



South Padre Island Marathon

November 10-12, 2017
Event Economic Impact Report

Prepared for

City of South Padre Island Convention and Visitors Bureau

Prepared by

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Executive Summary and Survey Highlights

This report details the measured economic impact of the 2017 South Padre Island (SPI) Marathon held on November 10th – 12th. Promoted by Jailbreak Race Events with \$40,000 funding support from the SPI Convention and Visitors Bureau (CVB), organizers expected to attract 3,850 total room nights. To examine the spending of SPI Marathon participants on SPI, a short survey incentivized with the opportunity to enter a drawing to win two nights at Schlitterbahn Beach Resort was conducted. The survey was administered online and onsite with 76.1% completed onsite. Although 409 respondents attempted the survey, 368 were considered SPI Marathon attendees so were used in the analysis. Of those responses, 84% were completed by marathon registrants.

Demographically, the study sample has an average age of 40 years, is predominately female (60.7%), married (64.3%), college educated (66.2%), works full-time (81.2%), has a household income above \$50,000 (75.9%), and is Hispanic (67%). They are primarily from the US (91.8%) although 8% came from other countries, especially Mexico. On average, survey participants traveled with an average of 2.57 people for an average of 300 miles. A large percentage (74%) of survey respondents are considered promoters of the Island to others, 94.6% are likely to return to SPI for a future vacation, and 95.9% are satisfied with the overall SPI experience.

Importantly, the survey analysis found that each household group attending the 2017 SPI Marathon spent an estimated average of **\$750 per household** while on the Island or, considering the 1,516 participants, volunteers and spectators attending the event, a total of **\$1,249,500**. Separately, lodging is the highest per household expenditure category with 75% to 88.3% of study respondents spending at least one night on the Island and staying an average of 2.14 nights, generating 3,120 total room nights, most of which were in hotels (61.7%). With the average lodging expenditure of \$228 per household, revenue from lodging was a total of \$332,339. Of the total lodging expenditure, 17% or \$48,289 was for the Hotel Occupancy Tax (HOT), and half of that, or \$24,144, goes toward the 8.5% City (HOT). This \$24,144 represents a return on investment of 60.4% of the total funding provided the event organizer.

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SPI Marathon Economic Impact

Introduction

The South Padre Island (SPI) Marathon was held November 10-12, 2017 and consisted of three runs: a Taquito 10K Beach Run on November 11th, the SPI Half and the SPI Marathon, both on November 12th. Event registration was held at Schlitterbahn Beach Resort Friday, November 10 from 4 to 7pm and Saturday, November 11, from 9am to 3pm. The Taquito 10k run took place on the SPI beach, beginning at Park Road 100. The Marathon and half marathon began in Port Isabel at 6:30am, proceeded over the Queen Isabella Causeway then across the Island, ending at Clayton's Beach Bar. Shuttle service was provided for runners prerace from the hotel and SPI Convention Center to the Port Isabel starting line, from Schlitterbahn Beach Resort to the finish line from 8am to 2pm, and from the SPI Convention Center and Andy Bowie Park to Schlitterbahn Beach Resort from 10am to 3pm to various running locations.

The SPI Marathon was organized by JailbreakRace Events/dba South Padre Marathon which had originally requested, \$90,000 from the SPI Convention and Visitors Bureau (CVB), with \$80,000 covering marathon expenses, including promotional expenses, and \$10,000 for transportation costs. With the funding, the organizer expected that 12% of the total event costs would be covered by Hotel Occupancy Tax (HOT). The event organizer expected to attract about 11,000 people with about 60% using SPI lodging and 46% staying for two nights. Assuming 2.5 people per room, this estimate would equal about 2,640 SPI rooms rented in one night or 3,850 total room nights.

This expected number of rooms rented differs somewhat from the room nights realized in past SPI Marathons: an estimated 2,914 hotel rooms in 2015 and 1,509 hotel rooms in 2016, which did not include condo, house, or room rentals. Ultimately, the organizer was provided with \$40,000 for the event rather than the requested amount.

To promote the event, the organizer had expected to create more than 10 media press releases, and spend promotional dollars on Radio, TV, Website, social media, at expos, weekly newsletters, podcasts, billboards, and in *Runner's World Magazine*. The primary regions of promotional efforts were to be in Texas, Austin, San Antonio, Houston, and Dallas-Fort Worth, although social media campaigns were designed to target Northern Mexico and Monterrey.

Method

To estimate the economic impact of the SPI Marathon, UTRGV researchers conducted a survey (see Appendix A) among marathon attendees on SPI on Saturday November 11th and Sunday, November 12th. As an incentive, survey respondents were offered a chance to win two nights at Schlitterbahn Beach Resort. Survey completions were achieved using several methods. First, the event organizer was asked to send two different emails to Marathon registrants: the first email was sent prior to the event to alert registrants of the upcoming survey request and the second email provided the survey link and invited survey participation. Next, the event organizer placed note cards inviting survey participation (see Figure 1) at the registration table to distribute to race participants as they collected their registration packets.



FIGURE 1. SURVEY NOTE CARDS

Then a team of 10 trained interviewers and one supervisor attended the SPI Marathon expo/registration held at Schlitterbahn Beach Resort on Saturday, November 11th during operation hours from 9am to 3pm. All race participants were required to register at the expo, so the venue was the best time and place to reach as many of the race participants as possible.

The team of interviewers was visible at the expo by way of a survey team table at the registration site. Visibility of the interviewers was also facilitated by wearing bright orange t-shirts and visors. Interviewers approached potential respondents in a professional



manner and used iPads to electronically record survey responses. As well, hard copies of the survey were available for respondents who preferred that format or if electronic entry was not possible.

On Sunday, November 12, a team of 10 interviewers were on site along the marathon route but primarily at the finish line from 8am until noon to interview marathon attendees.

Additionally, an online banner ad inviting anyone within a 2-mile radius of Port Isabel

and South Padre Island on both November 11th and 12th through Google AdWords was purchased to encourage further participation in this survey. Anyone who searched for key words such as SPI Marathon was presented with the display ad highlighting the opportunity to enter the drawing by completing the online survey (see Figure 2).



Altogether, this methodology yielded 409 responses: 292 responses were from onsite interviews (16 were from hard copies onsite), and 117 from direct entry into the URL provided.



FIGURE 2. THREE DIFFERENT VERSIONS OF THE ONLINE AD FOR SURVEY (Ad format dependent on device)

Results

A total of 409 respondents were recruited for this study. Most survey completions (76.1%) were obtained through onsite interviews while 23.9% of respondents participated in the survey individually online as shown in Figure 3.

The questionnaire contained several filter questions designed to eliminate nonqualified study participants. The first filter question was to eliminate multiple responses from a single household. This filter eliminated only two respondents. The next filter question was designed to eliminate potential respondents who had not visited SPI because of the SPI Marathon, thus their Island

expenditures would not be directly attributable to the SPI Marathon. This questionnaire filter eliminated 34 respondents or 8.4% of all surveys attempted. Other than being at SPI for the marathon event, reasons given for being on the Island included:

Haven't been there, I just want to know what roads are closed, I live here, vacation, lunch, party, recreational purposes, running, shopping, surveys, to support a friend and Winter Texans.

The final filter was designed to eliminate respondents who live on the Island and would not likely be spending money solely because of the event. In total, the filter process left 368 viable respondents out of 409 or 90% who were from out of the immediate SPI area and who had come to the Island for the SPI Marathon.

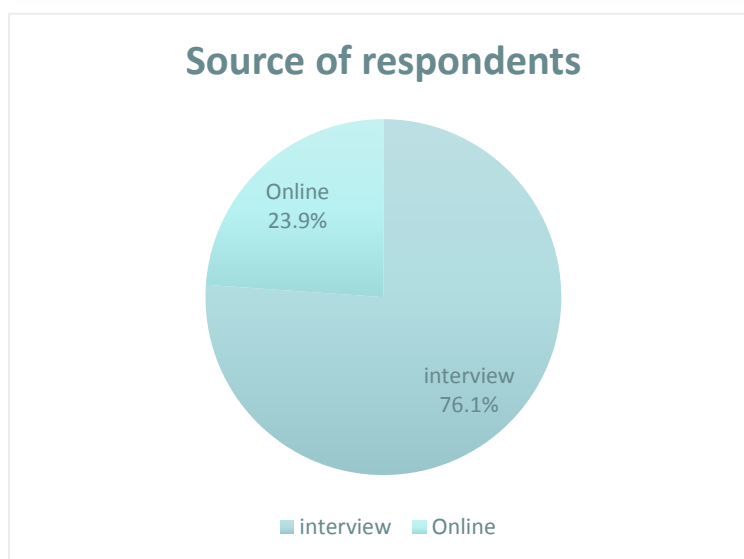


FIGURE 3. SOURCE OF STUDY RESPONDENTS

Survey participants and SPI stay characteristics

The following results are for all 368 survey respondents who were on South Padre Island specifically because of the SPI Marathon 2017. The results in this section are grouped into three response-type categories: All data results, results from onsite interviews only, and results from online responses only.

SPI Marathon participation: Survey versus actual

In this study, attendees of the SPI Marathon were classified as registered participants, spectators, volunteers/staff, and others. Results of attendee type of survey participants, shown in Figure 4, indicate that most attendees were runners (84% of all respondents).

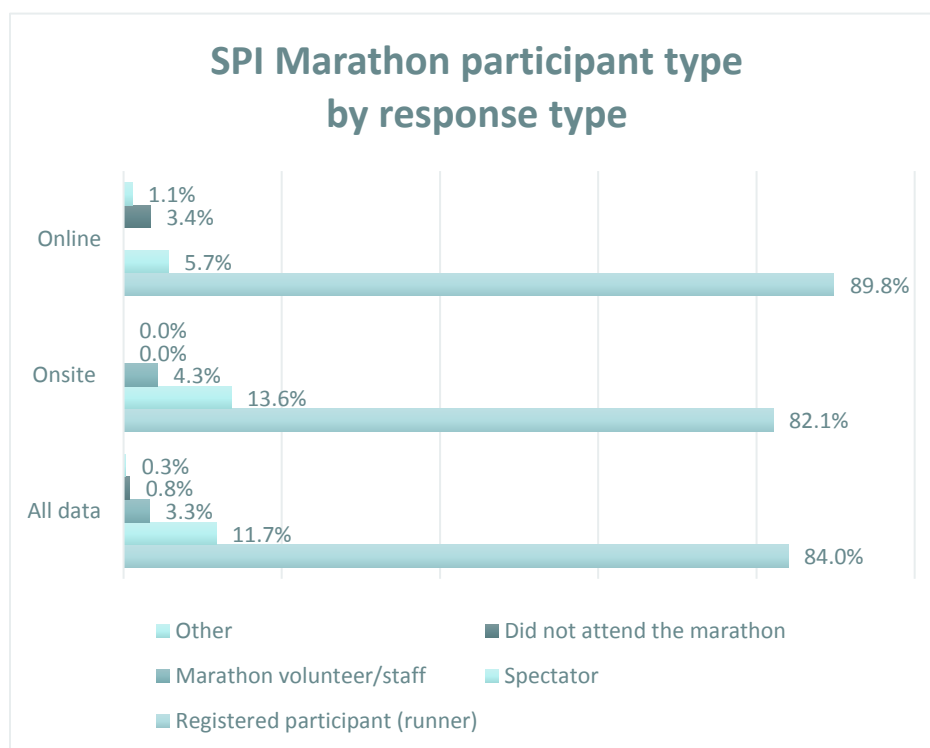


FIGURE 4. SURVEY RESPONSE TO MARATHON PARTICIPATION TYPE

The SPI Marathon organizer reported a total of 1,516 marathon participants and about 150 volunteers for a total marathon participation of 1,666. This results in a ratio of 91% runners versus 9% volunteers, which differs slightly from the ratio of 96.3% runners to 3.7% volunteers found in the survey.

From the survey, most registered participants reported running in the half marathon (68%), as shown in Figure 5, although more onsite versus online respondents ran in the 10K race and more online respondents ran in the full marathon race.

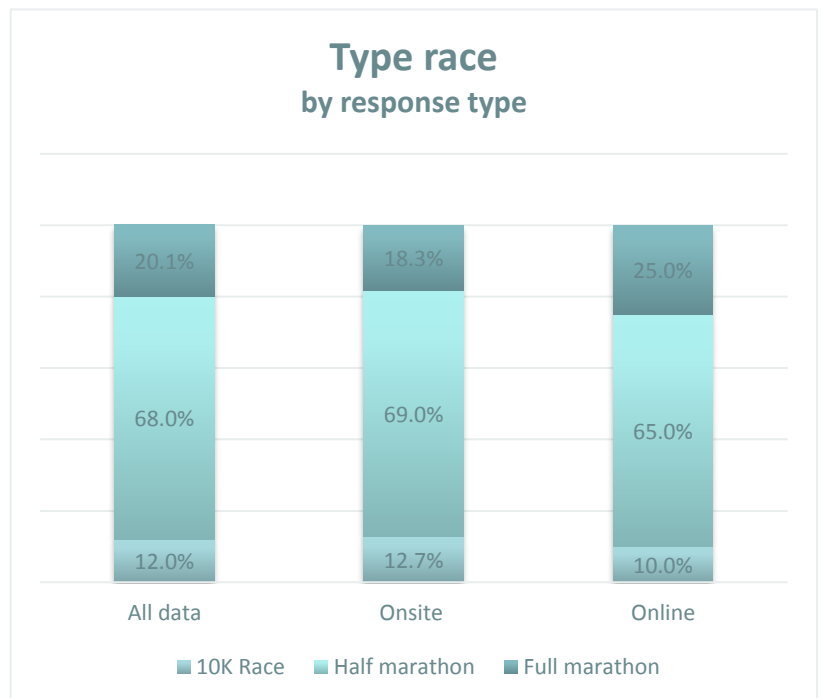


FIGURE 5. SURVEY RESPONSE FOR TYPE OF RACE

These survey results can be compared with results provided by the SPI Marathon organizer who reported a total of 1,516 registered marathon participants and about 150 volunteer/staff. As seen in Figure 6, 59.2% actual versus 68% survey participants (see Figure 5) registered for the half marathon, while 15.1% actual versus 20.1% (Figure 5) survey participants registered for the full marathon.

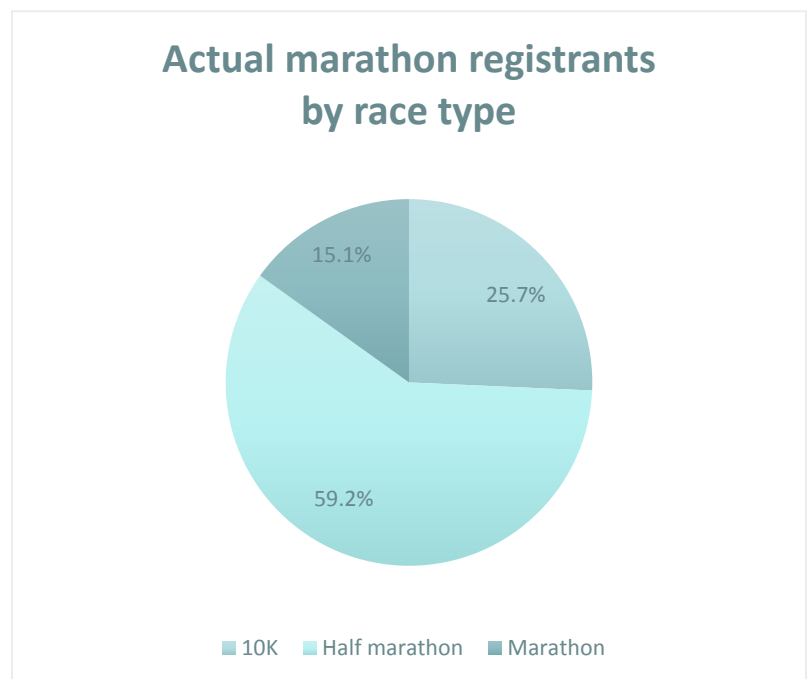


FIGURE 6. ACTUAL MARATHON REGISTRANTS BY RACE TYPE

Miles traveled, group size and stay characteristics

Survey respondents were asked to indicate the number of miles they traveled to the event (Figure 7), how many people were in their household (Figure 8), how many nights they spent on SPI (Figure 9), and where they stayed while at the SPI Marathon.

Data featured in Figure 7 shows that, on average, study participants traveled 300 miles to attend the event, although distances traveled ranged from 12 miles to 2300 miles.

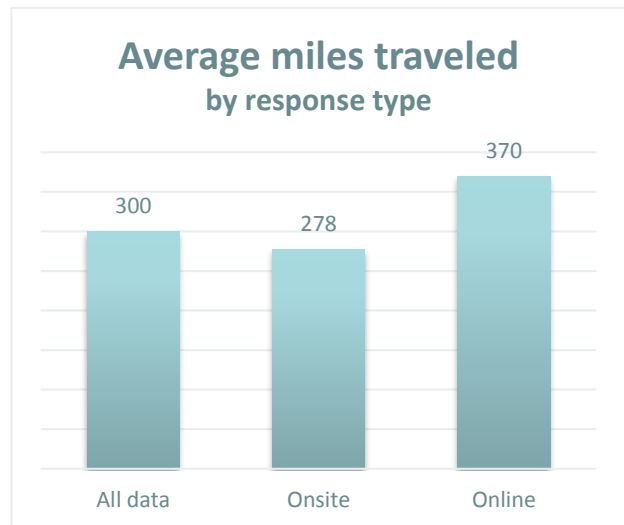


FIGURE 7. AVERAGE NUMBER OF MILES TRAVELED TO SPI

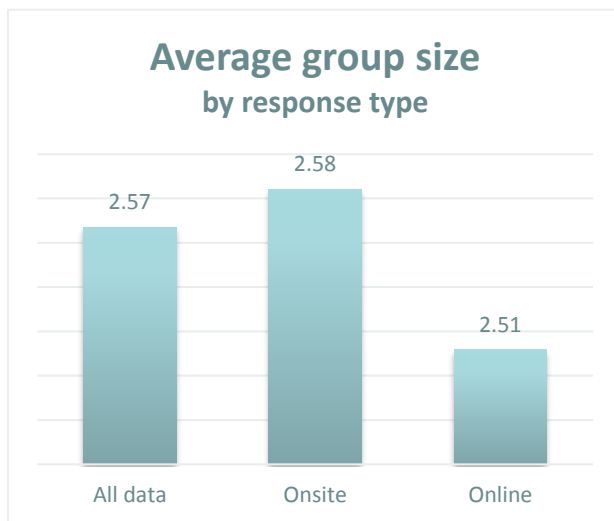


FIGURE 8. AVERAGE NUMBER OF PEOPLE IN GROUP

A total of 325 of the 368 (88.3%) survey respondents on SPI for the marathon, reported spending an average of 2.14 nights, as shown in Figure 9.

Figure 8 shows the average number of people per household traveling to the marathon is 2.57, although the reported number of household members range from 1 to 15.

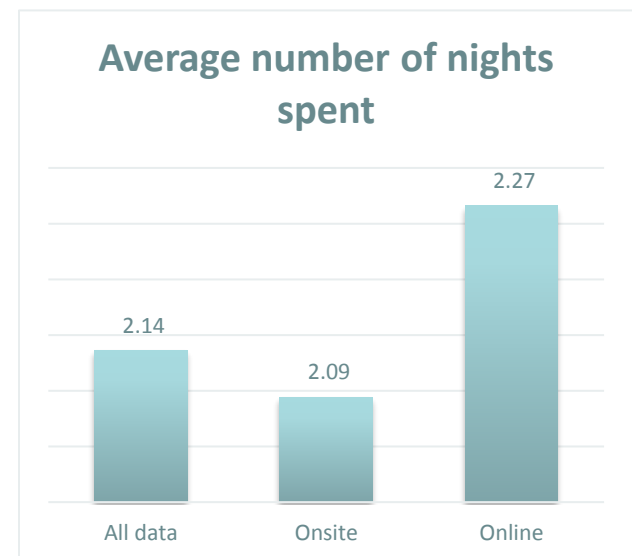


FIGURE 9. AVERAGE NUMBER OF NIGHTS SPENT

Figure 10 breaks down the number of nights spent on SPI: 34.8% of survey respondents spent one night, 33.5% spent two nights and 21.5% spent three nights on SPI. Two respondents reported spending six nights and one spent 14 nights on the Island.

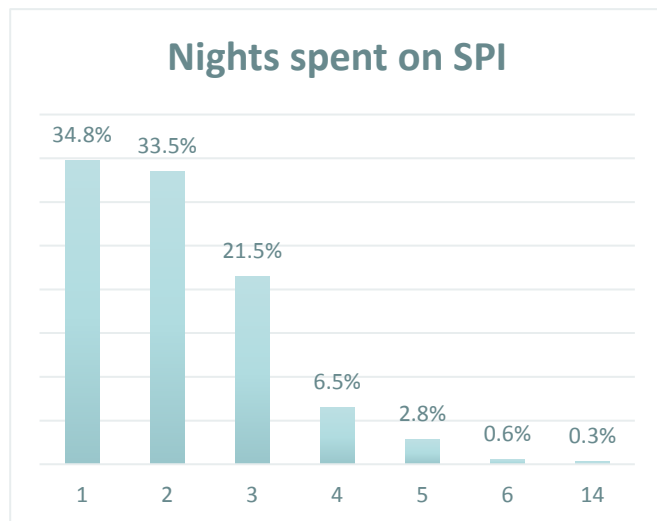


FIGURE 10. NIGHTS SPENT ON SPI

While at SPI, most respondents stayed in hotels (61.7%) or in a rented condo/beach house (15.7%) as shown in Figure 11.

Most respondents in the “other” category (9.6%) reported having traveled back home rather than spending the night on SPI.

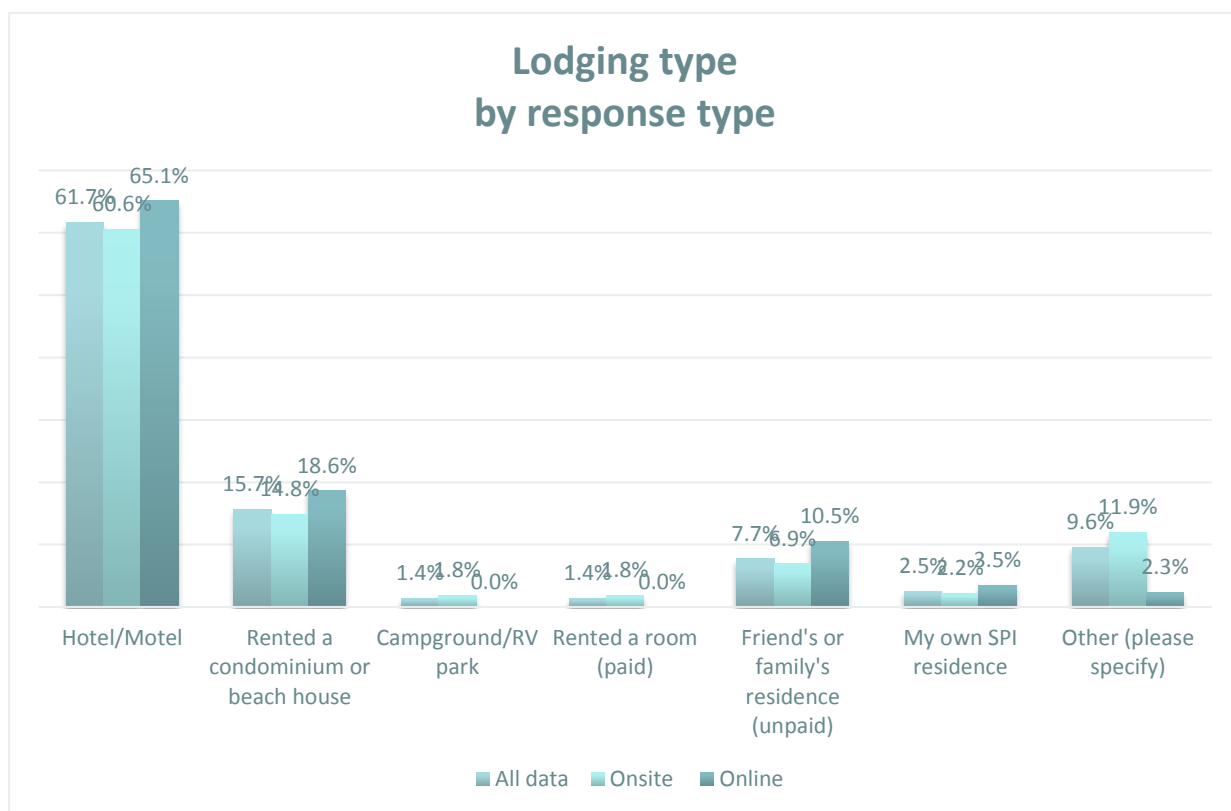


FIGURE 11. LODGING TYPE

Estimated spending

Study respondents were asked to identify how much money they spent in various expenditure categories. The results, shown in Figure 12, indicate that the average amount spent on lodging was \$228, on food & beverages was \$187, and on local attractions/entertainment was \$52. In general, onsite respondents spent more than online respondents on food & beverage, nightlife, retail, transportation, clothing and groceries, while online respondents spent more on attractions and entertainment and slightly more on lodging.

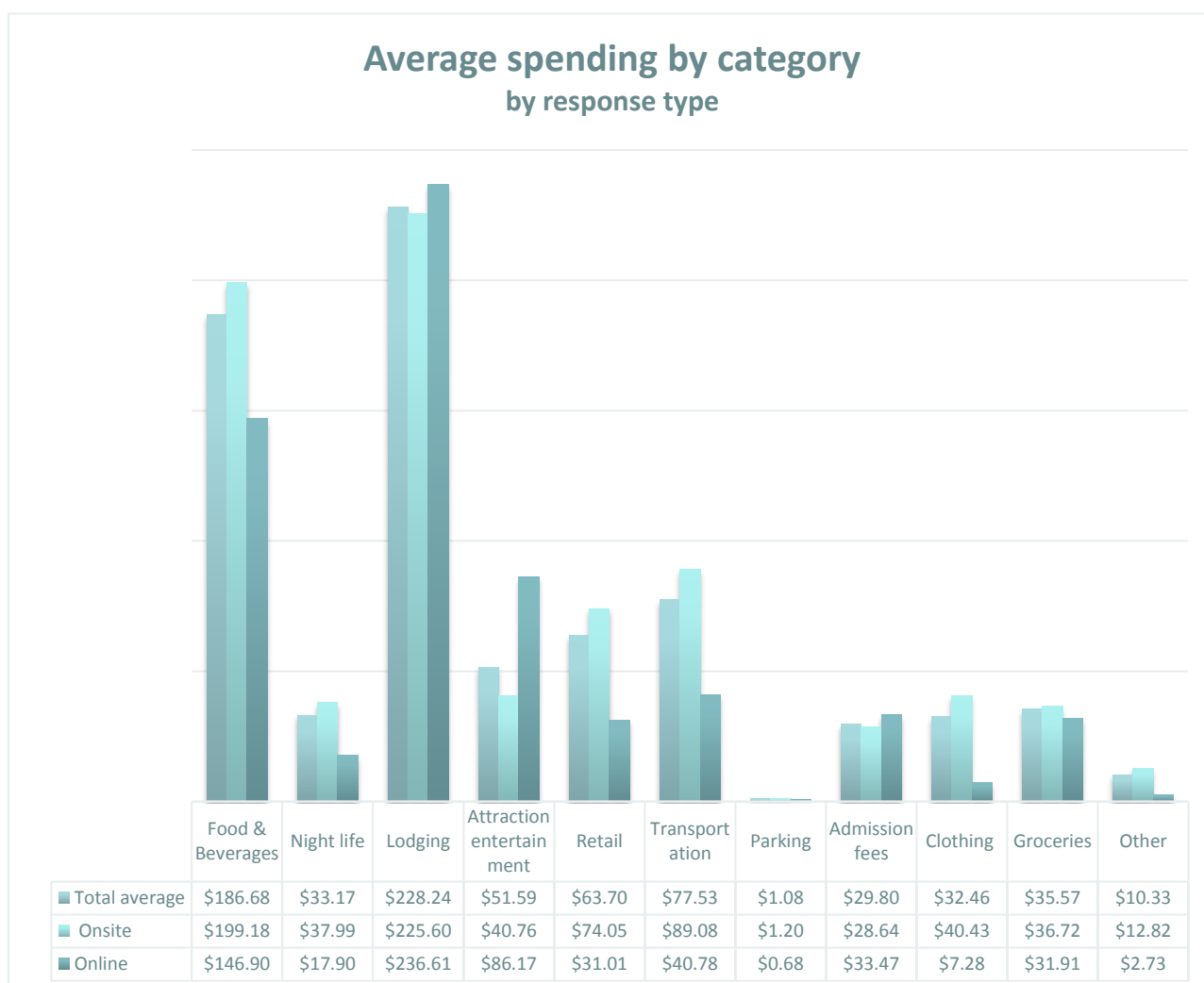


FIGURE 12. AVERAGE SPENDING BY EXPENDITURE CATEGORY

In total and as Figure 13 shows, survey respondents who attended the SPI Marathon spent an average of \$750 dollars on SPI with onsite respondents estimating they spent \$786 versus online respondents who indicated spending an average of \$635. While a number of factors could explain the differences in spending, most online respondents completed the survey after the event whereas most onsite respondents completed the survey before the marathon event. This could mean that online respondents had a better idea of actual expenditures versus onsite respondents who would have estimated total expenditures.

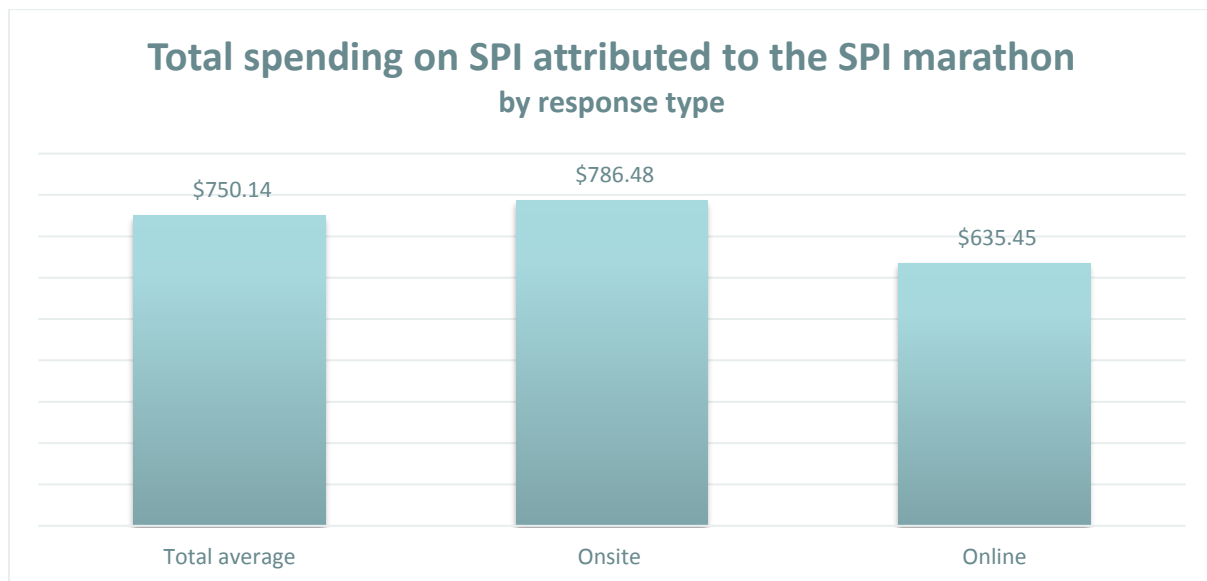


FIGURE 13. TOTAL AVERAGE SPENDING ON SPI

The SPI Marathon organizer reported having 1,516 race registrants and 150 volunteers. Thus, at the lowest, most conservative amount, if all marathon volunteers and spectators are members of race participants' household group, then the total spending on SPI attributable to the SPI marathon is \$750 per household multiplied by the number of race participants or \$1,137,000.

Conservative total spending on SPI attributable to the SPI Marathon:

$$\text{\$750 per household} \times 1,516 \text{ race participants} = \text{\$1,137,000}$$

This spending estimate could be expanded depending on the actual number of spectators and volunteers/staff that were not counted in the marathon participants' reported household group, which is unknown. Using both the organizer estimates of 1,516 runners and 150 volunteers and the survey results of the percent distribution of all survey participants (Figure 4), about 150 spectators are estimated to have been at the SPI Marathon. Assuming that the 150 volunteers and 150 spectators were not included among the 2.57 runner's household group, then an additional 300 people could have been on the Island for the marathon, which would have resulted in a total spending of \$1,362,000 by marathon-associated Island visitors.

Expanded spending estimate (including spectators and volunteers/staff):

$\$750 \text{ per household} \times (1,516 \text{ participants} + 300 \text{ spectators/volunteers/staff}) = \$1,362,000$

Therefore, the estimated range of spending on SPI attributable to the SPI Marathon ranges from \$1.137 million to \$1.362 million, with a midpoint best estimate of \$1,249,500.

Spending on lodging

For lodging expenditures alone, the survey found that 88.3% of race participants, or 1,339 runners, rented a room for at least one night (from Figure 9) and spent a total of \$228 for lodging during their stay (see Figure 12). Thus, conservatively, 1,339 staying runners multiplied

Conservative total lodging nights:

$1,516 \text{ race registrants} \times 88.3\% \text{ of stayers} \times 2.14 \text{ nights} = \mathbf{2,865 \text{ room nights}}$

Conservative total lodging expenditure:

$1,516 \text{ race registrants} \times 88.3\% \text{ of stayers} \times \$228 \text{ lodging expenditure} = \mathbf{\$305,207}$

by 2.14 nights equals 2,865 room nights. Further, a total \$228 lodging expenditure multiplied by 88.3% of race registrants equals a total lodging expenditure of \$305,207.

To include potential spectators and volunteers who were not counted in runners' household groups, the ratio of spectators and volunteers who spent the night on the Island as reported in the survey should be considered. Of the 43 spectators in the study, 36 (83.7%) reported spending at least one night on SPI and of the 12 volunteer respondents in the study, 9 (75%) indicated spending at least one night on the Island. Using these percentages for each non-runner group, the estimated 150 volunteers and 150 spectators generated 238 SPI stayers. With 238 stayers and an average stay of 2.14 nights, these volunteers and spectators generated 509 room nights, expanding the total lodging nights to 3,374. With 238 stayers and \$228 lodging expenditure, adds \$54,264 spent on lodging to the conservative estimate of \$305,207 and results in an expanded total spending on lodging of \$359,471.

Expanded total lodging nights:

$$2,865 \text{ runner room nights} + (238 \times 2.14 \text{ nights}) = \mathbf{3,374 \text{ room nights}}$$

Expanded total spending on lodging (including spectators and volunteers/staff):

$$\$305,207 + (238 \times \$228 \text{ lodging expenditure}) = \mathbf{\$359,471}$$

To determine the best estimate for lodging room nights and expenditures, the number of runners in the marathon staying the night on the Island as the low, conservative estimate, should be averaged with the high estimate of staying runners, volunteers and spectators combined. This average is 3,120 room nights and a lodging expenditure of \$332,339.

*Spending on lodging by marathon participants ranges from \$305,207 to \$359,483 with a best midpoint estimate of **\$332,339**. The number of room nights ranges from 2,865 to 3,374 with a best midpoint estimate of **3,120 room nights** attributable to the 2017 SPI Marathon.*

To estimate the CVB-provided funds covered by the HOT and working from the best, mid-point estimate of total lodging, the total hotel expenditure going towards the city HOT (8.5%) is \$24,144. This means that the HOT generated by SPI Marathon participants' lodging covers 60.4% of the **\$40,000** given to the SPI Marathon promoter for purposes of hosting the event.

The SPI Experience

The next section of the survey asked respondents about their stay on SPI. In this section, the “net promoter” question was used to determine how likely survey respondents are to recommend SPI as a place to visit to friends or colleagues. The results, shown in Figure 14, indicate that most study respondents (74%) are promoters of SPI while 4.8% are detractors. This yields a net promoter score (NPS) of 69.2, which is quite good. For example, the hotel industry has an NPS of 39 (www.netpromoter.com/compare). Recommendation likelihood varied by response type, however. Onsite respondents were much more likely to recommend SPI to others than were online respondents (NPS = 76.8% versus 49.7%, respectively) and were less likely to be detractors (2.3% versus 7.1%).

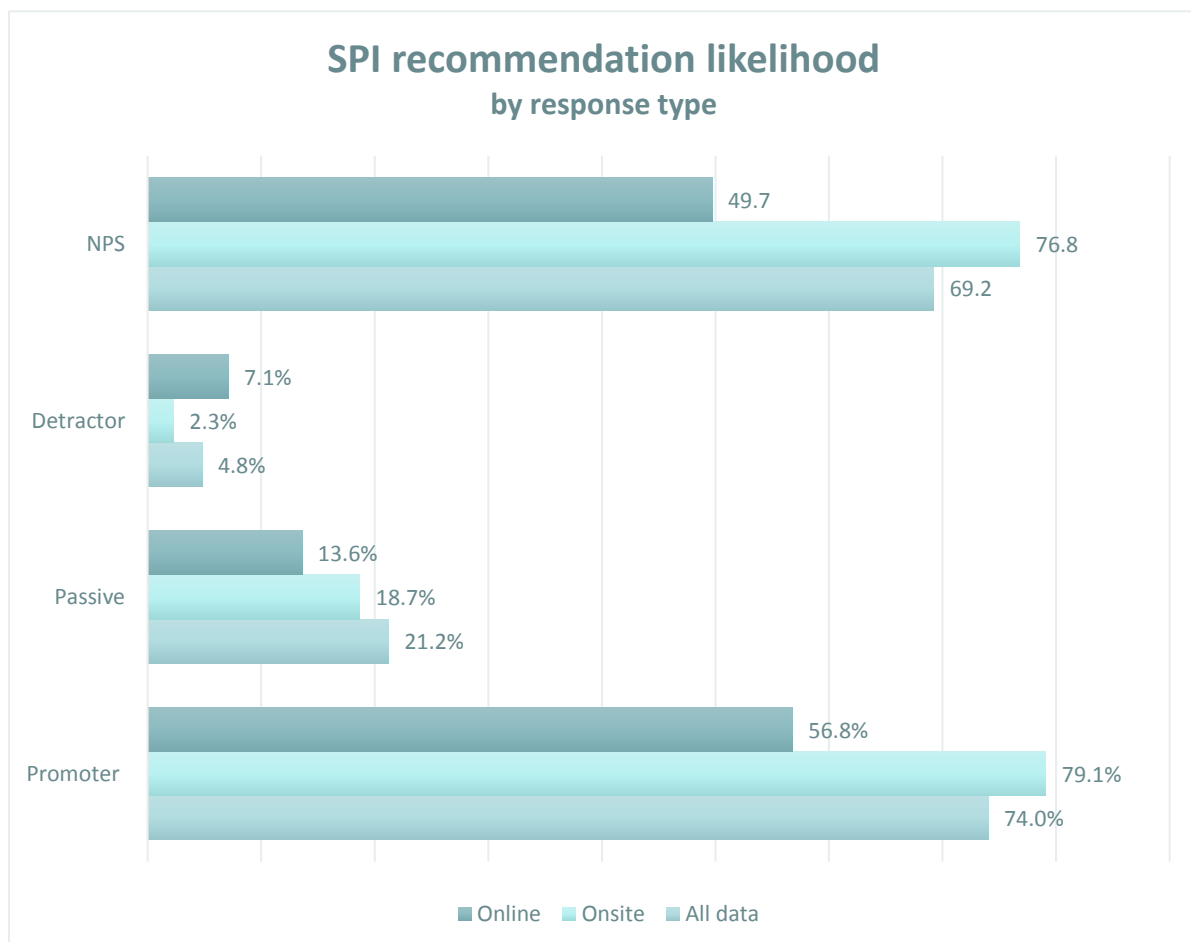


FIGURE 14. SPI NET PROMOTER SCORE

Respondents also indicated how likely they are to return to SPI for a future vacation (Figure 15) and how satisfied overall they were with their SPI experience (Figure 16). Most respondents are highly likely to return to the Island in the future and were very satisfied with their SPI experience. In fact, no respondent reported having an unsatisfactory SPI experience.

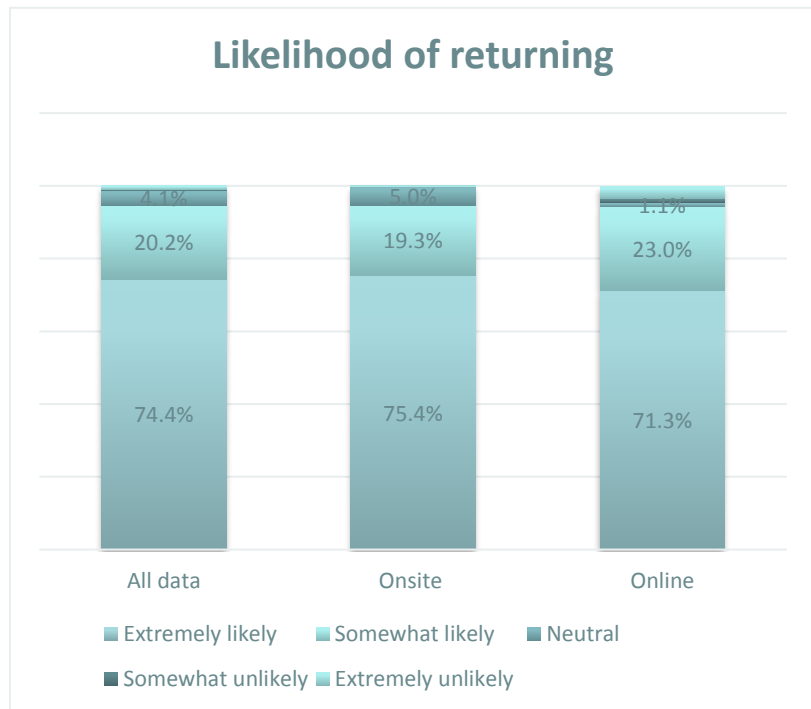


FIGURE 15. LIKELIHOOD OF RETURNING TO SPI

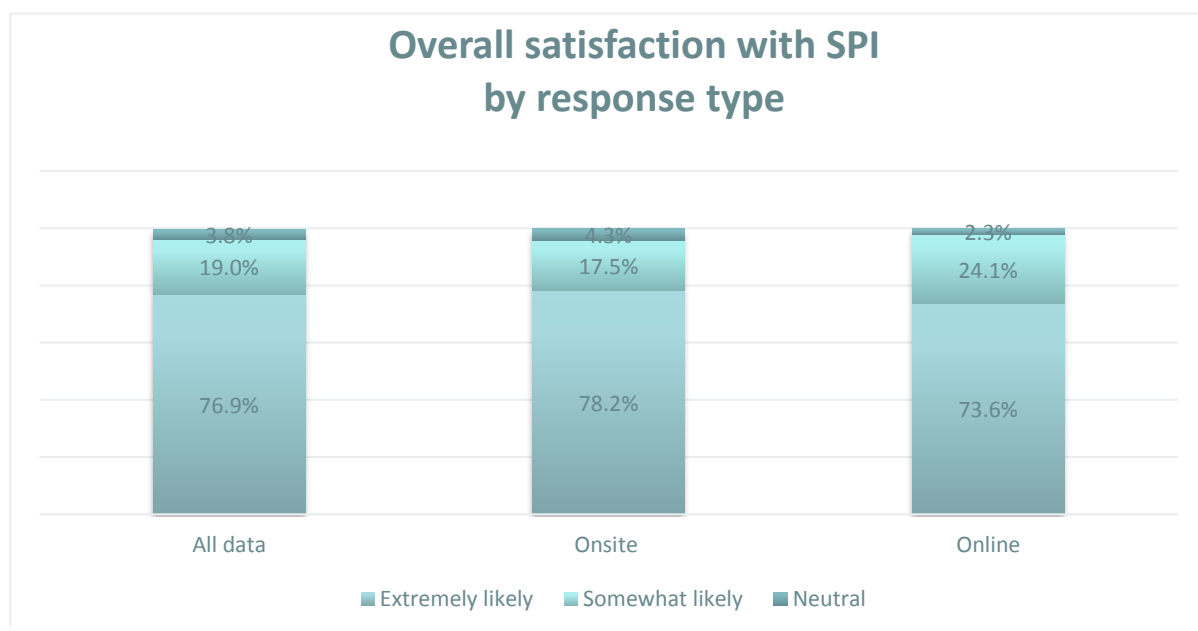


FIGURE 16. OVERALL SATISFACTION WITH SPI EXPERIENCE

NOTE: Some respondents had suggestions for improving their stay on SPI and that feedback appears in Appendix B.

Respondent Demographics

The remainder of the study assessed respondent demographic characteristics. The average age of respondents was 40, as shown in Figure 17, although ages range from 18 to 71 years of age.

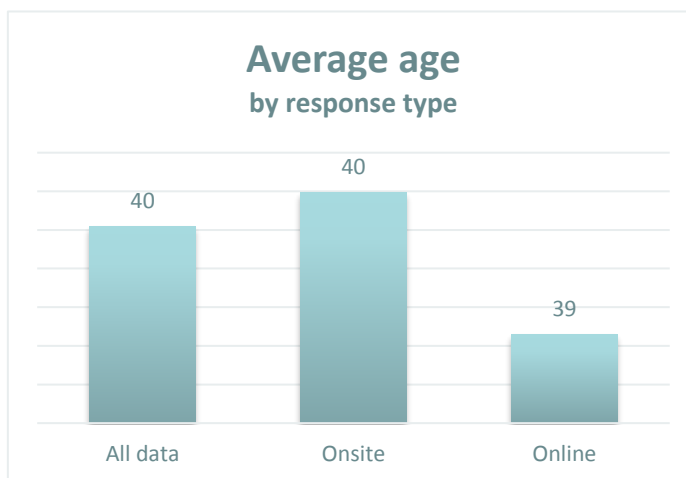
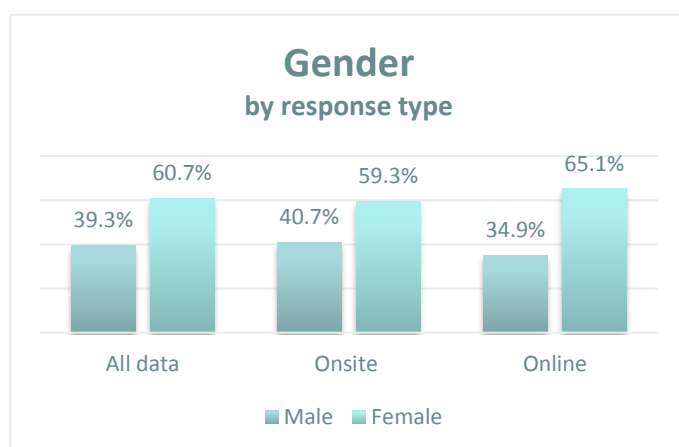


FIGURE 17. AGE



Most respondents were female (60.7%), married (64.3%), and have at least a college degree (66.2%) as seen in Figures 18, 19, and 20 respectively.

FIGURE 18. GENDER

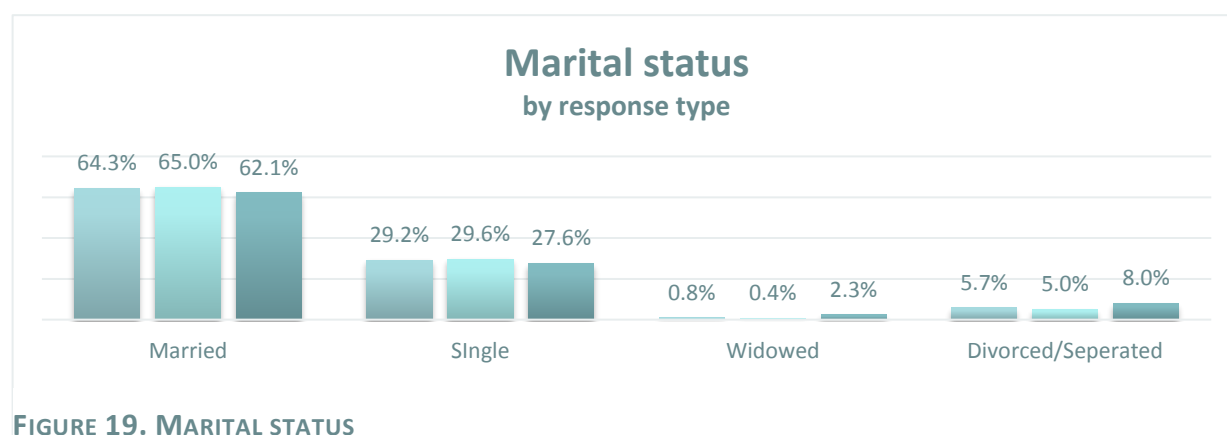


FIGURE 19. MARITAL STATUS

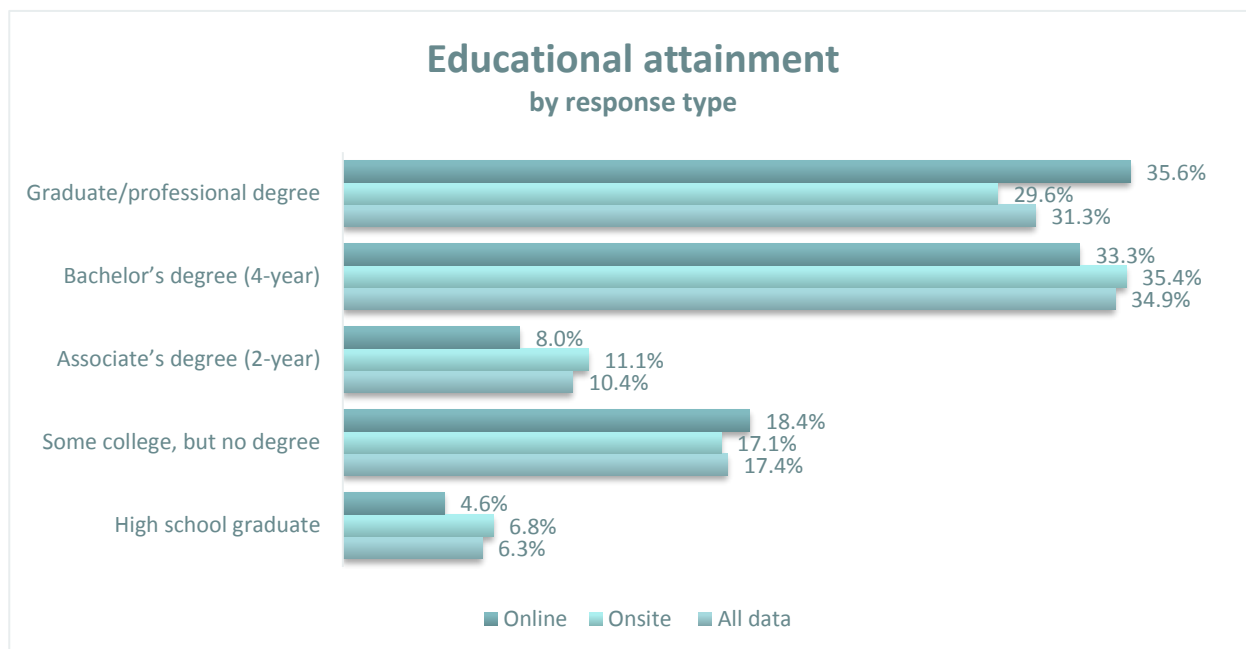


FIGURE 20. EDUCATIONAL ATTAINMENT

In all, most study respondents (81.2%) had full-time employment (see Figure 21), although some worked part-time (8.2%), and some were retired (5.2%).

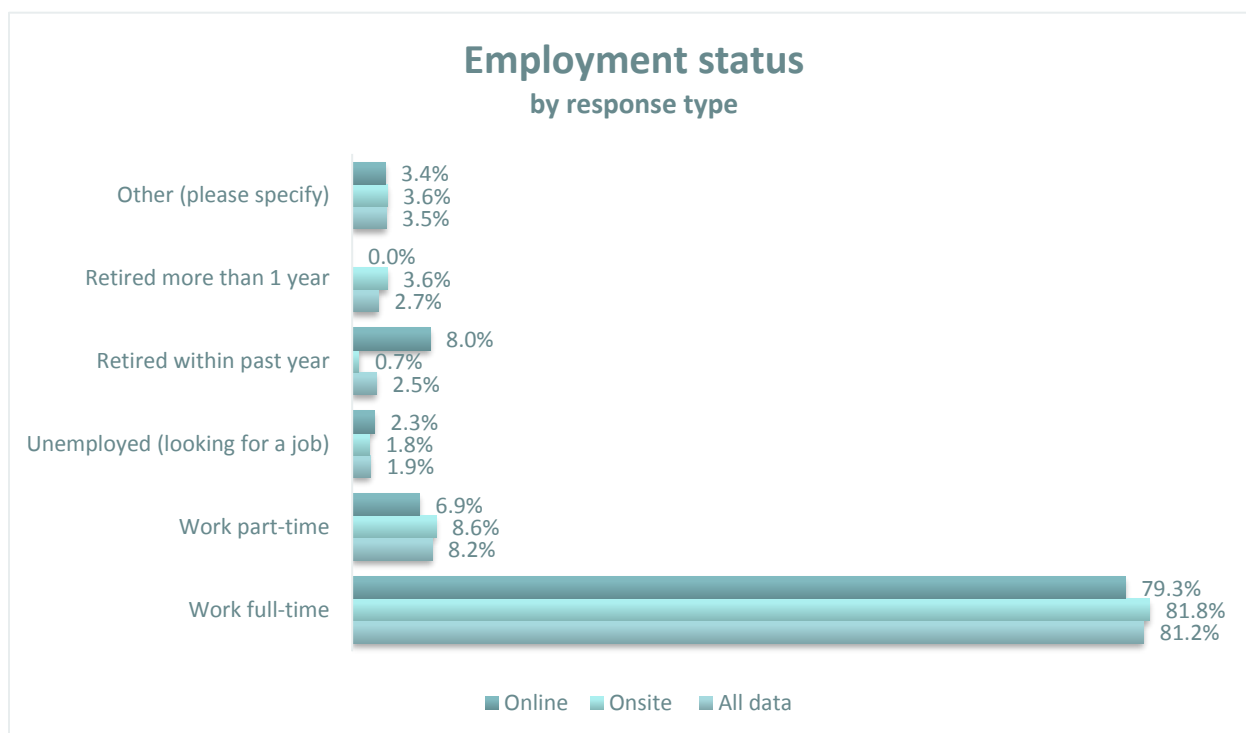


FIGURE 21. EMPLOYMENT STATUS

Study participants in the SPI Marathon, in general, have higher household income levels than the general US population. Most (75.9%) had a reported household income above \$50,000 (Figure 22).

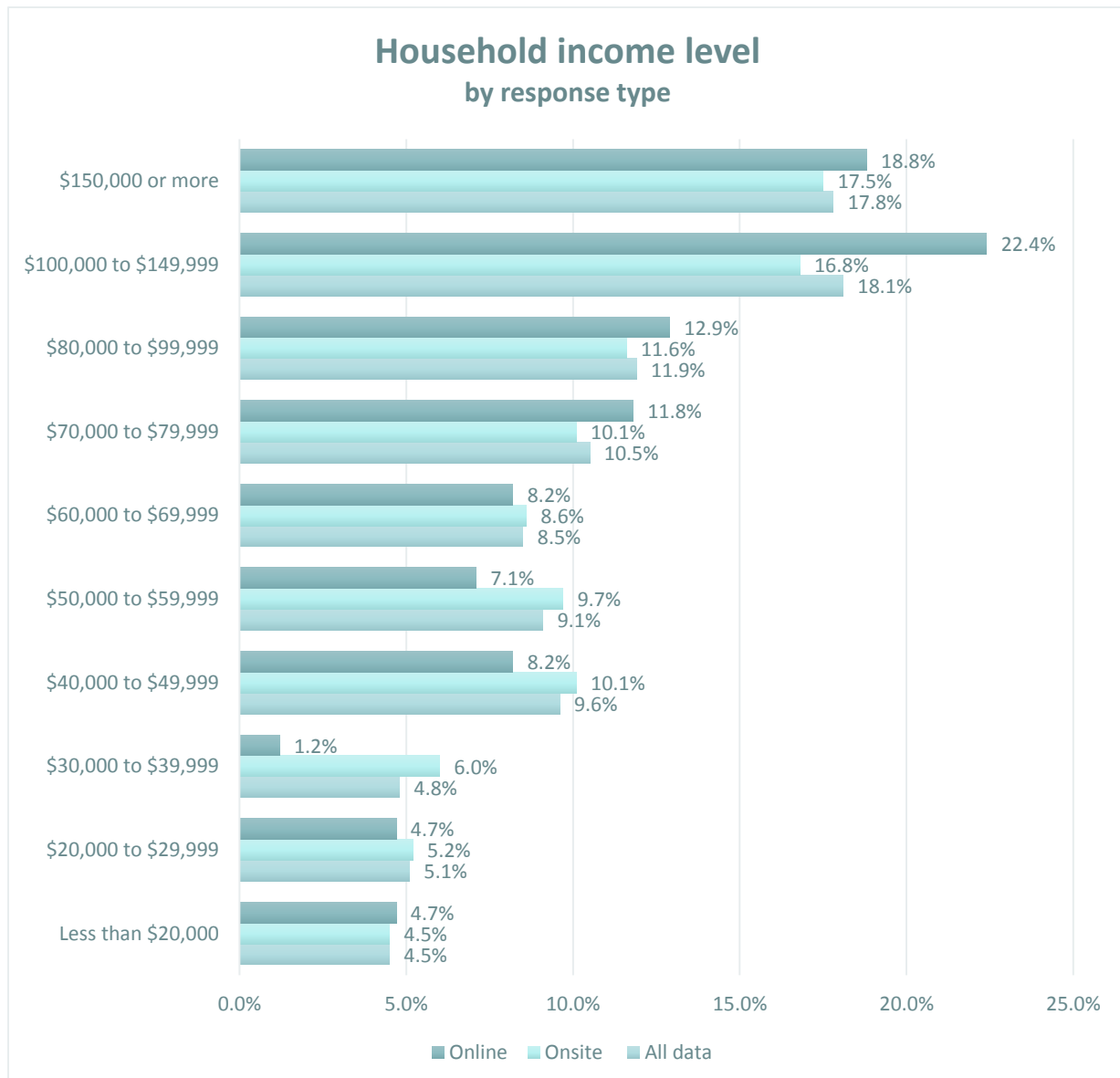


FIGURE 22. HOUSEHOLD INCOME LEVEL

Respondents were asked to indicate their ethnicity, but could select as many ethnicities as appropriate. Most respondents considered themselves to be Hispanic (66.6%) and/or White (40.1%) as seen in Figure 23.

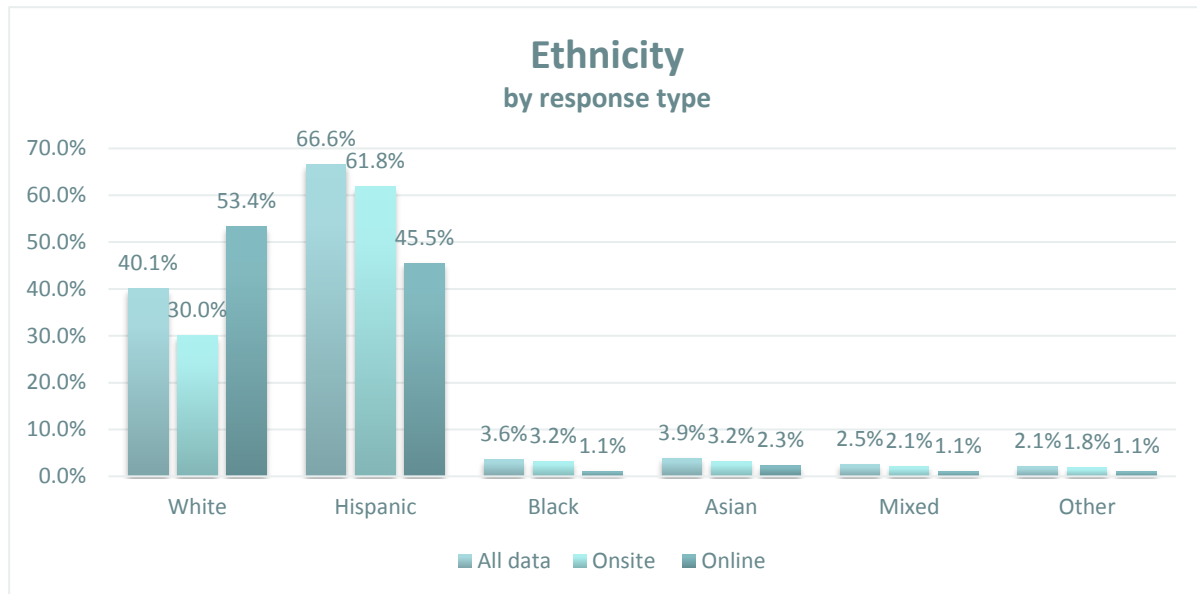


FIGURE 23. ETHNICITY

In terms of country of origin, most respondents named the U.S. as their home country (91.8%), although 7.5% were from Mexico, and 0.05% were from other countries as shown in Figure 24. The other countries noted were Brazil and Thailand.

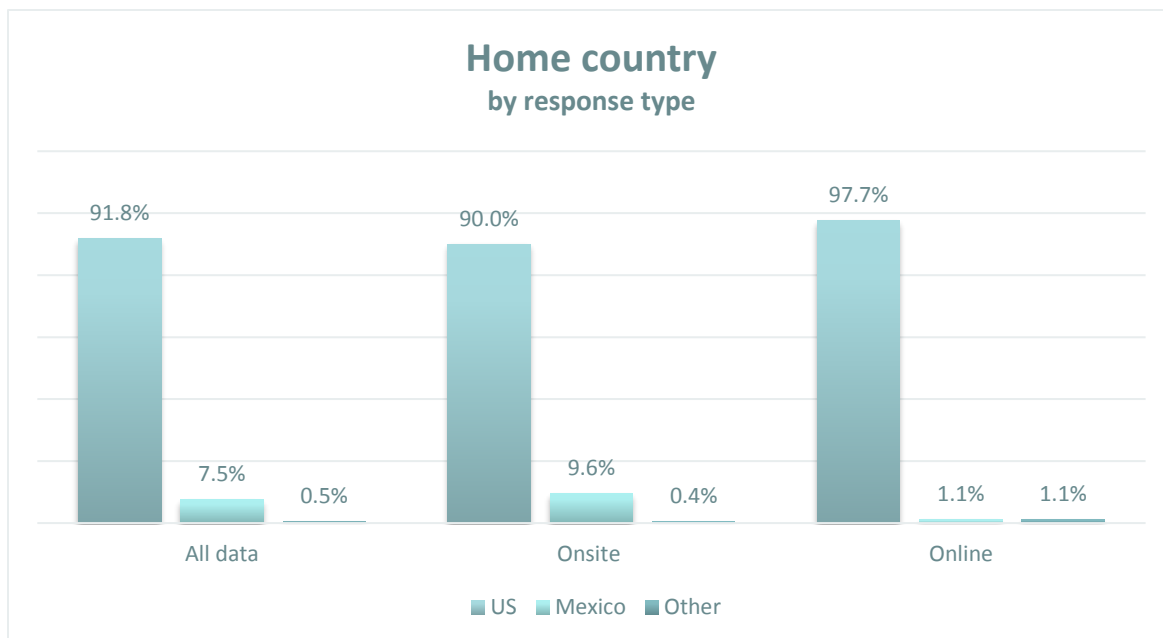


FIGURE 24. HOME COUNTRY

Respondents were also asked for their home zip codes. The specific zip or postal codes are listed in Appendix C, however, a map with the zip codes are plotted by Texas in Figure 25 and by country in Figure 26. In addition, the organizer provided the zip/postal codes for all marathon registrants and they are plotted on a map of Texas in Figure 27, a map of North America in Figure 28 and on a world map in Figure 29. For the race registrants, 91.3% were from the US and 6.3% from Mexico, which is similar to the results found in the survey.

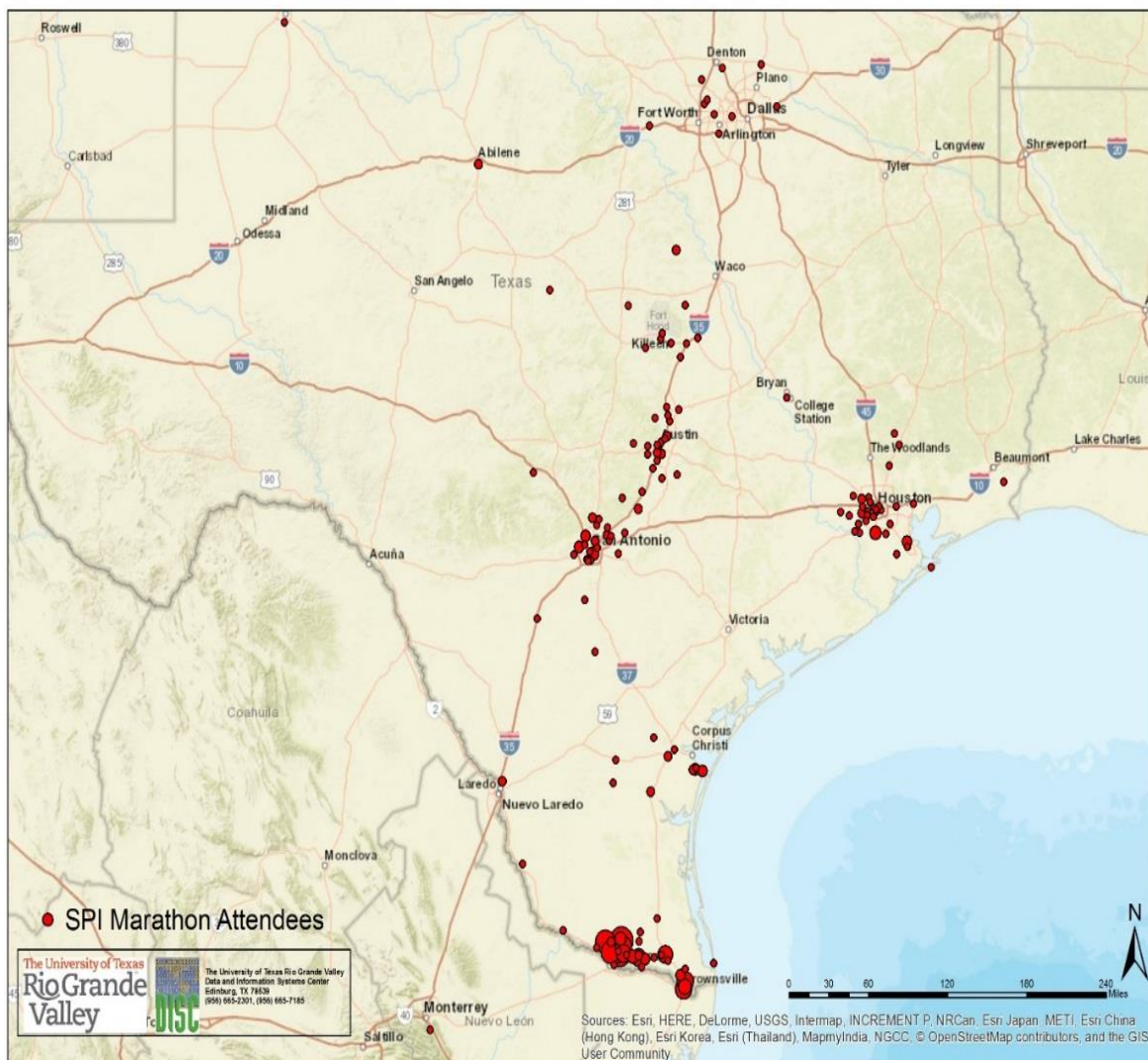


FIGURE 25. SURVEY RESULTS: HOME ZIP CODES IN TEXAS

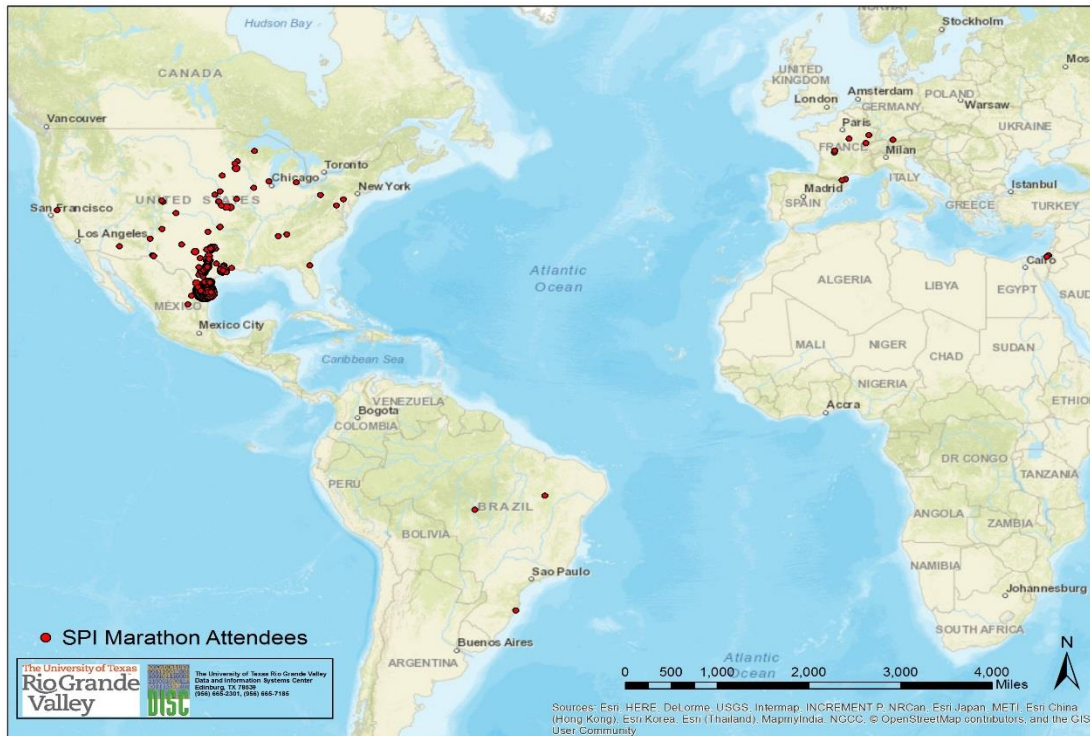


FIGURE 26. SURVEY RESULTS: HOME ZIP CODES BY COUNTRY

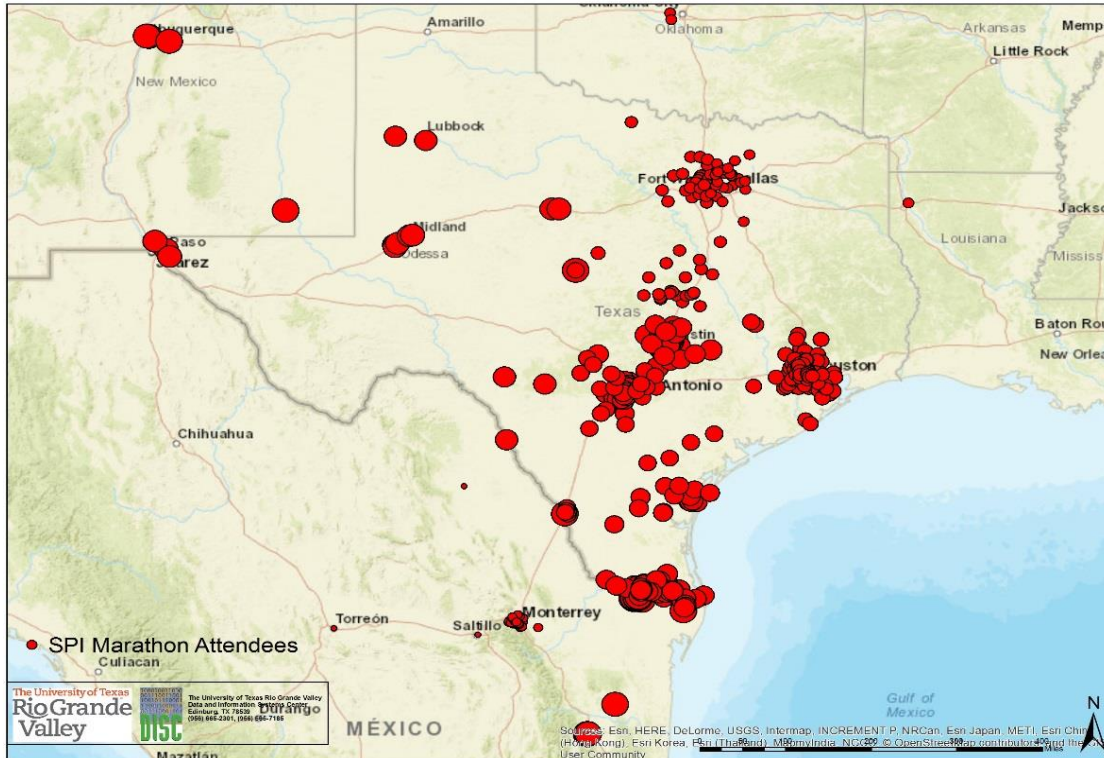


FIGURE 27. ACTUAL RESULTS: HOME ZIP CODES IN TEXAS



FIGURE 28. ACTUAL RESULTS: HOME ZIP/POSTAL CODE IN NORTH AMERICA

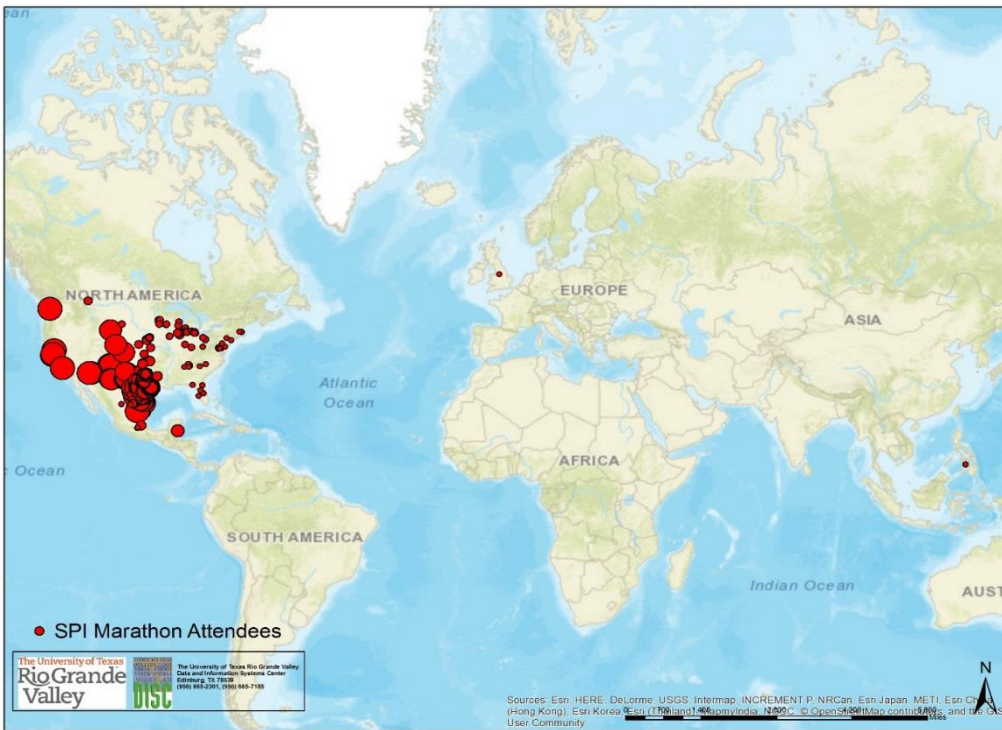


FIGURE 29. ACTUAL RESULTS: ZIP/POSTAL CODES BY COUNTRY

Lodging manager's report

Finally, an email was sent to a listing of SPI lodging owner/managers, as provided by the SPI CVB. This email requested a response to the questions as shown in Table 1 about Marathon guests at their facility. In total, 18 owner/managers responded to the survey but two were eliminated as duplicates. The results and averages of the responses are shown in Table 1.

TABLE 1. SPI LODGING OWNER/MANAGER RESPONSES

QUESTION	AVERAGE	COUNT
To the best of your knowledge, about how many different rooms did you rent to SPI Marathon attendees?	15.82	11
On average, how many people attending the SPI Marathon stayed in one room?	2.82	11
To the best of your knowledge, about how many nights did most SPI Marathon attendees stay at your lodging facility?	2.60	10
Please estimate the amount of dollars the average person attending the SPI Marathon spent per day at your lodging facility on the following (round to the nearest dollar): - Average room rate per night	96.64	11
Please estimate the amount of dollars the average person attending the SPI Marathon spent per day at your lodging facility on the following (round to the nearest dollar): - Food per day	18.00	5
Please estimate the amount of dollars the average person attending the SPI Marathon spent per day at your lodging facility on the following (round to the nearest dollar): - Beverages	12.00	5
In total, how many rooms does your facility have to rent?	103.06	16

While the sample of lodging managers is small, these lodging owner/manager responses seem to confirm results of the larger marathon participant study, at least with respect to the cost of lodging. From the marathon participant survey, the average total spending on lodging was estimated at \$228.24, which if divided by the number of nights reported (2.14 nights), indicates an average nightly lodging cost of \$106.65. A difference between the marathon participant study response and the lodging manager/owner response of about \$10/night.

Table 2 presents the comments and suggestions provided by SPI lodging owner/managers about the event or for SPI officials.

TABLE 2. SPI LODGING OWNER/MANAGERS

PLEASE PROVIDE MORE INFORMATION TO HOTELS FOR THE EVENT	
Guest could not leave both Padre Blvd and Gulf Blvd where block. Some guests were upset.	
You should do TV & Billboards I don't think internet helps much	
The event is a great event and does bring alot of people down to the island which is great for all business owners. The reason why we didn't get any rooms reserved for the run is due to the fact that we already had a group booked (120 of the 156 sleeping rooms that we offer) + outside guest that were already booked in advance but overall great event to have in the fall.	
It did not make much impact on the south side of South Padre Island. The impact was probably seen more by the La Quinta and Hilton Garden that were right next to Clayton's (which was the finish line of the marathon).	
We cannot provide any feedback on how this event affected our hotel. Event coordinators must have an agreement for special rates with a group code to be able to track the sleeping room revenue. No request for discounted group rate was ever requested.	
Offer more deals for condos	

STR Report

Additional data to provide evidence about effects of an event on the SPI economy comes from the STR Destination Report provided to the SPI CVB. STR is a “global data benchmarking, analytics and marketplace insights” firm that gathers, analyzes and reports data from hotel owners/operators for benchmarking purposes. The Report includes data regarding hotel occupancy, average daily rate (ADR), revenue per available room (RevPAR), supply, demand, and revenue as provided by reporting SPI hotel owner/operators for last year as compared to this year. This data may be viewed in two ways. One way is to examine the trends over the past month to determine whether the hotel metrics changed during the marathon event as compared to the rest of the month and the other way is to compare the metrics during the event time period to those of the same time period in the previous year.

The following figures show the hotel metrics for each day from October 22 to November 18 (the month trend) for this year as well as for last year (the year trend). The occupancy trend (Figure 30) shows that this year’s average occupancy rate for the period is higher than last year’s and that every Saturday in either year is the peak time, although last year’s peak Saturdays were slightly higher than this year’s. This year’s occupancy rates were higher during the marathon weekend than any other time during the month and higher than last year’s rates.

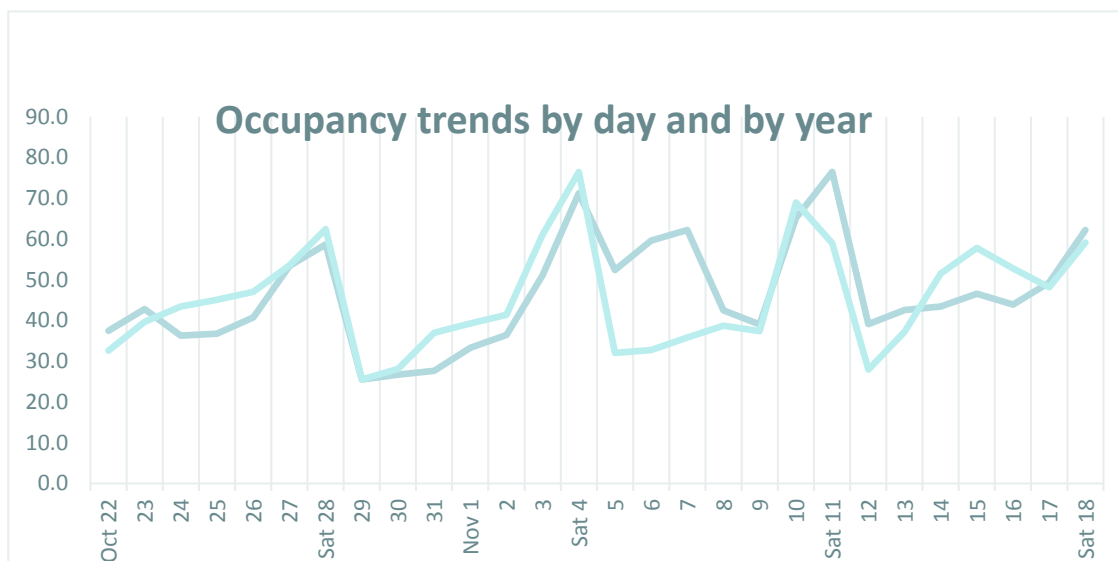


FIGURE 30. OCCUPANCY RATE TRENDS BY DAY AND YEAR

Overall, the average daily rate (ADR) for the month period shown in Figure 31 is slightly higher for this year than last. However, the ADR for the Friday and Saturday nights of the SPI Marathon were slightly lower (less than \$2.00) than for the same days last year. The Sunday night ADR during this year's SPI Marathon was higher by 7.4%.

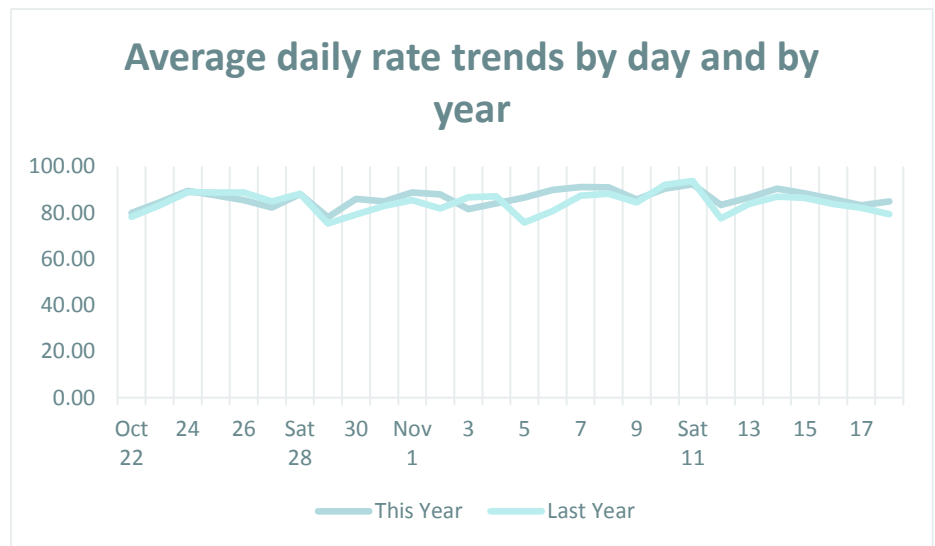


FIGURE 31. ADR TRENDS BY DAY AND YEAR

Next, Figure 32 shows the revenue per available room (RevPAR) for the same time period. The average RevPAR for the month is above 8.9% higher for this year than for last, with a peak on Saturday, November 11th, a 27.7% increase over that day in the prior year. Also, although the

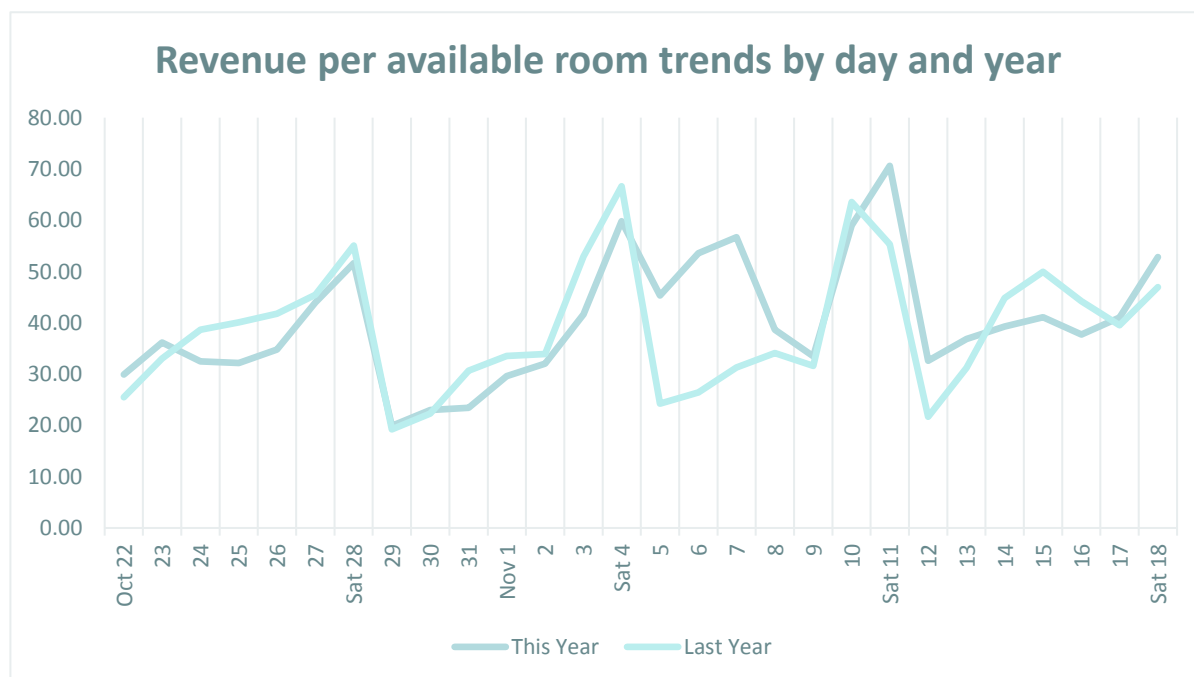


FIGURE 32. REVPAR TRENDS BY DAY AND YEAR

RevPar for Friday, November 10th was 7% less than last year, Sunday's RevPAR was 50% more this year than last year.

For the time period examined, Figure 33 shows the room demand trend, which is an average of 5.6% higher this year than last with the peak occurring on November 11, during the SPI Marathon, which was higher on that day this year than last year by 29.7%.

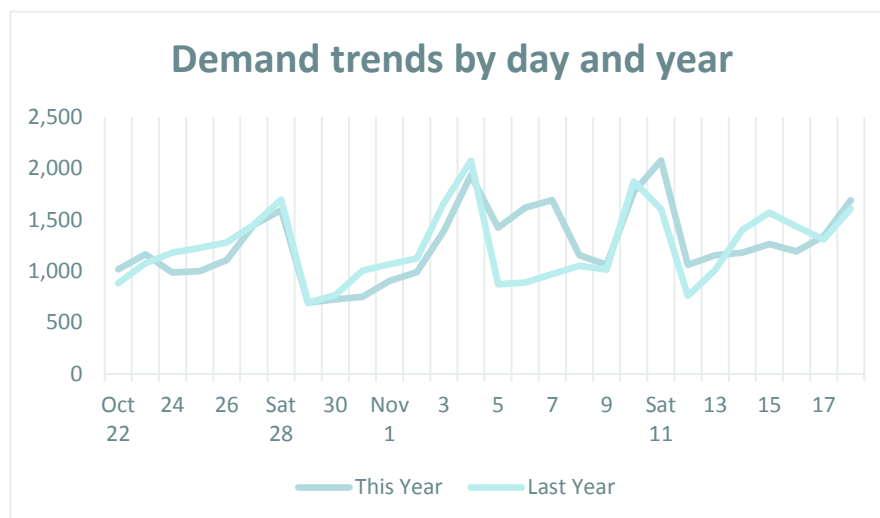


FIGURE 33. DEMAND TRENDS BY DAY AND YEAR

The average total revenue for the month-long period (Figure 34) is more for this year than for last by 9%, with the high point by far on November 11, during the SPI Marathon. The revenue on that day this year exceeded the revenue on that day last year by 27.7%.

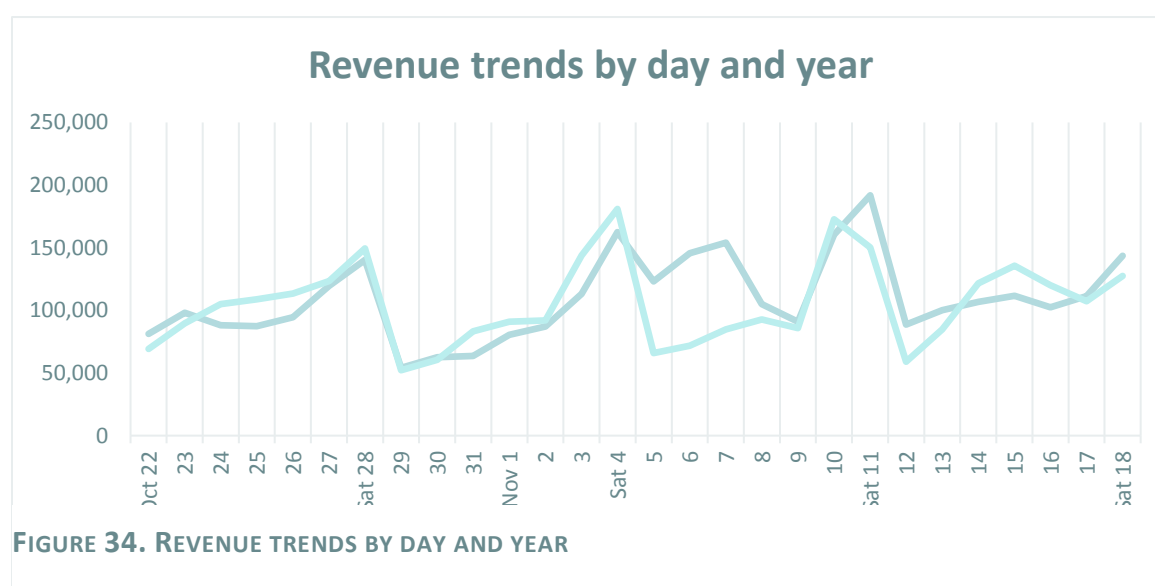


FIGURE 34. REVENUE TRENDS BY DAY AND YEAR

Figure 35 summarizes the percent change in hotel occupancy, ADR, RevPAR, demand and revenue for the three-day period when SPI Marathon participants would have been spending the night on the Island.

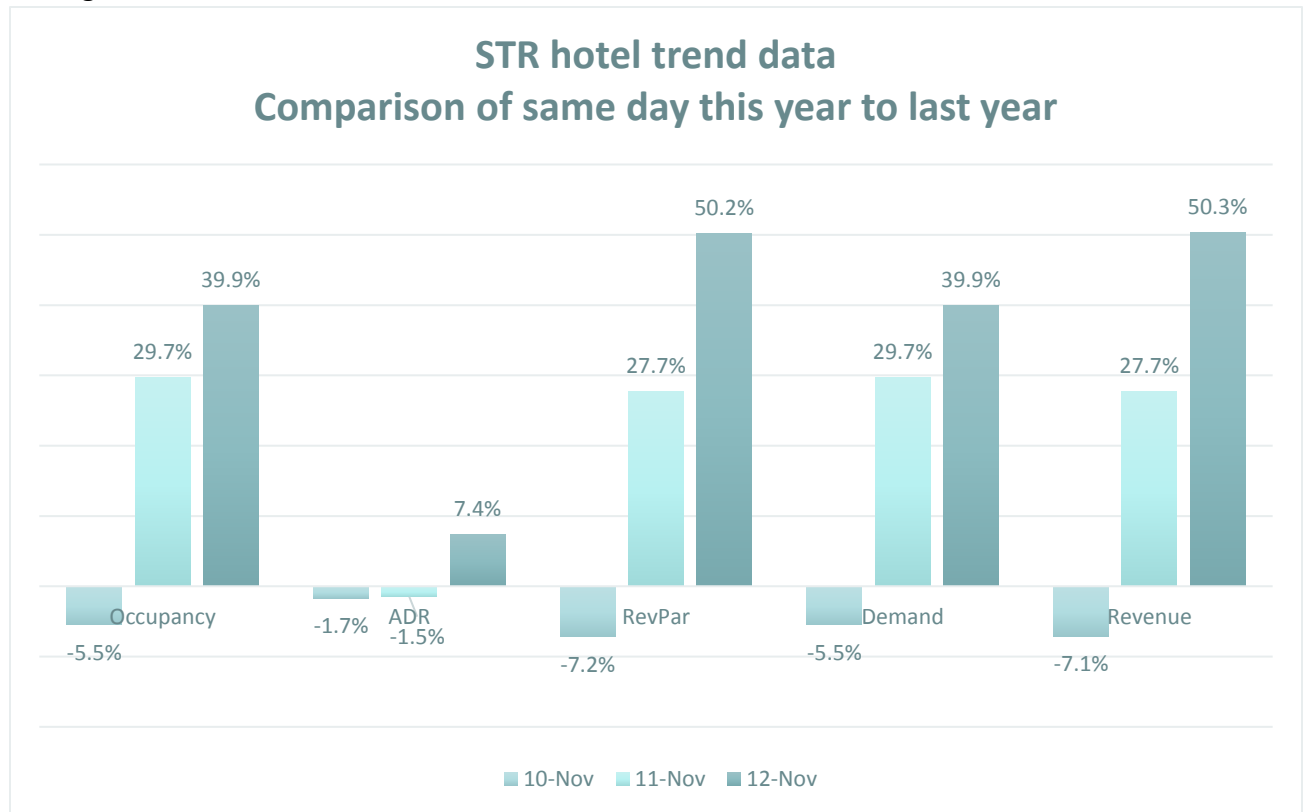


FIGURE 35. ANNUAL PERCENT CHANGE IN HOTEL METRICS

In summary, all metrics were much improved over the same time period in the prior year except for Friday night, December 10th. The reason the marathon may not have led to increased hotel-stays on Friday night, could be because the 10K run and the half marathon were held on Saturday morning and most of the runners in those races were local and would likely not have stayed on the Island the night before the race. In support of this conjecture, Figure 33 shows a breakdown of actual registered marathon participants based on the type of race and by Valley zip codes as provided by the SPI Marathon organizer. The results show that only 26.8% of all runners were registered for the 10K race with most of those registrants (56.5%) from the Valley area. Most runners participated in Saturday's half marathon (59.5% of all registered) of which 47.2% were local. Of all marathon registrants, 13.7% ran the full marathon and 39.7% of those were local.

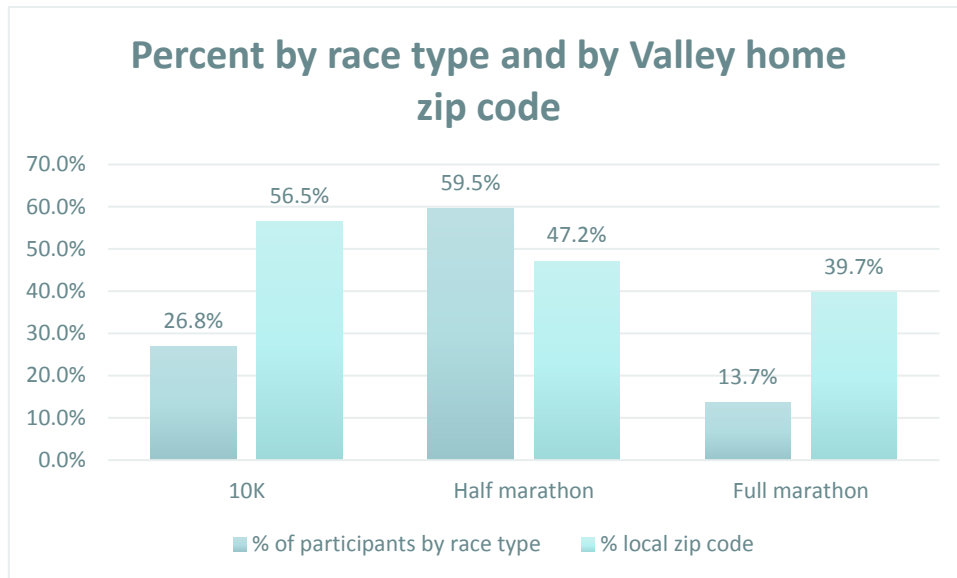


FIGURE 36. MARATHONERS BY RACE TYPE AND LOCAL RESIDENCE

To summarize the STR data, all results indicate a significant increase in occupancy, RevPar, demand and revenue for Saturday, November 11 and Sunday, November 12.

Note: The STR data is derived from hotel owner/operator reporting from 10 SPI hotels for this year and 11 for last year. This represents 32.2 % of the census of 31 open hotels listed in the STR Census and 45% of the hotel rooms listed, thus all results should be interpreted accordingly without a high degree of assurances of generalizability.

Concluding remarks

This report has detailed the amount of money spent on South Padre Island by people associated with the 2017 South Padre Island (SPI) Marathon held on November 10th – 12th. The results of the study were obtained by administering a short survey, both online and onsite, which offered respondents an incentive to enter a drawing to win two nights at Schlitterbahn Beach Resort. A total of 409 surveys were attempted but respondents who were not specifically on the Island for the marathon were eliminated, resulting in 368 viable survey respondents.

A majority (84%) of survey completions came from participants registered in the marathon with most of the race participants (68%) registered for the half marathon. Demographically, the study sample was comprised of predominately married females who were 40 years of age, were college educated, work full-time, have a household income above \$50,000, and identify as Hispanic. Geographically, a large majority of respondents were from the US, although about 8% were from other countries, mostly Mexico. The average number of miles traveled by survey participants to attend the event was 300 miles, with 88.3% spending an average of 2.14 nights on SPI.

By combining the actual number of race registrants (1,516) and volunteers (150) with survey results suggesting 150 spectators, the SPI Marathon generated about 3,120 room nights. With an average total lodging expenditure per household of \$228, the marathon participants who spent the night on the Island, spent about \$332,339 for lodging in total, resulting in about \$48,289 in total Hotel Tax with \$24,144 in City Hotel Occupancy Taxes. While it is impossible to know the actual number of lodging rooms booked as a result of the SPI Marathon, the lodging manager's survey and the STR Destination Report data for the period supports the study's finding that the SPI Marathon did significantly affect rooms booked during the event weekend.

Moreover, the total average household expenditure on the Island found by the survey is \$750, resulting in a total estimated spending on the Island of \$1,249,500, given the number of people on the Island because of the marathon specifically.

Gladly, most SPI Marathon survey participants are “promoters” in recommending SPI to others, are likely or extremely likely to return to SPI for a future vacation, and are satisfied with their overall SPI experience during the marathon. This suggests that while the SPI Marathon resulted in significant direct spending during the event weekend, the overall SPI experience of the marathon participants will likely result in many returning to the Island for future vacations.

The \$40,000 invested in the SPI Marathon by the CVB yielded a return in City HOT alone of 60.4%. This represents a significantly higher amount than the 12% coverage expected by the event promoter even though the study found fewer room nights (3,120) than the 3,850 room nights expected. In addition, the total taxes on lodging of 17% would alone yield more than \$48,289 in tax revenue; 1.21% above the funding provided to the organizer.

Appendix A: Survey

SPI Marathon Survey, Nov 10-12, 2017																									
<p>This survey is designed to understand your household experience and spending during the South Padre Island Marathon. Only the <i>one person, older than 18, best able to report on spending for all people in your household who are at the Marathon</i> should complete this survey. The responses are very important to planning events in the future. As a thank you for your cooperation, you will have a chance to enter a drawing for a 2-night stay at the Schlitterbahn Beach Resort. Only one entry per household. All responses are confidential and individual information will not be included in survey results or shared with others. For questions about this survey, contact The Business and Tourism Research Center at The University of Texas Rio Grande Valley at businessresearch@utrgv.edu or call 956.665.2829.</p>																									
<p>1. Have you or someone else in your household already completed this survey? <input type="checkbox"/> Yes (1) <input type="checkbox"/> No (2) If yes, please return this survey. We thank you!</p> <p>2. Did you come to South Padre Island specifically for the SPI Marathon? <input type="checkbox"/> Yes <input type="checkbox"/> No: if not, why did you come to the Island? _____ If no, please return this survey. We thank you!</p> <p>3. About how many miles did you travel to attend the SPI Marathon? _____ miles</p> <p>4-5. Which of the following best describes your participation in the SPI Marathon? <input type="checkbox"/> Registered participant (1) (which one? <input type="checkbox"/> 10K, <input type="checkbox"/> ½, <input type="checkbox"/> full) <input type="checkbox"/> Spectator (2) <input type="checkbox"/> Marathon volunteer/staff (5) <input type="checkbox"/> Did not attend marathon (3)</p> <p>6. Including yourself, how many people from your household attended the SPI Marathon? _____ Number in household</p> <p>7. How many nights did you (or will you) spend on South Padre Island while attending the SPI Marathon? _____ nights</p> <p>8. Where are you staying (or did stay) while on South Padre Island for the SPI Marathon? <input type="checkbox"/> Hotel/motel (1) <input type="checkbox"/> Rented condo/beach house (2) <input type="checkbox"/> Campground/RV park (3) <input type="checkbox"/> Rented a room (4) <input type="checkbox"/> Friend/family's home (5) <input type="checkbox"/> My own SPI residence (7) <input type="checkbox"/> Other (please specify) _____ (6)</p> <p>9. For each of the following categories of expenses, please give your best estimate of the total amount you and your household have (or will) spend during your entire time on South Padre Island for the Marathon. (List only the dollar amounts spent while on SPI)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Food & beverages (restaurants, concessions, snacks, etc.)</td> <td style="width: 20%; text-align: right;">\$</td> </tr> <tr> <td>Night clubs, lounges & bars (cover charges, drinks, etc.)</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Lodging expenses (hotel, motel, condo, room)</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Local attractions & entertainment (fishing, snorkeling, kayaking, etc.)</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Retail shopping (souvenirs, gifts, film, etc.)</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Transportation (gas, oil, taxi, etc.)</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Parking fees</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>SPI Admission fees</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Clothing or accessories</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Groceries</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Other (please specify)</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$</td> </tr> </table> <p>10. On a scale from 0-10, how likely are you to recommend South Padre Island as a place to visit to a friend or colleague? Not at all likely 0 1 2 3 4 5 6 7 8 9 10 Extremely likely</p>	Food & beverages (restaurants, concessions, snacks, etc.)	\$	Night clubs, lounges & bars (cover charges, drinks, etc.)	\$	Lodging expenses (hotel, motel, condo, room)	\$	Local attractions & entertainment (fishing, snorkeling, kayaking, etc.)	\$	Retail shopping (souvenirs, gifts, film, etc.)	\$	Transportation (gas, oil, taxi, etc.)	\$	Parking fees	\$	SPI Admission fees	\$	Clothing or accessories	\$	Groceries	\$	Other (please specify)	\$	Total	\$	<p>11. How likely are you to return to South Padre Island for a vacation at some time in the future? <input type="checkbox"/> Extremely likely (1) <input type="checkbox"/> Somewhat likely (2) <input type="checkbox"/> Neutral (3) <input type="checkbox"/> Somewhat unlikely (4) <input type="checkbox"/> Extremely unlikely (5)</p> <p>12. How satisfied are you with your overall South Padre Island experience? <input type="checkbox"/> Extremely satisfied (1) <input type="checkbox"/> Somewhat satisfied (2) <input type="checkbox"/> Neutral (3) <input type="checkbox"/> Somewhat dissatisfied (4) <input type="checkbox"/> Extremely dissatisfied (5)</p> <p>13. What suggestions do you have for improving your stay on South Padre Island? (write on back page)</p> <p>14. What is your home zip or postal code? _____ code</p> <p>15. What is your home country? <input type="checkbox"/> US (1) <input type="checkbox"/> Mexico (2) <input type="checkbox"/> Other (3) _____</p> <p>16. What is your age? _____ (years of age)</p> <p>17. What is your gender? <input type="checkbox"/> Male (1) <input type="checkbox"/> Female (2)</p> <p>18. What is your marital status? <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced/separated</p> <p>19. What is your highest educational attainment? <input type="checkbox"/> Less than high school(1) <input type="checkbox"/> Associate's degree(4) <input type="checkbox"/> High school graduate(2) <input type="checkbox"/> Bachelor's degree(5) <input type="checkbox"/> Some college, no degree(3) <input type="checkbox"/> Graduate/professional degree (6)</p> <p>20. What is your current employment status? <input type="checkbox"/> Work full-time (1) <input type="checkbox"/> Retired within past year (5) <input type="checkbox"/> Work part-time (2) <input type="checkbox"/> Retired more than 1 year (6) <input type="checkbox"/> Unemployed (looking for a job) (3) <input type="checkbox"/> Other (Please specify) (4) _____</p> <p>21. What is your combined annual household income? <input type="checkbox"/> Less than \$20,000 (1) <input type="checkbox"/> \$60K-\$69,999 (6) <input type="checkbox"/> \$20K-\$29,999 (2) <input type="checkbox"/> \$70K- \$79,999 (7) <input type="checkbox"/> \$30K- \$39,999 (3) <input type="checkbox"/> \$80K- \$99,999 (8) <input type="checkbox"/> \$40K- \$49,999 (4) <input type="checkbox"/> \$100K-\$149,999 (9) <input type="checkbox"/> \$50K-\$59,999 (5) <input type="checkbox"/> \$150,000 or more (10)</p> <p>22. What is your ethnicity? (Select all that apply) <input type="checkbox"/> White (1) <input type="checkbox"/> Hispanic (2) <input type="checkbox"/> Mixed (5) <input type="checkbox"/> Black (3) <input type="checkbox"/> Asian (4) <input type="checkbox"/> Other _____ (6)</p> <p style="font-size: small;">To enter the prize drawing for a 2-night stay at the Schlitterbahn Beach Resort, please provide contact information. This contact information is confidential, will not be shared, and will be deleted after the prize drawing.</p> <p>Name _____</p> <p>Phone number: _____</p> <p>Email: _____</p> <p>Winners will be notified no later than 2 weeks after event.</p> <p style="text-align: center; border: 1px solid black; padding: 5px; margin-top: 10px;"> THANK YOU VERY MUCH!!! </p>
Food & beverages (restaurants, concessions, snacks, etc.)	\$																								
Night clubs, lounges & bars (cover charges, drinks, etc.)	\$																								
Lodging expenses (hotel, motel, condo, room)	\$																								
Local attractions & entertainment (fishing, snorkeling, kayaking, etc.)	\$																								
Retail shopping (souvenirs, gifts, film, etc.)	\$																								
Transportation (gas, oil, taxi, etc.)	\$																								
Parking fees	\$																								
SPI Admission fees	\$																								
Clothing or accessories	\$																								
Groceries	\$																								
Other (please specify)	\$																								
Total	\$																								

Appendix B: Respondent suggestions for improving stay on SPI

"Although I liked running this half marathon, I liked it better on Saturday
"For hotels or condos and restaurants to offer discounts to us, runners!
"Go back to run the marathon & half on Saturday
"We stayed at the LaQuinta, which is directly next door to Clayton's--the finishing point of the marathon. Everything about the LaQuinta is fantastic--except the loud music from Clayton's. I think Clayton's could turn down the volume by half and still be a terrific venue. We accidentally happened on the rescue dog fair at Clayton's on Saturday--that was really fun as well.
4 wheelers on the beach
Add more adventurous restaurants and retail shopping to the island
Admission included in hotel stay
Attractions open on race weekend; lighthouse and bar
Better accessibility for transportation, and more tourist friendly business hours
Better directions for races
Better event signage- guests
Better food, cuisine
Better parking
Better public transport
Better public transportation
Better resources for runners like protein shakes, food options at various mile markers
Better transportation organization
Better transportation for the marathon. We had to walk from Clayton's to Convention Center to catch a bus and they told us that they would not leave until 20 people were on board. After 45 minutes we called a cab
Big events, promote events, draw more attention to northern states
Bigger expo
Board walk, more public transportation, lift, uber

Breakfast included in stay
Build a second bridge
Businesses could open earlier to service spectators to the event. Gas stations were the only things open.
Cleaner beach
Cleaner ocean
Drinking alcohol while walking. And board walk
Everything is good
Expo bigger
Expo needs to be bigger, more vendors
Extended bar hours
Food is rather expensive for what it is and I think it is largely based on the fact that there is not a lot of different options available. Also, the shopping experience is mainly souvenir shops which doesn't appeal to me anywhere I go I look for areas that have vendors offering unique foods and goods. My best experience is the Farmer's Market because I found things I enjoyed and the atmosphere was rather relaxing. I could visit that every Sunday
Free for Veterans on Veterans Day
Get an heb
Good job
Have a map showing local attractions
Have events for better weather
Have jacuzzis in the hotel
I love SPI and I was thrilled to get to have a race weekend here. I vacation in SPI on my own and with my family, but I also spend a significant amount of time and money on "race-cations". This was a perfect combination for me I would have spent more money overall had I not been traveling by myself this trip.
I would like to have done half marathon but it was on Sunday
Improve event timing in consideration of weather
Increased shuttle service
It would be good for the hotels to work with runners needing a late checkout. Even a check out time of 12:30 or 1:00 is tough for us slow runners! Because of that, a Saturday marathon works better. Would allow me to stay Saturday night and drive home on Sunday.

Keep the island clean
Keep up the great job
Later packet pickup at the hotel
Lighthouse should be restored soon
Lighting in streets
Live music
Lot of businesses were closed or closed too early. Really wish we had more options of dining or shopping without having to leave the island
Lower taxes in properties
Mile markers for 10k 😊
Mora entertainment
More activities more entertainment updated souvenirs
More beach access
More chill scene
More cleaning on beach
More concerts, relaxed police on light situations,
More convenient stores in the island
More country concerts
More cycling events
More events
More events marketing so I know what's available
More events races
More food variety
More information
More kid activities
More marathons

More mile markers
More parking
More promoting
More promotions
More public transportation
More races and physical activity areas
More racing events
More restaurant options
More restaurants within walking distance
More sponsors more booths
More street signs for the event
More stuff to do
More sun
More vendors
More vendors, bigger venue, better accessories
More vendors, recreational places, adults only areas
More water stations, water fan
More flights from DFW to Brownsville. There are currently only 3; there needs to be at least 5, especially on the Friday before Race Weekend at the Island
More upscale dining and nicer attractions. Less Hokey
More water stations up in the dunes!
Music at night
Music band
N/a
No
No it was fine, I can't think of anything

no improvement needed
Non
None
None, the island was great I have suggestions for improving the marathon though
None
None. we love the island and look forward to attending another race in the future. We own a condo and frequent South Padre Island often
Not sure
Not sure!
Not trashing the beach Cleaning up the beach would help
Nothing It was a great stay
Organization in the traffic
Outdoor theater on island
Parking
Parking bigger
Parking for packet pick up
Perfect
Pick up trash on the beach
Public transportation would be nice and convenient instead of driving yourself
The cheaper the better
The half and full should be on Saturday
The stay was great. The run needs a lot of work
Thought the race experience was perfect! My only complaint was the hotel I stayed at La Quinta - as did other runners. The expo ended at 3, and the hotel wouldn't let us check in till 4. Then on race morning, they refused to give late check outs. For the marathoners, being told they can have an extended checkout of 12:30 was crazy. I got there at 12:20 and asked for later so that I could shower and they told me a minute after 12:30 would result in another night's charge.
Time management with race

Traffic
Uber, bigger expo
Unnecessary fees for training at isla Blanca
View
Warning signs for seagulls trying to attack you if you have food on the beach!
Well the half and full need to be back on Saturday! Clayton's was dead!! I've been to all 3 runs and by far Sunday was not as fun!
Wind surfing events
You like it all

Appendix C: Marathon registrants' zip or postal codes

15101	66428	76572	77459	78207	78501	78573	78723
17551	66617	76634	77477	78209	78502	78574	78735
20837	66967	76657	77479	78210	78504	78575	78739
25000	68372	76801	77494	78211	78504	78576	78744
32202	73064	77002	77511	78221	78512	78577	78745
35801	74012	77003	77521	78224	78516	78579	78746
37412	74014	77006	77539	78228	78520	78580	78747
48103	75032	77007	77550	78230	78521	78582	78754
49010	75038	77009	77573	78233	78526	78586	79423
51346	75060	77015	77581	78234	78529	78586	79602
51503	75071	77019	77584	78245	78537	78589	79924
51534	76018	77024	77627	78251	78538	78594	79938
52722	76053	77025	77801	78259	78539	78596	80015
54536	76088	77034	78026	78260	78541	78597	80030
55060	76208	77041	78028	78261	78542	78599	81052
55106	76244	77042	78045	78266	78543	78610	82604
55372	76247	77057	78059	78332	78550	78613	85142
60046	76248	77059	78061	78363	78550	78616	87028
64070	76501	77081	78065	78380	78552	78620	87300
64630	76504	77082	78076	78383	78555	78634	87360
64900	76513	77084	78109	78384	78557	78640	87448
64989	76528	77091	78124	78410	78559	78660	87750
66220	76539	77092	78130	78412	78560	78664	88000
66250	76542	77096	78132	78413	78566	78665	88710
66270	76544	77327	78148	78414	78570	78666	89240
66360	76548	77328	78148	78418	78572	78704	95823
66417	76571	77365	78152	78501	78572	78705	98388