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Impact of EURO 2012 on People’s Attitudes Towards Travelling to Ukraine

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Impact of EURO 2012 on people’s attitudes towards travelling to Ukraine

A Senior Honors Thesis

Presented in Partial Fulfillment of the Requirements for Graduation in the College Honors Program

By

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The College at Brockport
May 8, 2012
Abstract

This study uses the case of EURO 2012 European Soccer Cup in Ukraine to examine the importance of sporting mega-events to host countries. The paper explores the economic, political, and psychological impacts of mega-event hosting. The study's main objective is to avoid the inefficiencies of a traditional supply-oriented approach to measuring the impacts of sporting mega-events. Instead of a traditional economic analysis, interviews were conducted with potential travelers. Interviewees with and without prior knowledge of EURO 2012 were asked about their attitudes towards traveling to the Ukraine. They were then read a few brief facts about Ukraine hosting EURO 2012, and interviewees were again questioned about their likelihood of traveling to the Ukraine. This study provides a new method for estimating the impact of hosting a mega-event on people's intentions to visit the host country.
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Chapter 1: Introduction

A. Economics of International Tourism

From the very beginning it must be noted that in today’s globalizing world, the connection between the tourism sector and the overall well-being of the economy is rapidly growing. Tourism and economic welfare are positively correlated: the stronger the tourism sector – the stronger the economy, and that is becoming more and more so (Mishra & Himanshu & Mohapatra, 2011). Tourism is now a long-run economic growth strategy. In no way should the touristic part of a country’s income be considered unimportant or not worthy of year-to-year maintenance and update by the government. The tourism sector is not only one of the major contributors to the growth of any economy, but a generator of employment opportunities as well. The government must and often does play the role of a facilitator, acting as a catalyst for the development and promotion of tourism sector of a certain country.

Unfortunately, many people still perceive the tourism industry as not directly related to the overall economic success and consistency of the state. Yet, this is an outdated opinion. These days tourism is becoming an essential part of many countries’ economies amidst the world becoming progressively smaller. It is multi-functional, can take many forms, and serves various purposes depending on how and where it is formed and maintained. For instance, it can save a country from default in recession times and it can become a primary contributor to a country’s budget.

In order to realize how promising and grossing the tourist market is, it would even be enough to look at the titles of most recent updates to the latest issue of UNWTO World Tourism Barometer publication on Tourism Trends and Marketing Strategies Program. The publication came out in February of 2011 under the name of “2010: A multi-speed recovery.”
In fact, the previous year’s issue had already stated the return to pre-crisis levels of international touristic arrivals declaring a recovery of 4.2% and a return to the 2008 pre-hardship times’ peak level.iii The most recent issues were published in April 2011, June 2011, September 2011 and have been respectively named “International Tourism: First results of 2011 confirm consolidation of growth”, “International tourism maintains momentum despite challenges”, and “Healthy growth of international tourism in first half of 2011.”iv In particular, tourism’s speedy comeback in 2010 had confirmed the sector’s potential and elasticity, confirming its status of a “key driver of growth and much needed employment in a changing economic setting.”v

B. Speed and power of tourism

Tourism has become one of the largest and fastest growing industries in the global economy. During the pre-crisis period of 1996 to 2006, worldwide international tourist arrivals grew at an average annual rate of about 4.0 percent. In 1996, there were 575 million tourists and in 2006, there were 846 million tourists. Years 2007 and 2008 saw a drop in international tourist arrivals due to worldwide recession and in 2009 there was already a rebound of 6.6%: the number of international tourist arrivals was up to 940 million!vi This statistic – yearly international tourist arrivals – is expected to top 1 billion for the first time in 2012.vii One could attribute it to the population growth. However, it would be wrong to do so. It is obviously the highly developed countries that supply the major flow of recreational tourists throughout the world, despite the recent trend of a rapid increase in the supply of outbound tourists from Asia (think China and India).viii In 2010, the largest group of international travelers were Europeans (more than 496 million or almost 53% of the worldwide number) – citizens of developed countries. Even though many Europeans’ travels
are within Europe, no other source of outbound tourists can match Europe. Asia and the Pacific is a distant second, providing 21% of international tourist arrivals. The 2011 UNWTO Tourism Highlights report specifically states that Europe’s domination in supplying leisure travelers persists, even if one starts examining outbound tourism statistics on a country-by-country basis.

The economic significance of tourism is very large when measured as a share of GDP and exports. For many countries in general and the developing countries in particular, tourism is a sector in which they have comparative advantage, for which they can efficiently utilize domestic resources, earn foreign exchange, and supply the population growth with jobs. Take Egypt, for example. In the file passed to the Daily Telegraph by WikiLeaks on the 15th of February, it was said that Egypt remained on track to reach its long-stated goal of 14 million annual tourist visits by 2011 - a number set out in Mubarak's 2005 presidential campaign. The Egyptian government also expected to target an annual level of more than 25 million tourists by 2020. In the document it was uncovered that the Egyptian Ministry of Tourism had been working with real estate developers to triple the number of available hotel rooms in the area (from 7,000 to more than 22,000) in the next 5 to 10 years, while also upgrading four airports in the north shore area. The Ministry of Tourism expected to generate 200,000 new jobs for every 1 million new tourist arrivals. Additionally, plans for creating 600,000 jobs annually in various related industries were stated. This information was revealed by Hisham Zaazou – Senior Assistant Minister for Tourism of Egypt. If such figures are met, tourism could provide one-third of total employment in the Egyptian market. "The tourism industry should be the main driving force for the economy," Zaazou said. ix

As of today, travel is rapidly becoming a vital part of not only the Egyptian economy, but the world economy as well. Although often underestimated, the tourism industry can help promote peace and stability in developing countries by providing jobs, generating income,
diversifying the economy, protecting the environment, and promoting cross-cultural awareness. The 2011 edition of the UNWTO’s Tourism Highlights states both of the following: tourism has become one of the world’s major trade categories with the overall export income generated by inbound tourism exceeding US$ 1 trillion in 2010 and tourism exports account for as much as 30% of the world’s exports of commercial services and 6% of overall exports of goods and services. As an export category, tourism ranks fourth after chemicals, fuels, and automotive products. In the 2011 UNWTO Tourism Highlights, tourism’s contribution to worldwide GDP was estimated to be at 5%, while its contribution to employment was slightly higher, estimated at 6-7% of the overall number of jobs in the world. Yet, as it grows, the tourism industry is becoming both more specialized and well versed, as it promises relatively stable year-to-year income in these times of undefined tomorrow.

C. Tourism and the developing world

As growth has been particularly fast in the world’s emerging regions, the share of international tourist arrivals received by emerging and developing economies has steadily risen as well: from 31% in 1990 to 47% in 2010. To some countries, which so far have been less fortunate in the global age of free markets, tourism becomes a mean of catching up with the developed nations. How so? People from developed countries hold sums of money that are worth much more in developing countries and increasingly recognize the world as being one single unit, rather than a set of competing states. Citizens of developed nations often travel to developing countries to explore the planet they live on and to have some leisure time. As a result, we have shifting of the capital and a steady decrease in distance between rich and poor countries. For many developing countries tourism is already one of the main
sources of foreign exchange income and the number one export category, creating much needed employment and opportunities for further development.\textsuperscript{xii}

As developing countries become more prosperous, domestic tourists emerge as a significant market, often using the same facilities as international tourists, facilitating an even greater GDP growth. Yet, excessive reliance on tourism as a source of income has a serious drawback: dependency on demand fluctuation. A truly bad scenario unfolds when downturns in the tourist market happen due to natural disasters or other unforeseen events. Another drawback of the tourism-specialized economy is the balance between economic well-being on one hand, and social and environmental well-being on the other, which is shaken by the above-mentioned specialization (Harrison, 2001). In countries where culture, heritage, and the environment comprise major riches and means for development, balancing between economic development, and social and environmental well-being becomes a major issue (Harrison, 2001).

Yet, tourism has been growing rapidly and is exportable by pretty much all countries with only few standing out as having advantage. The tourism industry requires large quantities of labor and a wide range of skills because of its connections with other industries. This can often decide the direction the economy is going, as we have seen in the case of Egypt. It is a major foreign exchange earner for many low-income countries. It has enormously high income elasticity in markets of the industrial and the middle-income countries. It can be used as part of a diversified export and industrial strategy, because of its scope for linkages to suppliers and the range of skill levels, which it employs throughout the product delivery. At an analytical level, it is an industry which appears to have relatively few market distortions (either entry barriers or government policies). It is particularly sensitive to marketing skills and to public sector activity. All of these reasons clearly suggest that it should be a promising focus of attention for developing countries. In fact, it is one.
According to the IMF World Economic Outlook of October 2010, emerging and developing economies will expand at rates of 7.1% and 6.4% in 2010 and 2011, respectively. In advanced economies growth is projected at only 2.7% and 2.2%, respectively, with few of them experiencing a slow down during the first half of 2011. Yet, according to the April 2011 update to the UNWTO World Tourism Barometer issue, international tourist arrivals grew by nearly 5% during the first two months of 2011. How could this happen? The answer is easy. This growth percentage was coming from developing countries. Developing countries are simply recognizing the opportunities, which specialization in tourism offers.

Under the heading of “International tourism – key to development, prosperity, and well-being”, UNWTO 2011 Tourism Highlights lets us know that for advanced economies, the contribution of tourism to GDP ranges from approximately 2% (countries where tourism is a relatively small sector) to over 10% (countries where tourism is an important pillar of the economy). For developing countries and small island nations in particular, the importance of tourism tends to be even higher (think islands of the Pacific Ocean, Caribbean Sea, and countries of Southeast Asia). Consider the following table, which shows increases in international tourism receipts of select nations from 1995 to 2004, expressed as a percentage of GDP. xii

<table>
<thead>
<tr>
<th>Table 1.1 Increase in international tourism receipts</th>
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<td>Australia</td>
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In these days of rapid development of technology, which allows easier connections between markets and creates greater competitiveness between products and destinations, there arises a balance of marketing powers among touristic destinations. “The information sources of tourist activities have changed greatly over the past fifteen years, due firstly to the impact of new technologies.” The development of technology brings destinations and consumers closer together through easier access to information. As it is wisely noted in Thomas Friedman’s book, The World is Flat, everyone has equal access to information these days. Following this arising balance of the marketing powers, destination and event management are thus receiving greater attention and destinations are now being branded similar to consumer goods. Also, a wide array of promotional tools is now arising. It must be said that destination branding within tourism industry and the use of event hosting as a tool for the promotion of a destination among potential travelers is one of the primary objectives of this work.

D. The developing country of Ukraine and EURO-2012

Ukraine is no exception to what has been said about developing economies and the role tourism takes in them. In fact, the aim of this research is a close look at event tourism that will take place in the summer of 2012 – the European Soccer Cup will be hosted by Ukraine and Poland. Depending on how many people it will attract or, in other words, depending on whether it is going to be successful, “a qualitatively new national tourism product of Ukraine” will be established. A number of invaluable benefits may be experienced by the country in the short-, as well as the long-run. The Union of European Football Associations (UEFA) experts are predicting that EURO 2012 will positively influence the development of Ukraine even after the tournament. In particular, the
attractiveness of the country as a tourism destination is predicted to grow even after the championship, prospectively creating new jobs for the population. Yet, all of these benefits will take place only if the common image capital (as perceived by potential travelers) of both the event and the destination will be sufficient to change tourists’ attitudes towards travelling to the destination. It must be noted that in this study, the word “capital” is used in an economic sense and is meant to signify the collective value of all relevant attributes.

Hosting of large-scale sporting events has become not only a symbol of prestige, but also a profitable practice, ever since the declaration of $200 million profits by the city of Los Angeles from Summer Olympic Games of 1984. In the following years, there has been progressively more and more competition over the right to host a particular sporting event.

EURO 2012, being a sporting event, is expected to have strong touristic and economic implications for the country. In a commentary to the EURO 2012 Information Center, Irina Shapovalova - head of the State Agency of Tourism and Resorts of Ukraine - stated that it will surely be the touristic sector that will win from the hosting of the event. In the very same commentary Shapovalova stated that “the inflow of tourists to Portugal after its hosting of EURO 2004 increased by more than 50% and by 30% in Austria and Switzerland after EURO 2008.” She also stated that EURO 2012 was expected to impact the rearrangement of the pattern of international tourist flow, directly benefitting Ukraine.

Under the circumstances of a considerable increase in participating countries, the International Federation of Football Associations (FIFA) started having World Soccer Cups outside the traditional regions of Europe and South America. After USA in 1994 and France in 1998, Japan and South Korea co-hosted the 2002 Championship to become the first Asian countries to do so. The World Cup of 2006 was hosted by Germany. Later, in 2010, South Africa was given the right.
One can observe a trend that so far only developed countries were mentioned, when speaking of the history of sporting mega-event hosting. Since its inception in 1930, the World Cup had never been staged in Asia until 2002 and had never been staged in Africa until 2010. This can be explained by the absence of necessary infrastructure and social instability in developing countries. By social instability I mean that social gap can be expanded and social balance shaken, following the hosting of a mega-event by the country. This could happen due to country’s overinvestment in certain event-hosting regions. Such a scenario will be further discussed and supported with examples. As it will be seen from the discussion of such a scenario, letting the country host a large-scale sporting event demonstrates a strong commitment to support the country, while also bearing risks to the hosting community.

In the case of developing countries, the above-mentioned risk is elevated by the need for a high-quality infrastructure and sporting facilities. In order to satisfy such a need, more investment is demanded from developing countries than from the ones marked as developed. For instance, traditional hosting countries with well-developed overall and sporting infrastructure usually must invest less than $1 billion for the hosting of a large-scale sporting event, such as the Summer Olympic Games or World Soccer Championship. On the other hand, countries which are new to having major sporting events usually invest more than $5 billion for the full effect of the event to take place. For instance, for the hosting of EURO-2012, as of December of 2007, Poland was planning to invest $10.3 billion and Ukraine – approximately $25 billion.xviii
According to the article “Poland and Ukraine to spend big on EURO 2012” in the 6th issue of the EU Infrastructure Magazine, the current estimate of the value of construction investments in sport, hotel, and transport infrastructure (e.g., roads, railways and airports) due to the organization of EURO 2012 in Poland and Ukraine is near €38 billion. Such drastic expenditures bring a thought that the tournament is much more than just a prestigious soccer competition for Poland and Ukraine. Indeed, the costs related to the construction and modernization of stadiums will account for less than 10 percent of the total value of planned investments. Instead, EURO 2012 will be an opportunity for the two countries to take a major step forward and make up for two decades of underinvestment in infrastructure. The vast majority of investments (80%) will be allocated to projects of this type.xix

In correspondence to expenditures, revenues and impacts of such sporting mega-events on developing economies should not be underestimated. The Director of the National Tourism Office, Oleh Lytvyak, has expressed an opinion in an exclusive interview with the “UKRAINE 2012” magazine that the number of tourists coming to Ukraine can double...
during the coming five years due to the hosting of EURO 2012. The expert is convinced that Ukraine will become a strong tourist country within 10 years, if a clear strategy is built and if the state supports the sector. Furthermore, considering that all the changes made to infrastructure will persist after the event, it is hard to believe that government would not want to “kill two birds with one stone”: amuse the global community during the championship with newly built infrastructure and create social overhead goods, necessary to further development. By social overhead goods I mean general and sporting infrastructure. In fact, worldwide increase in tourism industry infrastructure serves as a useful indicator of the increasing size and scope of the sector (Standeven & De Knop, 1999).

Aside from the highlighting of the country on the world map, EURO 2012 will not only create badly needed infrastructure, but will also attract a direct inflow of capital (foreign direct investment) into hosting countries, as well as spur the growth of local businesses. Private investment has already created 70 hotels in preparation for EURO 2012. Moreover, four more international airports will be commissioned into use. This was announced by Vice Prime Minister of Ukraine and Infrastructure Minister Borys Kolesnikov at a business forum on Ukraine's preparations for EURO 2012. He also admitted that "it was quite difficult to carry out preparations for the European Championship in a country that did not have a sufficient number of high class hotels and international airports." In the future, all of these improvements will become accessible to all Ukrainians and will raise the bar for general social standards in the country.

A survey was conducted earlier this year by GFK Ukraine – a market research company. According to the survey’s results, 89% of Ukrainians approve of the holding of EURO 2012 in Ukraine. Also, 49% of Ukrainians expect the European Soccer Cup to bring Ukraine closer to Europe. Forty-six percent say that EURO 2012 will help promote the
country and 31% or respondents believe that the championship will increase social solidarity within the state.\textsuperscript{xxii}

Furthermore, Christopher Old, the dean of the Griffith Business School (Australia), notes that EURO 2012 will impact other areas, but it is difficult to measure this influence in numbers. The introduction of voluntary movement, promotion of football, and presence of many sports stars could create new social motivation, which heals society and reassesses its traditional values. The professor believes promoting the country around the world will be one of the greatest advantages of the EURO 2012 for Ukraine.\textsuperscript{xxiii}
Chapter 2: Literature Review

A. Mega-events’ place in tourism industry

What most people perceive as “tourism” is a combination of operating sectors of the tourism industry (Goeldner, 2000). Those are the transportation sector (e.g., airlines, bus companies), accommodations sector, and attractions sector. The latter one stands for many well-known items in the tourism industry. Some of these often-historic attractions are: Louvre in Paris, Hermitage in St. Petersburg, the Pyramids in Egypt, and Niagara Falls.

Following all of those, there exists a subsector within attractions – the events sector (Goeldner, 2000). When discussing event tourism, it is logical to start by determining how the concept of an event is defined and how events may be categorized. The fundamental criterion characterizing all types of events is that they are temporary. Getz writes that events are temporary happenings with a fixed beginning and end (Getz, 2005). He also classifies planned events into seven categories, which are divided into two families: public sector events and those of most interest to individuals. All seven categories can be found in practically any culture and community. According to Getz’s classification, EURO 2012 is a sport competition.

Following the definition given in the glossary of “Tourism. Principles, Practices, Philosophies” (Goeldner, Ritchie, & McIntosh, 2000), events “include a broad range of ‘occurrences,’ ‘happenings,’ and ‘activities’ that are designed around various themes with a view to creating or enhancing interest in the destination” (Goeldner et al., 2000, p. 723). In the very same definition it is mentioned that “local festivals and mega-events have proven to be most effective” (Goeldner et al., 2000, p. 723). Some of the events sector’s products include: Oktoberfest, Superbowl, Olympic Games, and World, as well as European Soccer Cups.
There is a lot of debate regarding the definition of a mega-event. The majority of literature, which I have encountered, uses the definition established by Ritchie. It states that mega-event is a “major one-time or recurring event of limited duration, developed primarily to enhance the awareness, appeal, and profitability of a tourism destination in the short and/or long term” (Uysal, 1994). In fact, it is not only those events that were developed to increase awareness of the destination, which are given the mega status. It is also international sporting events that have existed for a number of years as renowned competitions and that can serve to promote a destination. Simply put, a mega-event can be described as simple as an event with a global publicity and with a large number of visitors from abroad.

In an urban development context, mega events are defined as “large events of world importance and high profile, which have a major impact on the image of the host city” (Bramwell, 1997, p. 167). Countries are usually after the potential publicity of the event, when applying for hosting of a mega-event. Mega events are beyond doubt an important touristic (and thus economic) asset with participants and visitors being attracted to the destination both directly and indirectly (Bramwell, 1997).

Mega-events have played a major role in the development of many countries’ economies and are a tool for spurring urban development and image creation. However, many communities never get to host large and expensive events. Events have grown to the extent that now event management is emerging as a separate field, becoming more professional with destinations fighting over the often expensive (opportunity cost-wise) right to host. There seems to exist a natural and well-justified temptation for governments to emphasize importance of mega-events. According to Law (1993), “A mega-event acts as a catalyst for change by persuading people to work together around a common objective and as fast track for obtaining extra finance and getting building projects off the drawing board. This is not without its problems, since some would argue that it gives priority to development
issues over those of welfare. The physical aspect of this strategy is that it has been linked with inner city regeneration and in particular with that of the city center.”

No doubt, events stimulate the tourism sector and may indirectly affect local businesses, services, and infrastructure (Shone & Parry, 2004). More and more European cities are focusing on tourism as part of their local development strategy (Russo & van der Borg, 2002). Now it is more common that a city’s specialization becomes tourism, as destinations realize the economic importance of utilizing existing resources such as attractions in or close to the town, a warm climate, or a unique geographical location. Yet, the absence of all of these does not mean a city cannot become a popular destination. In such cities with few physical attractions, the tourist season can and is often focused exclusively around custom-built attractions or events (Kotler & Gertner, 2002; Shone et al., 2004).

In fact, the term event tourism is used to illustrate destination marketing and development strategies in order to recognize all the potential economic benefits of events (Getz, 2005). The scale of event tourism is increasing and events may perform several economic and touristic roles for a destination: as simple attractions, image-makers (through the creation and enhancement of themes), catalysts (through the stimulation of infrastructure and urban renewal), animators (through encouragement of repeat visits to facilities and resorts), and as a part of place marketing (Getz, 2005). The figure below represents these potential roles of events.

**Figure 2.1 Economic and tourism roles of events (Getz, 2005)**

- **DESTINATION MARKETING**
  - create positive image
  - improve the quality of life
  - attract residents and investors

- **TOURIST ATTRACTION**
  - attract quality tourists
  - spread demand
  - increase visitor spending

- **IMAGE MAKER**
  - for attractions, resorts etc.
  - create and enhance themes
  - combat negative imagery

- **CATALYST**
  - stimulate infrastructure
  - assist urban renewal
  - stimulate business/trade
  - support other attractions

- **ANIMATOR**
  - encourage first and repeat visits at facilities, resorts, and attractions
As the number of expanding in size and complexity events has grown, the amount of supportive staff and volunteers has risen dramatically (Goeldner & Ritchie & McIntosh, 2000). For example, The UEFA EURO 2012 volunteer program has already attracted around 11,000 participants from 105 countries all over the world, who had registered on the official UEFA website. The vast majority of these candidates are from Ukraine and Poland.

Getz further elaborates on destinations that pursue a clearly defined strategy of wide-scale tourism growth, stating that a number of mega-events in a single year can still be effective and can still attract attention, drastically boosting visitor numbers. Major sporting events and world fairs have proven to be most popular for achieving these objectives. Getz also states that hosting mega-events does not only provide economic benefits, but also creates promotion that can change the negative image of the country.

B. Destination image and mega-events

The consistent growth of the tourism industry in the last fifty years has been elevating challenges in tourism marketing (Echtner & Ritchie, 1991) As more and more countries become developed enough to recognize the importance tourism industry has come to possess, destination choices available to consumers continue to increase in number. Increased leisure time alongside rising levels of disposable income, technological innovations, and transportation networks have all created more options for potential travelers to choose from. As a result, tourism marketers are now faced with influencing consumer decision making in an increasingly complex and competitive global marketplace.

Correspondingly, the need for a clever destination positioning strategy or, in other words, clever destination management is stronger. Like any product, a destination must occupy its own unique niche and be positively positioned in the minds of potential travelers.
A key practice for the attainment of this favorable position is the creation of a unique and appealing perception (or image capital) of the destination.

Destination image is considered to be the key factor to impact the choice of a destination (Echtner et al., 1991). The definition of destination image is problematic and a variety of different interpretations are out there. Correspondingly, its estimation is troublesome. Probably the most widespread definition is that of Crompton, who wrote that destination image is a "sum of beliefs, ideas and impressions that a person has of a destination" (Echtner & Ritchie, 2003, p. 41).

However, when travel to a destination during the country’s hosting of a mega-event is being discussed, it is not only destination image that has to be accounted for, but also the image of the event itself. Together they comprise the common image capital of a destination. It is exactly this common image capital of both destination and the mega-event that researchers often estimate when exploring the impact of a mega-event on the public image of a destination.

Hosting destinations are usually preoccupied with identifying means to optimize the mega-event’s impact on the destination’s image. The value of the destination’s image, which arises from proper destination image management, is important for attracting investments, new businesses, and tourists to the hosting destination long after the event is finished and creating a long-lasting financial growth (Chalip, 2004). Chalip also writes that a region’s portfolio of events can be seen as a leveraging resource for the hosting region. Such resource presents a chance for the hosting destination to take advantage of the long-term and immediate profits from the tourism sector of the economy (Chalip & O’Brien, 2008).

As it will be further discussed in this thesis, most previous studies related to destination and event management have been mainly focused on the demand-driven,
economic side and have been ignoring the quality of the supply side (aesthetic/psychological perception of the event).

C. Planning for destination development with mega-events

Literature confirms that there has recently been a major shift in attitude towards tourism and its importance. Virtually everyone – politicians, bureaucrats, businesses, and public – have shifted towards a rather favorable view of tourism and benefits it can provide in the past two decades. It has been due to recent major recessions, increasing amounts of bad debt worldwide that international tourism is now being seen as a tool for helping boost export revenues through country-of-origin effect. Often used in marketing, the country-of-origin effect refers to the influence that the producing country or the origin of the assembler has on consumers’ perceptions of the product or service. In fact, it is also globalization that has moved tourism and event tourism in particular, off their feet due to not only technology development, but also resulting economic deregulation and diminishing traditional employment in agricultural and manufacturing sectors. Correspondingly, tourism is becoming seen as a savior-industry, which offers to be a new source of mass employment by being labor-intensive (Hall, 1994).

In recent years, planning for tourism has expanded to include social, cultural, and environmental concerns, as well as the need to boost the economy, often through hosting mega-events. Australia is a bright example of a country which succeeded at doing so. This planning for tourism development, which has traditionally focused on site development, presentation of historical and cultural features, and often as a means of introducing the country into the more-developed world (for developing countries), is very hard to achieve. This is particularly so because the very nature of the industry is diverse and very hard to be
approached systematically. In many cases, planning for an increase in tourist inflow is paradoxically not even devoted to tourism: these days planning for tourism and its development is a mix of social, cultural, environmental, and economic factors, which are unique to the country and reflect its overall direction in today’s globalizing world.

Destinations that are hosting mega-events are usually supported by the authorities that assist the destination with urban renewal. Getz states that hosting sporting mega-events leads to better infrastructure, improvement of facilities and attraction of investments in different business sectors (Getz, 2005). Mega events also have an effect on the destination’s image. Destination’s image can be affected both negatively and positively. Impact can be affected by the organization, enhanced tourism marketing, or infrastructure (Getz).

Getz states that place marketing is of value to events in terms of enhancing the image of societies and attracting visitors. The key feature of place marketing is the cultivation of positive image. Correspondingly, events are assisted by economic development departments, tourist agencies, mayor’s offices and the media, trying to present the destination in the best possible light (Getz, 2005)

In fact, holding a mega-event is often exploited by the government and its private sector companions with a purpose of construction and development of infrastructure. This use of tourism as a tool for regenerating urban locations through the creation of appealing tourism environments is common in today’s Western society. Hall (1994) referred to this as a component of urban destination image creation strategy, whose aim is to provide an environment that will invite and retain the interest of mostly white-collar workers and professionals, thus increasing tourist expenditure and attracting investments with an outcome of employment creation and development.

Since the public and private sectors of the economy each control their own share of tourism facilities and programs, it is crucial to any destination that planning for development
efforts are continuously carried out within a cooperative framework (Goeldner et al., 2000). Mega-events are clearly perfect frameworks for such collaboration, as they not only bring the nation together, but also force the government and private sector to move in one direction.

The development and promotion of a geographical unit are now taken as assets and products to be sold. Such use of country or a destination as the object to be advertised is most apparent in tourism marketing. The tourist boards of many countries fiercely compete over various promotional events and launch international advertising campaigns (often aligning the two) to raise awareness and to establish a set image of the country (Mossberg & Kleppe, 2005). This process of selling a tourist destination to a potential traveler through image creation and redevelopment is now a practice in which countries compete. The winner attracts capital, investment, and tourists’ money.

Urban tourism is increasingly being regarded as a mean of developing competitive advantage of cities as tourist destinations. The issue of urban destination competitiveness is linked to the ability and capacity of the city to provide valuable tourism offerings, infrastructure, and a general urban attractiveness, benefiting tourists, businesses, and residents alike (Paskaleva-Shapira, 2007). Tourism is an industry which is considered by many governments as capable of delivering economic profits and job creation (Allen, Harris, McDonnel, & O’Toole, 2002). It is also considered as an image-creator that can create a profile for a destination and reposition it in the global tourist market, thus uplifting its economy (Allen et al., 2002).

In this competitive environment, naturally many wish to acquire the benefits of further visitors, foreign direct investment, and employment opportunities. Regions and cities have accordingly started to turn to marketing. Now marketing techniques, which are usually used for consumer goods, are also being used with tourist destinations.
D. Economic impacts

The study of mega-events has become an important part of recreation and leisure literature in the 80s ever since the Summer Olympic Games of 1984 in Los Angeles. The economic background and implications have been the main focus of such literature (Horne & Manzenreiter, 2006). Sport events in particular have been attracting a significant amount of attention. One of the first studies of the impacts of such an event was the 1985 Adelaide Grand Prix (Horne et al., 2006).

A number of destinations spend large amounts of money on infrastructure development in anticipation of hosting a mega-event. Despite the ability of these events to boost the local economy (often through tourism sector impact), there is no guarantee that total benefits will outweigh the total costs in economic terms. For instance, Custido and Perna (2008) state that the negative impacts that can affect an event are higher costs for both tourists and the industry.

Yet, the growth of sporting mega-events is unavoidable for three reasons: modern mass communication technologies, which make it possible for marketers to reach virtually the entire world population; media-business alliances that transformed sport in the late 20th century; and the potential benefits mega-events are capable of causing to host destinations (Horne et al., 2006).

Studies do show that hosting of mega-events like Olympics or continent-wide soccer cups is usually synonymous with destination government’s commitment to costly investments in infrastructure. Yet, governments often forget about the imbalance, which excessive investment in selective cities may produce. Small cities often come out as losers with government committing all the capital into the part of the country which is visible to visitors. Correspondingly, it is crucial that governments recognize the importance of aligning the
economic development of host cities with the life of the rest of the country. In other words, balance in countrywide development must persist for research statistics to resemble the true countrywide economic improvement, rather than the increased gap between regions and corresponding qualities of lives.

As it has already been noted, tourism impact and economic impact are becoming somewhat related in the current setting. This is particularly so for developing countries like Ukraine and Poland. Thus, documenting the tourism impact, one is automatically signing up for documenting a substantial (and rising) economic impact. Global participation in sporting events is growing particularly among day-trippers, however participation is growing even more on the specific, dedicated sport holidays or trips. Events, large and small, for display and competition, increasingly catch the eye of a tourist (Standeven et al., 1999).

Destinations hosting mega-events have the unique opportunity to market themselves to the world. Increasing competition in media business over the rights to broadcast the event has led to an increase in the value of the right. This means that a network gives “blanket coverage” at peak times for such events, enhancing marketing benefits for the hosting destination (Horne et al., 2006) and often leading to extra FDI inflow due to publicity.

Yet, hosting of a mega-event is usually justified by host destinations in terms of long-term economic consequences, directly or indirectly resulting from hosting the event, rather than in terms of tourist inflow during the actual event (Horne et al., 2006). Studies indicate that mega-events do have a long-term impact that is strongest in the first year following the event and that this impact progressively diminishes over time. Studies indicate that mega-events do have a long-term impact on tourism sector of the economy in the hosting community (Uysal, 1994).

Chalip and O’Brien (2008) state that big sporting event stakeholders are focusing on strategically looking at direct impacts (visit-related) to plan for much longer outcomes like
fostering business relationships, investment, employment, trade, re-imaging of host
destination, and encouraging further visits. According to them, immediate economic impact
depends on the amount spent by the tourist on the mega-event. Event leverage (return on
investment) begins by encouraging tourists to spend their money and by keeping tourist
spending within the destination’s economy. The destination’s image is developed by
showcasing the hosting community in event reporting and advertising, and also by using the
event as advertising tool for the destination (Chalip, 2004).

Allen et al. (2002) write that events can have a wide spectrum of impacts, both negative
and positive. Events are usually welcomed because of the construction of event facilities,
improvements of infrastructure, and attraction of a broader commercial interest to the host.
Events also provide market expansion, attracting new businesses (Hall, 1994).

Cooper states that the economic impacts of tourism on a hosting economy are in general
positive, but also have negative impacts on the destination as seen in Allen’s table on tourism
and economic impacts. It must be noted that negative impacts can be regulated through
intervention, awareness, and proper planning.

<table>
<thead>
<tr>
<th>Positive impacts</th>
<th>Negative impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion of the destination and growing tourist visits</td>
<td>Authenticity loss</td>
</tr>
<tr>
<td>Longer stay over</td>
<td>Damage of destinations’ reputation</td>
</tr>
<tr>
<td>Higher tax income</td>
<td>Society resistance to tourism</td>
</tr>
<tr>
<td>Growing yield</td>
<td>Inflated prices</td>
</tr>
<tr>
<td>Job opportunity</td>
<td>Opportunity costs</td>
</tr>
<tr>
<td></td>
<td>Exploitation</td>
</tr>
</tbody>
</table>

Both economic and touristic roles of events are equally important for a destination.
According to these, event managers evaluate how the event may have a positive effect on the
local society (Getz, 2005). Events (as tourist attractions) are dependent on regional and local
audiences. Mega-events help a destination to increase the length of stay and increase the consumption among tourists, boosting the local economy (Getz, 2005).

Simply put, events can act as attractions that promote both local and non-local travel and may increase tourism spending and average length of stay. This may also assist in keeping residents and their money at the home destination. Furthermore, events can act as “animators” by structuring programs of special events at already existing famous attractions in order to make better use of them. This has the advantage of attracting people and can also encourage them to come back. Another way animation happens is through mega events’ image creation role, due to the media attention and publicity they attract.

Acting as an animator, events may also be important in terms of destination marketing through potential enhancement of the image of hosting communities in the eyes of tourists. This may lead to improvements in quality of life and may also introduce new residents and industries. Furthermore, events may function as catalysts through mega events’ ability to attract investments, what directly or indirectly leads to improvements in infrastructure and facilities. Getz writes that sport events generally result in new or improved facilities that are often built with a view to further attract events in the future. Facilities and attractions have the advantage of “animation” – “the process of programming interpretive features and/or special events that make the place come alive with sensory stimulation and appealing atmosphere” (Getz, 2005, p.13).

However, in absence of a clear vision and objectives, event tourism initiatives are likely to be ineffective. A great deal of management is necessary with mega events. Of course, any proper management must include evaluation and prediction processes, and that is where it gets tricky. There exist many ways for calculating the economic impact of a sporting event, however no established consensus exists between researchers. This is so because characteristics of regional economies and characteristics of individual events differ substantially. “Great emphasis is often placed on the financial impacts of events, partly because of the need of employers and governments to meet budget goals and justify
expenditure, and partly because such impacts are most easily assessed.” (Allen, 2002, p. 25).

“One feels after reading economic accounts of tourism that travelling is a matter of passport statistics, demand and supply, and economic returns” (Pearce, 1982, p. 8).

There are many issues and challenges associated with the assessment of impacts caused by mega-events. Correspondingly, there are also many ways to document the impacts: through economic assessment, exploration of marketing effectiveness, and a special case of media impacts (Hudson, 2003).

The special case of media impacts stands for a positive change in the image of the country, as perceived by potential tourists. Even though there is still no evidence to support the connection between higher destination awareness (positive change in the image of the country) and the rise in demand for tourism at the destination, this research will attempt to demonstrate such a connection on the case of EURO 2012 in Ukraine.

E. Other impacts and ways of measuring them

Sporting mega-events are a part of a wider approach, the aim of which is to first of all improve the image of the destination in the eyes of potential travelers. Therefore, success of mega-events is not always judged based purely on the economic side of the story. As noted earlier, mega-events, if successful, are able to project a new image and identity for the destination, resetting its positioning in the global tourism market, as well as on the political map of the world. Simply put, sporting mega-events provide organizers with a unique opportunity to modify the international image of the host country.

International soccer events, in particular, have become perfect ways for different societies to display themselves to the world. In the case of the EURO 2004 in Portugal, public investment in the creation of a brand image of the country was spurred by the widespread
media promotion of the event, which offered multiple chances for expression of cultural identity. It is reassessment and repositioning, caused by such events, which contribute to the identity confirmation for host countries. Despite the fact that all of these are bound by time and schedule of the event, they appear to be possible resources for future self-representation and positioning of national identities (Horne et al., 2006; Hudson, 2003).

Yet, all authors agree that only advancement of research methods will allow the proper assessment of true overall impact. Research has shown on the case of EURO 2004 that large-scale soccer events are a complex phenomenon, which resembles the place sport and tourism combined have come to possess and the potential they have for reassessment and repositioning of national identities. This repositioning is done through the introduction of times (during a mega-event), in which “revalidation of the importance of the symbolic in the existential expression of societies on global scene” (Horne et al., 2006, p. 140) takes place.

Consequently, the term ‘sport re-imaging’ can be encountered in literature. It refers to the government, often with help from private sector investments, aiming at using a sporting mega-event to modify the image of a country (Smith, 2005). Smith (2005) also writes that this process involves a comprehensive approach, where sport serves as a central theme in modifying perception about the destination.

Following the reassessment, urban environments combined with mega-events may provide a serious effect on sociocultural, as well as socioeconomic make-up of the hosting country. Some believe this provides a creation of desirable “middle-class environment.” (Harrison, 2001, p. 372) There exist methods in the field examining physical and social impacts of events, however unmotivated arguments in support of hosting events or building facilities, political interference, and assumptions have been having a large part to play in these. (Standeven et al., 1999, p. 182).
Chapter 3: Essence of research

A. Limitations of traditional approach to studying mega-events

As we see from the literature, it is the economic aspect of a mega-event that takes up most of researchers’ minds. The most common method is traditional cost-benefit analysis. It has two major limitations: a big number of nonmonetary costs and benefits, and a big number of technical points, on which errors are a common occurrence (Standeven et al., 1999).

Moreover, in all the economic research there is one big pitfall: a very limited concept of tourist and his/her psychology. This means that the common concern is with total tourist expenditure and not with the motivation for travelling or directly caused increase in attractiveness of a destination (Pearce, 1982). As noted earlier, economic research on mega-events is mostly directed towards various large subjects such as tourist demand, marketing, forecasting, or destination development. Yet again, the emphasis in these is rather placed on changes to the tourism industry, rather than the changes to individual travelers.

In other words, such research disregards the psychology of tourist behavior, the exploration of which I think is crucial to the sector and thus to the economy as a whole. Economic research perceives the tourist as nothing more than a “money-dispensing machine” and is correspondingly often an incorrect estimation of the economic impact of an event.

B. An improved and simpler way to assessing mega-events

In this work I would like to make a radical step: to revert to a relatively basic approach to estimating the effectiveness of mega-events on the basis of EURO 2012 in Ukraine. I would like to tackle the objective from a psychological standpoint, believing that it
will produce a more truthful estimation of the importance mega-events have come to possess. Even though exploring the human mind (change in attitude towards travelling to a destination), it will have strongest economic implications in a simplistic and yet direct way. I believe that avoidance of overcomplicating the issue will let me avoid the common pitfall of all economic research in tourism, which is perception of tourists as lesser species, “liable to follow herd instincts and likely to conform to the latest fashions in travel destinations” (Pearce, 1982, p. 8).

I would like to avoid this view, since I rightfully consider it misleading. Instead, I would like to tackle the problem from its roots – documenting tourists’ own perspectives. I will exchange the views of those who know tourists for the views of tourists themselves.

In fact, my approach to the posed objective is not that deviant from the theory of what can be done. Huan and O’Leary (1999) write that index scores (a common statistical tool) in tourism industry are to measure either regional tourism activity or personal travel behavior. This study seeks to measure the latter one, keeping in mind the approach’s main limitation: potential non-correspondence of the study sample to the study population.

Ultimately, it is the socio-psychological reactions of people that tourism demand and economies of destinations are based on. The whole field is based on consumer psychology and the economic side of tourism – its marketing (refers to promotion of the destination in an attempt to artificially increase demand). Yet, little connection has been established between these two approaches to characterizing the essence of the sector (Crotts & van Raaij, 1994). Within the field of tourism, the word psychology usually refers to formation of attitudes, beliefs, and motivations. An opposing view of the sector is that of tourism marketing. It explores the marketing mix and its influence on consumers at or near the point of sale.

Tourism marketing hardly ever addresses the psychological base, while it obviously has a crucial impact on demand creation in tourism. This work will try to bring tourism
marketing (event marketing in particular) and psychology of tourist behavior closer together through the exploration of people’s psychological reactions to mega-event marketing.

C. The objective

The objectives of this study have been brought up on several occasions in various sections of the paper and the reader, hopefully, already has a clue of where this study is going to fit in. In addition to the already mentioned aspirations, the purpose of this study is not the further development of research regarding the long-term impacts of mega-events on international travel. Instead, the main purpose is to understand the already existing data on long- and short-term impacts of mega-events alongside research of whether these events attract people on the example of EURO 2012. Narrowly put, the objective is to evaluate the attractiveness of the common image capital of both the event (EURO 2012) and the destination (Ukraine). This will hopefully contribute to the understanding of the ability of mega-events to change potential tourists’ attitudes towards travelling to a destination.
Chapter 4: Methods

A. The variable

This thesis is supported by an objective research study, which is based around the sporting mega-event of EURO 2012 European Soccer Cup. Even though the event will be hosted by two countries (Ukraine and Poland), it is the Ukrainian side that was put under examination. This case study of Ukraine’s hosting of EURO 2012, which investigated the change in perceived touristic attractiveness of a country, will also hopefully contribute to the broader understanding of the importance of sporting mega-events to host countries.

The study has a Recreation and Leisure Studies approach: it measures the psychological impacts of mega-event hosting on an individual’s intentions to travel. Yet, such a study of an individual psychology has strong economic and political implications due to its connection to the above-mentioned sporting mega-event.

Taking a tourist psychology approach to examining the economic and political value of EURO 2012 hosting was sought to avoid the inefficiencies of traditional supply-oriented ways of measuring the impacts of sporting mega-events. A tourist psychology approach - a method for estimating the impact of mega-event hosting on people’s intentions to visit the host country - was used as an estimator of economic and political significance of the event.

This step back from overly complicated economic analysis to examining whether something “clicks” in people’s heads when a sporting mega-event is brought up, stresses the root of it all: perception. The change in individuals’ perceptions of Ukraine as a touristic destination, which was thought to arise from learning about EURO 2012, was the phenomenon measured in this research.
B. Study subjects

Ideally, a participating individual had to be unaware of the Ukraine’s hosting of EURO 2012 and had to be open to international travel. In this regard, study participants – students at The College at Brockport – were suitable because of their general unfamiliarity with the international soccer world (due to the sport being relatively unpopular in the United States) and openness to travel, which is a characteristic of many people of college age.

In fact, it was those individuals that had never been to Ukraine and had never heard of Ukraine’s hosting of EURO 2012, who were of primary interest to the study. These two conditions were prerequisite to the correct estimation of the change in subjects’ attitude, since the change was predicted to arise from the first-time intake of information about EURO 2012.

It was believed that individuals who had heard about EURO 2012 would have already adjusted their perceptions of Ukraine as a tourist destination. Such individuals posed little interest to the study, since aim was to surprise and document the on-the-spot reaction of a potential traveler in terms of a change in his/her hypothetical travelling schedule. As mentioned before, documenting this change was the primary objective of this study.

Nonetheless, people with prior knowledge of EURO 2012 and its hosting countries were still interviewed. Because EURO 2012 and its hosting by Ukraine was presented in a particular standardized light to the interviewees, even individuals with previous knowledge about the event could exhibit a change in attitude towards travelling to Ukraine.

C. Location and the sampling frame

Instead of conducting traditional economic analysis, the study revolved around interviews, which were aimed at examining individuals’ perceptions rather than hard-to-
assess state-wide factors (e.g., GDP growth rate, FDI inflow, employment). Interviews were conducted in Mortimer Hall, one of the residence halls of The College at Brockport, State University of New York. Mortimer hall is a building of twelve floors and only upperclassmen (sophomores and above) can live there. Hence, the sampling frame consisted exclusively of college students in their second, third and fourth years of study.

In fact, the study originally took place at a different location – in Seymour College Union. However, problems were encountered at the original location of the study: low density of people and low rate of participation. Hence, after twenty-four individuals had been questioned, the study was moved to Mortimer Hall – a place where rate of participation was predicted to be higher. There were a total of 369 individuals residing in Mortimer residence hall at the time of study.

The interviews took place right next to the main entrance to Mortimer Hall and targeted individuals who were either entering or exiting the building. Most interviews took place between 12 PM and 2 PM – the time when students were halfway through the day and were not in much of a rush anymore (as compared to morning times). It was believed that these times, along with the choice of the study site, would provide a higher density of people and thus more potential interviewees.

The choice of the study site was motivated not only by the high density of students at the location (at the main entrance to the building), but also by the presumable predisposition of on-campus residents to involvement with social organizations or various initiatives. Being approached with a request to participate in some sort of a program is a regular occurrence in a residence hall setting at Brockport. Hence, the investigator’s invitation to take part in a study would be seen more favorable in an on-campus living environment than in some other on- or off-campus setting and would ideally yield higher rates of participation and less disruption to the environment.
The high density of people at the study site was also thought to make convenience sampling easier to carry out. It was believed that the researcher would be less likely to face the problem of having to choose whom to invite to participate, if there were plenty potential interviewees around. Given a plenty amount of people around, the choice of the next study participant was thought to become merely a matter of who turns up next, or in other words, who the researcher happens to make eye contact with. In such a way, the impact of the researcher on the sample selection process was thought to be minimized.

The interviewer was seated at a table, located next to elevators, and was facing the entrance to the residence hall. The interviewer invited people who were either exiting or entering the building, as well as those who were just passing by the table, to participate in the study. He told people that it would not take more than one minute, if they decided to participate, as the whole interview consisted of only five yes-no-maybe questions and few brief facts. These brief facts were to be read to the interviewees after the first three questions of the interview had been answered. Dining coupons of $1 value were offered as an incentive for participation. The participants were also notified that their participation would automatically signify consent with all the points outlined in the Statement of Informed Consent, which was available for their review, if requested.

D. Data collection method

The fact that the researcher was himself picking out the participants signifies the use of a convenience sampling method. Such an approach to selecting interviewees is a non-probability technique and cannot provide accurate representation of any larger population. Since participants were chosen based on availability, no generalizations could be made about
a larger group of people, due to the technique being non-random (interviewees were chosen based on availability).

No distinction was made between individuals when selecting the next participant: all individuals were welcome to participate in the study. Yet again, it was the individual and his/her tourist psychology that were being examined and not a specific group of people.

E. Instrument development

Originally, the study sought to involve 200 participants. However, the study involved only 152 people due to certain constraints, which will be addressed in the Limitations section. As mentioned earlier, the interview consisted of five questions that could be answered only with a “yes”, “no” or “unsure.” There was also a data set, which consisted of two facts about EURO 2012 and which was introduced to participants after the third question had been answered.

The first two questions of every interview were introductory and had a surveying value. They were meant to filter out those people who had already been to Ukraine and those who had already heard about EURO 2012. These questions were: “Have you ever been to Ukraine?” and “Have you heard about Ukraine’s hosting of EURO 2012 European Soccer Cup this summer?” This was done in order to pay special attention to people who had responded positively to the second question, during the interpretation of study results.

A person who had already heard about Ukraine’s hosting of EURO 2012 could not fully exhibit an on-the-spot reaction to learning about the mega-event in the form of increased likelihood of travelling to Ukraine, since his or her attitude towards travelling to Ukraine had already been adjusted. However, people with previous knowledge about the mega-event still
posed interest to the study. Such people could exhibit increased likelihood of travelling to Ukraine in response to learning facts from the data set, which may have been new to them.

The third question - “do you intend to visit Ukraine within your next ten international trips?” - was designed to estimate the place of Ukraine as a destination in the imaginary travel-plan of an interviewee. In other words, the question sought to identify where exactly Ukraine would fit within the sequence of next ten recreational trips, if the schedule had to be created on the spot. This question was created to document the likelihood of travelling to Ukraine before the data set was introduced. This question also laid foundation for further estimation of the change in attitude towards travelling to Ukraine.

After having answered the three questions, interviewees were introduced to a data set. They were read two brief facts about the Ukraine’s hosting of EURO 2012. The first one stated that Ukraine will host the European Soccer cup of 2012 and expects to receive a yearly supply of tourists in just three weeks of the Euro 2012. The second one stated that Ukraine joined the three most attractive countries for travelling in 2012, according to Lonely Planet. Interviewees were also offered to hold a laminated letter-size piece of paper, which had the data set facts written on it. This was done in order to increase the speed of on-the-spot learning through involvement of not one, but two sensory perceptions.

After being introduced to the data set, interviewees were again questioned about their likelihood of travelling to Ukraine. The questioning was yet again based on the imaginary schedule of next ten recreational international trips: “As of now, do you intend to visit Ukraine within your next ten international trips?” It was here, in the “after” stage of the before-and-after approach, that the impact from learning about the mega-event EURO 2012 would become apparent.

There was also a fifth question: “Now that you know about Euro 2012 and its significance, are you likely to travel to Ukraine sooner than before?” This question was
designed to reveal whether an individual’s response to Ukraine’s hosting of EURO 2012 was positive (more likely to travel) or negative (not more likely to travel).
Chapter 5: Results

The initial purpose of the study was to demonstrate a new method for estimating the value of hosting a mega-event. The method employed by the study indeed proved itself to be a successful tool for approaching and evaluating the impact of a mega-event on the hosting country’s touristic sector and thus the economy as a whole. Such an assumption can be made following the descriptive statistics for each question of the interview. By descriptive statistics for each question I mean the total amounts of “yes” responses, “no” responses, and “unsure” responses to each of the questions of the interview. Table 5.1 represents descriptive statistics the study produced, or in other words the popularity of each type of response.

Table 5.1 Responses and their popularity

<table>
<thead>
<tr>
<th>Question #1: Have you ever been to Ukraine?</th>
<th>Question #2: Have you heard about Ukraine’s hosting of EURO 2012 soccer cup this summer?</th>
<th>Question #3: Do you intend to visit Ukraine within your next ten international trips?</th>
<th>Question #4: As of now, do you intend to visit Ukraine within your next ten international trips?</th>
<th>Question #5: Now that you know about Euro 2012 and its significance, are you likely to travel to Ukraine sooner than before?</th>
</tr>
</thead>
<tbody>
<tr>
<td>“NO”</td>
<td>152</td>
<td>104</td>
<td>92</td>
<td>70</td>
</tr>
<tr>
<td>“YES”</td>
<td>0</td>
<td>47</td>
<td>16</td>
<td>28</td>
</tr>
<tr>
<td>“UNSURE”</td>
<td>0</td>
<td>1</td>
<td>44</td>
<td>54</td>
</tr>
</tbody>
</table>

As we see from the table, the first question was answered the same way by all interviewees: none of the participants had ever been to Ukraine. This left four questions where variation could happen. The second question – have you heard about Ukraine’s hosting of EURO 2012? – was predicted to produce only two responses: “yes” and “no.” Oddly enough, there was one person who actually replied to the second question with a “maybe,” as the person was supposedly unsure whether they were thinking about the right thing (the sequence of answers produced by this person was not included in the statistic). The three
remaining questions could be answered with a “yes,” “no,” or “unsure.” These three questions were: “Do you intend to visit Ukraine within your next ten international trips?”, “As of now, do you intend to visit Ukraine within your next ten international trips?”, and “Now that you know about EURO 2012 and its significance, are you likely to travel to Ukraine sooner than before?” The last question produced quite interesting results: 54 people (29.8%) did not think they were more likely to travel to Ukraine sooner than before, while 73 (48.3%) people did think so. Twenty-five people (16.6%) were unsure.

The first question produced only one outcome and the second question produced only two outcomes (an “unsure” response to the second question was not included in the data). The third, the fourth, and the fifth questions could produce three outcomes each. Correspondingly, there were 1x2x3x3x3=54 possible combinations of answers that could happen. Not all possible combinations of answers happened and the ones that did will be further referred to as “happened combinations” to signify the sequences of answers that actually happened.

Table 5.2 represents all possible combinations of responses and their popularity. Since the first question was answered the same way by all participants, all 54 possible five-unit combinations (five units to respectively represent five replies to five questions) of answers start with the same unit, which represents a “no” answer to the first question of the interview.
Table 5.2 Combinations of responses and their popularity

Note: number’s place in the sequence corresponds to the question’s number

<table>
<thead>
<tr>
<th>Combination of answers with the second unit of the sequence representing a “yes” answer to the second question (1 = “yes,” 2 = “no,” 3 = unsure)</th>
<th>Quantity</th>
<th>Combination of answers with the second unit of the sequence representing a “no” answer to the second question (1 = “yes,” 2 = “no,” 3 = unsure)</th>
<th>Quantity</th>
</tr>
</thead>
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<tr>
<td>21333</td>
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<td>22333</td>
<td>5</td>
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</table>

Total quantity of happened combinations of answers with the second unit of the sequence representing a “yes” answer to the second question: 47

Total quantity of happened combinations of answers with the second unit of the sequence representing a “no” answer to the second question: 104

Reminder: the second question was “Have you ever heard about Ukraine’s hosting of EURO 2012 this summer?”

From the total number of happened combinations we can observe the fact that 103 happened combinations have the second unit represent a “no” answer to the second question and 47 happened combinations have the second unit represent a “yes” answer to the second question.
question. In other words, 47 people had heard about Ukraine’s hosting of EURO 2012 and 103 people had not.
Chapter 6: Discussion

A. Limitations

From the very inception of the study, it has been realized that results would bear a lot of limitations. Yet, the main purpose of this study was to pioneer a method for estimating the value of mega-event hosting to host countries. This was to be done through the assessment of people’s reactions to learning about Ukraine’s hosting of EURO 2012. As mentioned in Literature Review, Huan and O’Leary (1999) wrote that index scores in the tourism industry were to measure either regional tourism activity, or personal travel behavior. This particular study explores personal travel behavior, while demonstrating a new way of screening the impacts of a stimulus (information about Ukraine’s hosting of EURO 2012) on individuals’ travel behavior.

It was hoped that this research would stimulate more studies using a before-and-after approach and would show that looking at individual psychology can be very useful when it comes to the economic analysis of a mega-event. However, the connection between the change in potential tourists’ view of Ukraine as a touristic destination and economic impacts of the mega-event on the country are difficult, if not impossible, to demonstrate. In order for such a connection to be made, it would be necessary to be not only continuously tracking changes in the perceived image of the country, but also analyzing the political and economic consequences of EURO 2012. This study, on the other hand, assumes that the bettering of the touristic image of the country in the eyes of potential travelers implies positive impacts on the economy of the hosting nation.

The main and most obvious limitation of this research is that the findings were based on a convenience sample of college students, which in no way could be representative of the
entire study population – all potential travelers to Ukraine. In addition, the sample size was too small and not diverse enough to represent the whole spectrum of people who might be willing to travel to Ukraine. Only 152 people were interviewed. Twenty-four participants were recruited in Seymour College Union and the rest in Mortimer Hall. There were 369 people living in Mortimer Hall at the time when the study took place.

Another important limitation is the use of Lonely Planet’s ranking of Ukraine’s attractiveness as a touristic destination in the data set. The fact read: “Ukraine joined the three most attractive countries for travelling in 2012.” Lonely Planet is one of the most influential online tourist guides and it may very well be so that a change in attitude towards travelling to Ukraine, which was exhibited by a participant, was in response to Lonely Planet’s respected opinion and not in response to the arising significance of EURO 2012 in Ukraine.

Lastly, due to the time and budget constraints, the data was collected from yes/no/unsure questions. Such questions were thought to be better suited for a before-and-after type of study where quickness and easiness of response was thought to reveal the intrinsic momentary reaction to the stimulus – the data set. As a downside of utilizing yes/no/maybe questions, this study lacks in-depth data. However, such substitution was necessary for a leaner documentation of the “before” and the “after” with regard to the data set.

B. Descriptive statistics and their meanings

Probably the most basic statistic that this study produced is the total number of each response option used. Such a statistic is useful to look at, as it depicts an overall progression of participants’ responses throughout the interview. This – progression of participants’ inputs – is especially useful in research, which employs a stimulus and seeks to document its impact
on individuals. It is particularly important to notice the progression between the third and the fourth questions, since they were the same and since there was a data set separating them. Table 5.1 lists all response options to each question and provides their popularity.

It is on the basis of this statistic that we can make a conclusion that College at Brockport students are more likely to travel to Ukraine following the country’s hosting of EURO 2012. Considering the fact that the number of “no” responses deceased from 60.9% to 46.4% and the number of “yes” responses increased from 10.6% to 18.5% following the introduction of the data set, we can say that EURO 2012 indeed has potential for bringing international tourists into the country. This claim is further supported by the total number of “yes” answers, “no” answers, and “unsure” answers given in response to the fifth question.

We can still say with limited assurance that mega-events are important tools for raising destination awareness, bringing in investment capital, and creating an extra inflow of tourists. The College at Brockport students, for instance, did exhibit higher likelihood of travelling to Ukraine after learning about EURO 2012.

C. Combinations of responses and their meanings

In order to come to a conclusion regarding the overall impact of EURO 2012 on people’s attitudes towards travelling to Ukraine, it would not be sufficient to look at descriptive statistics only. By this I mean that it is not sufficient to know the total amount of “yes” responses, “no” responses, and “unsure” responses to each question. Such data cannot reveal if the change really happened on an individual-by-individual basis. For instance, a 22232 combination of answers contains negative responses to all questions except the fourth one. It may seem as if the person’s attitude towards travelling to Ukraine has not changed, considering the fact that the interviewee responded negatively to the last question which
asked directly about whether the person felt more likely to travel to Ukraine sooner than before. However, if one investigates the 22232 sequence of responses, it becomes apparent that the interviewee’s answer to the same exact question before the introduction of the data set and after the introduction of the data set differs. In other words, the person has changed their response to the same exact question after being exposed to the data set from “no” to “unsure.” Correspondingly, we can make an assumption that this person was positively influenced by Ukraine’s hosting of EURO 2012 in terms of an increased likelihood of travelling to Ukraine. There were a total of four people (2.6%) who answered this way.

Therefore, investigation of response sequences may reveal individual respondents’ intrinsic reactions to the data set. This intrinsic reaction may be positive (increased likelihood of travelling to Ukraine), negative (decreased likelihood of travelling to Ukraine), neutral (no change), or unidentifiable (if the person answered all question with “unsure”). Grouping sequences of responses into these three categories with the purpose of comparing their sizes was predicted to help uncover the prevalence of one reaction to Ukraine’s hosting of EURO 2012 over another. Sequence 22232, for instance, was placed in the positive reaction group, despite the last number of the sequence signifying a negative response to the last question.

Such an approach to interpreting data is more revealing than the use of simple descriptive statistics. Grouping of sequences of responses on the basis of the overall meaning of each sequence identified 21233, 22232, and 22233 sequences as revealing positive reaction to the stimulus (i.e., the data set containing facts about Ukraine and EURO 2012). In all of these sequences the response to the third question is “no” and the response to the fourth question is “unsure.” Knowing this, one can already make an assumption that the interviewee experienced a positive reaction to the stimulus, regardless of what the interviewee’s response to the last question was.
Interestingly, only 26 combinations actually occurred. The other 28 combinations were not represented in the data. This may be due to the fact that some sequences simply should not happen for logical reasons. For instance, a person who had expressed willingness to travel to Ukraine before hearing the facts of the data set, should logically not revert to being unwilling to travel to the country after being exposed to the data set. The stimulus - data set - carried facts about how significant EURO 2012 was going to be and could hardly scare away a potential traveler. As a proof of this, we can observe that XX12X combinations did not happen at all and that there was only one XX13X combination that happened. X is used here to represent an unknown variable and stands for any response.

From the table we can conclude that EURO 2012 does reinforce the likelihood of Brockport students travelling to Ukraine. Almost 54% of all respondents experienced positive reaction to the Ukraine’s hosting of EURO 2012. Interestingly, almost one third of all respondents were indifferent. In other words, they exhibited no reaction to the stimulus. Such a large number of participants exhibiting no reaction to the stimulus may have been occurred.

Table 6.1 Sequences and respective reactions to the stimulus they reveal

<table>
<thead>
<tr>
<th>Positive reaction sequences</th>
<th>Negative reaction sequences</th>
<th>No reaction sequences</th>
<th>Reaction unidentifiable</th>
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<tr>
<td>Total: 81 sequences (53.6%)</td>
<td>Total: 2 sequences (1.3%)</td>
<td>Total: 48 sequences (31.8%)</td>
<td>Total: 20 sequences (13.2%)</td>
</tr>
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</table>
from the relative unpopularity of soccer in the United States. All in all, EURO 2012 is a soccer championship. Distance from Ukraine and the relative unfamiliarity of Americans with the country of Ukraine contributed to this statistic as well. It is simply so that an occurrence of a “no reaction sequence” could be explained in many ways, while the occurrence of a “positive reaction sequence” is unambiguous in its nature and can mean only one thing: positive impact of EURO 2012 sporting mega-event on people’s attitudes towards travelling to Ukraine.

While knowing the above information is good, it is difficult to connect it to the economic impacts of EURO 2012. Yes, we can say that almost 54% of Brockport students are now more likely to travel to Ukraine sooner than before. But to what extent? And how soon? This study also can’t tell if this is so because of EURO 2012 only, or because of a variety of factors. As Getz (2005) indicates, a major question in terms of event tourism, is the importance of centrality of events – are they one of the main platforms of tourism development and marketing or are they merely a supporting element?

Lastly, Brockport students do not represent the study population – all potential travellers to Ukraine. It is thus hardly possible to estimate the economic gain, which Ukraine will almost certainly experience as an outcome of its hosting of European Soccer Cup of 2012.

D. Conclusion

While investigating the sequence of participant’s answers offers insight into the commonality of individual reactions to the stimulus, the use of the broader statistic of the total number of each response option allowed this study to document participants’
perceptions of how impactful knowledge about EURO 2012 was on their hypothetical travel plans.

Overall, the study indeed proved itself to be successful, as it produced quite direct and thought-provoking results. It became first-in-class in a sense that it combined economic knowledge with a recreation and leisure approach to estimating the economic value of hosting a mega-event.

This research showed the practical use for before-and-after approach in a study of tourist psychology and laid a foundation for the approach’s further development in the context of economic analysis of mega-events. In the future, a more in-depth investigation of tourist psychology is recommended. In particular, the prospective use of a more extensive and diversified data-set is believed to be capable of providing valuable findings for the study of marketing effectiveness of certain information types. This investigation of effectiveness of certain information types with regard to mega-event promotion may be explored through having several groups within the sample exposed to differing data-sets.

Finally, this study showed that supply-side approach to estimating the impact of mega-events on people’s attitudes towards travelling to a destination may indeed be very informative, despite the associated limitations.

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