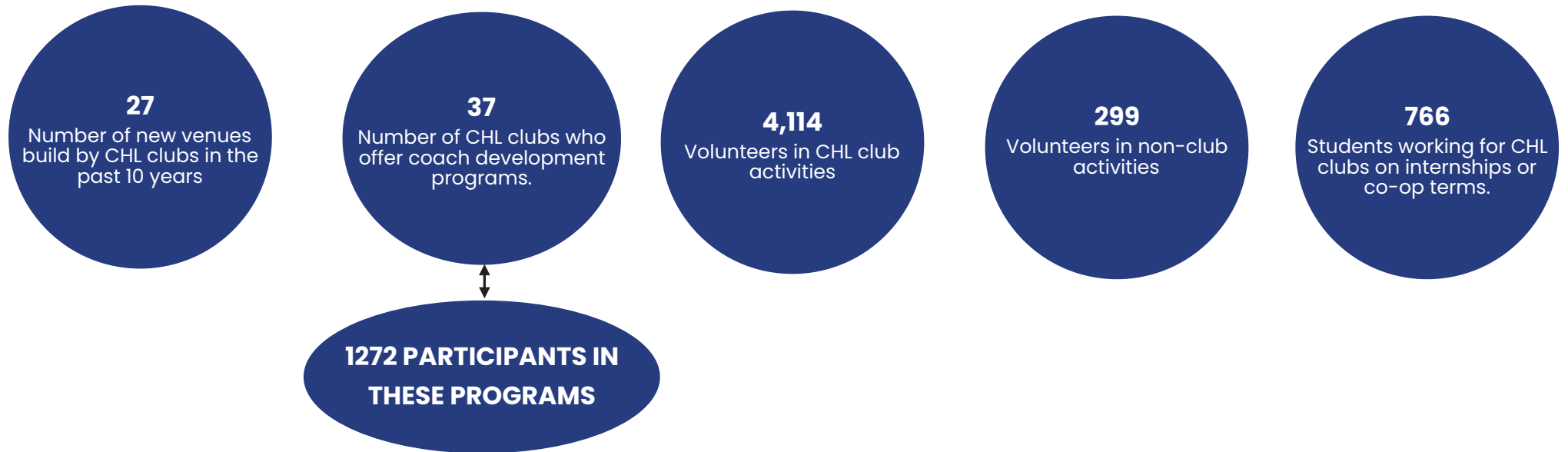
CHL RESULT – QUANTIFIED INTANGIBLES – PAGE 4

The CHL has a long and impressive list of impacts from the 2019-2020 Season



CHL RESULT – QUANTIFIED INTANGIBLES – PAGE 5

The CHL has a long and impressive list of impacts from the 2019-2020 Season





CHL RESULT – QUANTIFIED INTANGIBLES – PAGE 6

The CHL has a long and impressive list of impacts from the 2019-2020 Season

50

Number of CHL clubs who have a partnership with their local municipal government.

884

Total number of full-time staff employed by CHL clubs.

2,564

Total number of part-time staff employed by CHL clubs.

416

Contractors and consultants hired by CHL clubs last year.



RESULTS

OHL, LHJMQ, WHL

WHL RESULT – ECONOMIC IMPACT ON LOCAL MARKETS (N=22)

Source of Impact	Operation	Source	Clubs	Data Point	Direct Impact (Base)	Indirect Impact (Multiplier)
Out of Market Season Ticket Holder	Benchmark	Survey	60	5,358	\$57,384,180	\$120,506,778
Out of Market Corporate STH	Benchmark	Survey	60	1,036	\$16,379,160	\$34,396,236
Out of Market Single Game Ticket Holder	Benchmark	Survey	60	101,487	\$31,968,405	\$67,133,651
Out of Market Suites	Benchmark	Survey	60	38	\$3,255,840	\$6,837,264
Tourists for Non-Game Reasons (e.g., camp)	Benchmark	Survey	14	8,110	\$2,554,650	\$5,364,765
Opposing Teams Staying Over	Benchmark	Survey	60	524	\$7,592,760	\$15,944,796
Non-Market Players	Benchmark	Survey	60	481	\$481,000	\$1,010,100
TOTAL					\$119,615,995	\$251,193,590

RESULTS

INDIVIDUAL CLUBS

WHL – PRINCE GEORGE – ECONOMIC IMPACT ON LOCAL MARKET

Source of Impact	Operation	Source	Clubs	Data Point	Direct Impact (Base)	Indirect Impact (Multiplier)
Out of Market Season Ticket Holder	Benchmark	Survey	60	43	\$460,530	\$967,113
Out of Market Corporate STH	Benchmark	Survey	60	50	\$790,500	\$1,660,050
Out of Market Single Game Ticket Holder	Benchmark	Survey	60	427	\$134,505	\$282,461
Out of Market Suites	Benchmark	Survey	60	3	\$257,040	\$539,784
Tourists for Non-Game Reasons (e.g., camp)	Benchmark	Survey	14	200	\$63,000	\$132,300
Opposing Teams Staying Over	Benchmark	Survey	60	43	\$474,075	\$995,558
Non-Market Players	Benchmark	Survey	60	22	\$22,000	\$46,200
TOTAL					\$2,201,650	\$4,623,465

Thank you

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