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The century of “Mega-events”: the Italian case (2000-2016)

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1. INTRODUCTION

Hosting special events has become an important element in cities and regions’ strategy in order to attract visitors and investment, provide a major boost to the tourism sector and turn into a major contributor to improve destination competitiveness.¹

The organization of events has a positive impact on a place or a region by generating economic profit based on the income from the sale of product and services of different activities connected to the event, by increasing tourist flows and the tourist turnover. Some other great impacts an event can cause on a host community are the ability for it to create more business opportunities because there are avenues for host communities to showcase their expertise, hosting potential investors and promoting new business

¹ D. Getz. 1989. *Special Events: Defining the Product*. Tourism Management, 10 (2), pp. 125-137.

opportunities. Employment creation is another way an event can impact the host community as expenditure during events by visitors can provide more jobs for the host community.

There are many views on the economic impact of an event. For example, some studies analyze events in terms of their cost and on the capacity of the host country to sustain possible overrun costs. An event could be analyzed in terms of profitability and its facility to produce an added value (direct or indirect) or its impact on the labor market.

All these points of view are valid and the object of numerous studies and analyzes.

On the assumption that countries will continue to organize big events and the debate about their impact is theoretically infinite, the focus of this paper is not strictly on the 'economic impact' of events, in terms of profitability, of gains or losses or whether budgets have been respected, but addressed the events from the perspective of the tourism sector.

From 2000 to 2016, Italy has had four big events of global relevance: 2000's Great Jubilee of Christianity, the Winter Olympics in Turin in 2006, 'Expo Milan 2015' and the extraordinary Jubilee of Mercy in 2016. Italy has been home to so many big events in so few years, a very unusual thing in modern history, in which globalization has fragmented the international organization of events and many 'new countries' would like to host a big event to show their presence on the international scene.

The main aim of this research is how these particular kinds of big events, hosted in Italy in recent times, have improved tourism offers and increased demand, if there was an afterward "comet effect" of the event that dragged the local tourism sector and its persistence through time and if there was a sort of "legacy" of the big event on the hospitality sector.

First of all, the main finding is presented from the literature review on the focal concepts and its theoretical contextualization of the "events phenomena".

Then, these events are reviewed, with a short description of their characteristics and their impacts on the accommodation sector are analyzed, not only during the events but also before and after them.

In the last paragraph, a joint analysis is carried out of the four events to compare characteristics, different effects and impacts on the local tourism market and a classification based on some synthetic indicators.

2. EVENTS AND TOURISM

Since the beginning of time, people have always been involved in some kinds of events when they have tried to mark either a special moment or happening in their lives. People have always felt the need to celebrate milestones for example, the coming of age. Even now that the world has gone more global with media and high-tech taking over everything and has made a lot of people lose interest in common norms and beliefs, there is still a need for social events.

In recent times, events have become a central part to people's way of life as there has been an increment in leisure and disposable incomes which has led to the rapid growth of public events, celebration and entertainment.

Events are special celebrations that are planned and organized in a place by different public institutions or private organizations and may contain a number of activities. Events may be a form of tourism offer in which the content of the events is associated with the specific resources of the place where it is held to attract potential visitors and where a range of tourism programs are planned related to natural and other tourist resources and values. Events can be classified according to content, location, scope, size and importance.²

Recognizing the importance of categorizing events many authors provide classifications of tourism events as: special events³, "hallmark"⁴ events, Mega events, festivals, fairs and exhibition, meetings and other business event, educational events, sports events and art events.

2.1 Mega events

Many definitions and meanings have arisen from different researchers concerning the word 'Mega event'. Mega events are those kind of events that yield extraordinary high levels of tourism, media coverage, prestige, or economic impact for the host community.⁵ Some authors stated the status of 'Mega' to the events to a specific volume of visitors, cost or psychology.⁶

Generally the 'Mega events' are expressively targeted at the international tourism market and may be suitably described as 'mega' by virtue of their size in terms of attendance, target market, level of public financial involvement, political effects, extent of television coverage, construction of facilities and impact

² D. Getz. 2007. *Events Studies - Theory, Research and policy for planned events*. Butterworth-Heinemann. Oxford.

³ The definition of 'special events' is difficult because of its vast nature but it could be best defined by its context. It's possible to summarize that, to the event organizer's point of view, a special event is an one-time or infrequently occurring event outside the normal program or activities, to the customer's or guest's point of view, a special event is an opportunity for an experience outside the normal range of choices or beyond everyday experience. (Getz, 1997)

⁴ Looking at the term 'hallmark' literally, it denotes or refers to a symbol of quality or authenticity that differentiates some events or involves a distinctive characteristic and uniqueness of which its success depends. Typically, these events represent a hallmark for the destination propelling its competitive advantage and boosting the positive image projected to the public. (Ritchie, 1984; Getz, 1997)

⁵ Getz, D. 1997. *Event management and Event tourism*. New York: Cognizant Corporations.

⁶ Their volume should exceed 1 million visits; their capital cost should be at least \$500 million, and their reputation should be that of a 'must see' event. (Marris, 1987)

on economic and social fabric of the host community.⁷ A major characteristic of this classification of events is that they are mainly annual events and they attract tourists from all around the world. And because of their international nature, mega events are usually reverberated in the global media and they have considerable impact on urban development involving new trends in planning and in long-term strategy to boost tourism through public and private investment and renewed infrastructures.

They are typically organized by variable combinations of national governmental and international non-governmental organizations and thus can be said to be important elements in 'official' versions of public culture.⁸

In this category can be included the Olympic Games, FIFA World Cup, Tennis Open, Universal Exhibition, festival of great impact (like Rio Carnival, etc.) and the Jubilees.

This kind of event, more than the others, can trigger structural changes to a local accommodation sector, produce increasing tourist flows in an area, have persistent effect on a tourist market and activate additional economic effects in a territory.

2.2 The local dimension of Mega events

As local events, the localism of Mega events consists in the fact that they are about concrete embodied spectatorship and participation, and they are about the particularity of place (a city's 'place' image).

While Mega events are national and also importantly inter-national (even global), as events they are also localized in space as well as time. Mega events are localized also in terms of being analyzable as urban events, having important and distinctive 'urban' level characteristics.⁹

These urban-level characteristics of Mega events are as follows. They provide a model of cities in their architecture, habitation areas, public functions and services, etc. They are usually intended to physically transform some strategically important area in cities. They project the image and status of the local power elite which produced the event for the city's public. Finally, they project the city to the world (in particular the city's image for tourism and inward investment) and they re-position the city in the world of global inter-city comparisons and economic competition.

2.3 Event tourism impacts

There are always lots of impacts of events on a host community. When discussing the impacts of events, more emphasis is often placed on the financial aspects probably, because it accounts for the justification of the budget goals and expenditure.

Also for event tourism and for tourism development the main driving force as a whole are the economic benefits derived from it, but events have become a basic element on distinctive strategies for tourism

⁷ Hall, C.M. 1992. *Hallmark tourist events: impacts, management and planning*. London: Belhaven Press.

⁸ Roche, M. 2000. *Mega events and Modernity: Olympics and Expos in the growth of global culture*. Routledge, London. Chp. 1.

⁹ Roche, M. 1992a,b, 1994, 1999d. *Mega events and Modernity*. Routledge, London.

development in many areas, regions or even countries, being considered in many cases as a major and unique competitive advantage.

Many studies addressing tourism events suggest that they can be very helpful for the destination mainly for three interrelated reasons: their capacity to attract tourists and generate economic benefits, the development of infrastructure and services and the creation or strengthening of a brand image for the site. Although many tourism organizations stress international tourism, there is no doubt that most events are dependent on local and regional audiences. But whether events are true tourist attractions (i.e., motivating overnight or non-local travel), or a reason for visitors already in an area to stay longer, they can have tourism value. Events can also have the effect of keeping people and their money at home, rather than traveling outside the region. Event “drawing power” or “attractiveness” to tourists concerns the spreading of tourist demand over time (to overcome the tourist seasonality problem) and space (to spread demand throughout a country or region).

The international tourism activity is easier to measure than domestic tourism activity, there are often economic benefits associated with the two categories depending on the magnitude and nature of the event being hosted. Events can impact in the form of foreign exchange earnings, income and employment generation. The expenditures by tourists can be as real as any other consumption and international tourist expenditures can be seen as an export from the host country, while domestic events can be seen as an export from the hosting region to other local regions.¹⁰

¹⁰ Cooper, C., Fletcher, J., Fyall, A., Gilbert, D. & Wanhill, S. 2008. *Tourism, Principles and practice*. Essex: Pearson Prentice Hall.

3. THE ITALIAN MEGA EVENTS OF 21TH CENTURY

In the previous paragraph a definition of 'Mega events' was given as large scale cultural (including commercial and sporting) events which have a dramatic character, mass popular appeal and international significance.

Before starting the analysis, it is important to point out that 'Mega events' are only the most visible and spectacular examples of a dense social eco-system and social calendar of public cultural events in modern societies. This thriving 'event ecology' or 'performance complex' includes a vast range of more specialist forms of great international events which have developed in the late twentieth century.

The Mega events analyzed are The Great Jubilee of Christianity of 2000, the Winter Olympics in Turin of 2006, the Expo Milan of 2015 and the Extraordinary Jubilee of Mercy of 2016 (still ongoing).

Tab. 1. Table of the events

Event	Period of event	Territory involved in the event
<i>The Great Jubilee of Christianity</i> of 2000	December 24, 1999 - January 6, 2001	- Rome (<i>Municipality</i>)
<i>Turin Winter Olympics</i> of 2006	February 10 - March 19, 2006	- Turin (<i>Municipality</i>) - Province of Turin
<i>Expo Milan</i> of 2015	May, 1 - October 31, 2015	- Milan (<i>Municipality</i>) - Baranzate (<i>Municipality</i>) - Pero (<i>Municipality</i>) - Rho (<i>Municipality</i>)
<i>The Extraordinary Jubilee of Mercy</i> of 2016	December, 8 - November 20, 2016	- Rome (<i>Municipality</i>)

3.1 Characteristics of the events

The first consideration is on the differences of fundamental aspects of these events. They belong to different typologies also in the meaning of their "nature" and kind of visitors: two religious events (one periodic and scheduled long before and the other of an extraordinary nature and unplanned), a mega sporting event and a universal fair. The different nature of these events affects the organization in term of planning and subjects involved in the organization (e.g. the Jubilees are not specifically organized by the territory that hosts them but by the Catholic Church).

Characteristics as periodicity, duration and breadth of the area influenced is also fundamental in analyzing these events. The duration of these events ranges from a year (Jubilees) to one month (Olympic games), and impacts in various ways on the local tourism market. Moreover the areas involved, directly or indirectly, in the events are very different, in terms of number of municipalities and of core area of the event (e.g. city center or peripheral areas).

All these aspects produce different effects and impact on the host area of the event and particularly on the local tourism market.

3.2 Turin Winter Olympics of 2006

The Winter Olympic Games is a major international sporting event that occurs once every four years. Unlike the Summer Olympics, the Winter Olympics feature sports practiced on snow and ice.

The XX Olympic Winter Games were held in February from 10 to 26, 2006, and the IX Winter Paralympic Games in March from 10 to 19, 2006. The event was held in Turin, which hosted the opening ceremony, the closing ceremony and some indoor races, and in some mountain municipalities in the province of Turin, in the valleys of Susa and Chisone.

The analysis focused on the municipalities of Turin and on the province of Turin.

The Turin Olympics were a successful event: the percentage of tickets sold was 89.9% of those available and all the “other numbers” of Games (races, athletes, spectators, volunteers, employees, etc.) were greater than almost all previous winter editions since 1980¹¹.

The analysis of tourist flows for the period February-March 2006 pointed out a significant positive variation of +52.3% compared to the same months of 2005, confirming the great success of the Games. In the event period there was an incredible boost by international flows, with a variation of +145.1%; even the national component was positive but lower (+7.5%).

A more careful analysis showed that to focus only on the months of February and March 2006 was not enough to understand the phenomenon and did not describe what can be defined as the “Olympic period”. Already from the previous year, in fact, there had been considerable expectation and the arrival of a massive number of people linked to the event.

From the analyzes carried out, therefore, it was decided to identify the year 2004 as a period of confrontation “pre-Olympic” and consider the years 2005 and 2006 as “Olympic” period. Moreover, it was considered that official news of the Winter Olympics in Turin was in 2001 and so it was decided to analyze this year for some specific variables.

The analysis of tourist accommodation establishments in the city of Turin, in the province of Turin¹² and in the Piemonte region, shows a growing trend both of accommodation establishments and of bed-places since 2001, when the assignment of the Olympic Games to the city of Turin became official. The variation of the total bed-places in Turin from 2001 to 2007 was +39.6%, in particular +29.6% for hotel and similar establishment bed-places and the variation rises by +64.9% for beds in other collective accommodation establishments.

Also for the Province of Turin and the whole Region, the variations were extremely positive, respectively, 31.8% and 24.8% for the total number of beds, and 23.6% and 24.1% for beds in the other accommodation establishments; also there was a significant increase of 39.3% in hotel bed-places in the Province of Turin.

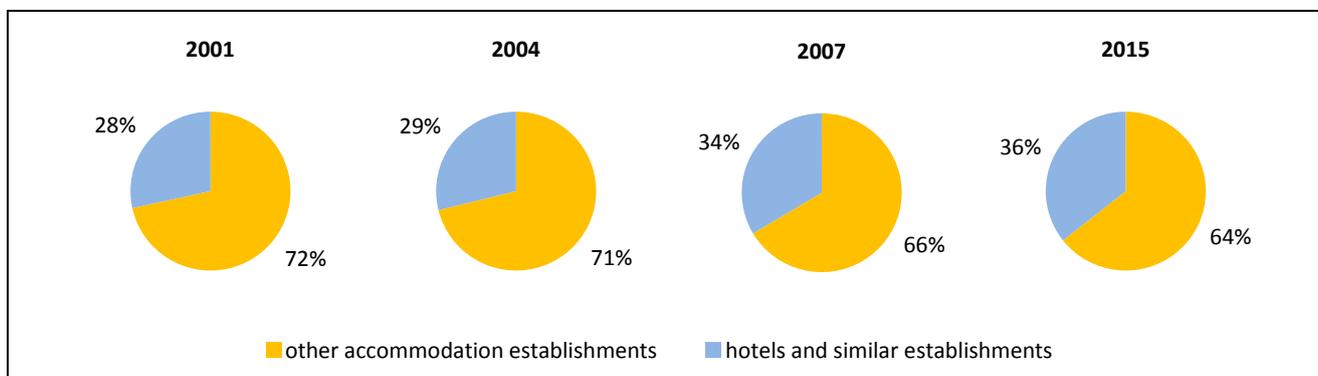
¹¹ Only the Olympics in Salt Lake City in 2002 have a better percentage of tickets sold and a bigger audience. Source: *TOROC data - TORino Organising Committee*.

¹² In the province there are all municipalities involved in the Olympic event.

In the years 2006 and 2007, the accommodation's growth seems to have slowed, a physiological post-Olympic fall, but then the positive trend continued. In 2007, there were 18,000 beds in the city of Turin and about 65,000 in the province, in 2015, more than 21,000 beds in Turin and more than 70,000 in the province (+16.6% in Turin in 2015 compared to 2007 and +9.0% in the province).

It is evident that the type of accommodation had important changes concurrently with the Olympic event: until 2004, the share of other accommodation beds¹³ remained below 30%, instead increasing to 34% in 2007 and continuing to grow in the years up to 2015 (36%). So, as the standard hospitality add new forms of accommodation such as B&B and Holiday dwellings (managed as a business) which were among the fastest growing types; it is evident, moreover, that in the Olympic years, the 5 star hotels that were absent in the province of Turin in the early 2000s were founded.

Graph. 1. Bed-places in collective accommodation establishments in Turin. Shares on total. Years 2001-2015



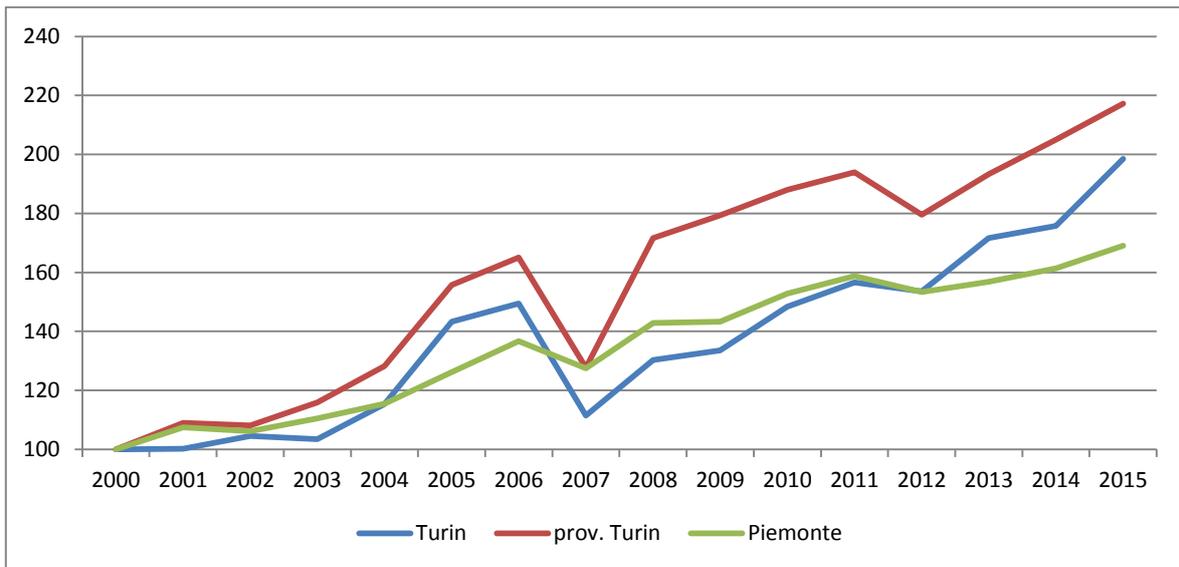
Source: Istat, Capacity of accommodation establishments.

The positive trend of accommodation is homogeneous in the various provinces of Piemonte; in fact, they have increased the availability of accommodation for tourists proportionally to the expectations related to the event.

The analysis of tourist flows in the fifteen years from 2000 to 2015 shows that since 2003 the nights spent by tourists have started to increase considerably in Turin, in the province of Turin and in the region Piemonte, reaching two peaks in 2005 and 2006; in 2006, the highest number of nights spent until that moment were detected. In 2006, compared to 2004, pre-Olympic year, an increase of 29.5% was noted in the municipality of Turin, 28.7% in the province of Turin and by 18.4% in the region. In 2007, there was a negative peak of particular relevance, but since 2008 a positive trend has restarted that continued for the following years until 2015, showing a decrease only in 2012 (the year that also at the national level the nights spent had a drop, especially those of residents).

¹³ On the total number of beds.

Graph. 2. Nights spent. Years 2000-2015 (Index number 2000=100)

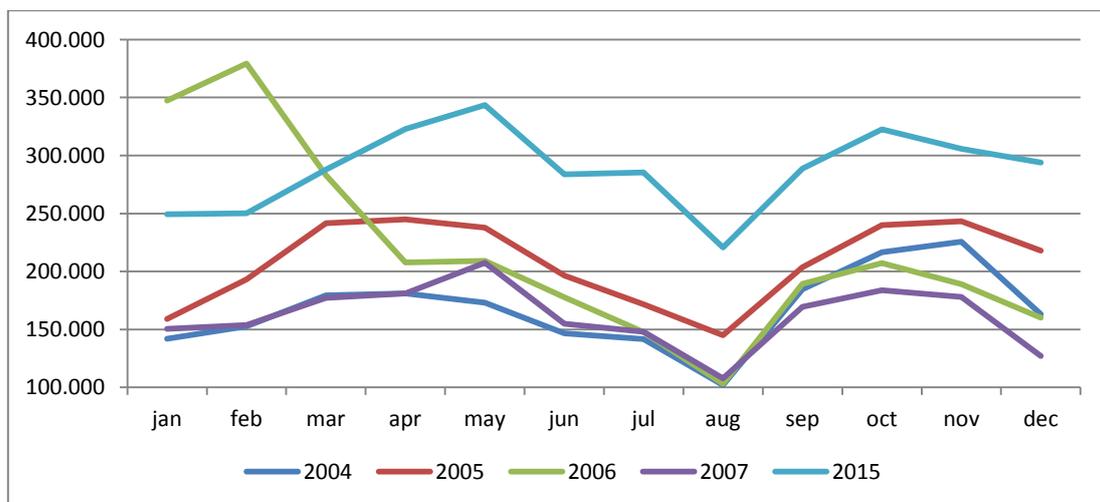


Source: Istat, Occupancy in accommodation establishments.

Observing the monthly nights spent in the municipality of Turin, the main area of Olympic tourism, for the years close to the event, and for the most recent year available, 2015, it is clear first of all that the peak of nights spent was in the month of February 2006 was not achieved again; secondly, that the year 2007, as already emerged, was a bad year for tourism in Turin (back to the levels of 2004), since then the level of nights spent has grown steadily.

Moreover, it can be said that in the city of Turin, tourism seems not to be seasonal because there are no peaks in particular months (only in the month of August there is a negative peak); so, the winter season does not seem to have had any particular improvements after the Olympics.

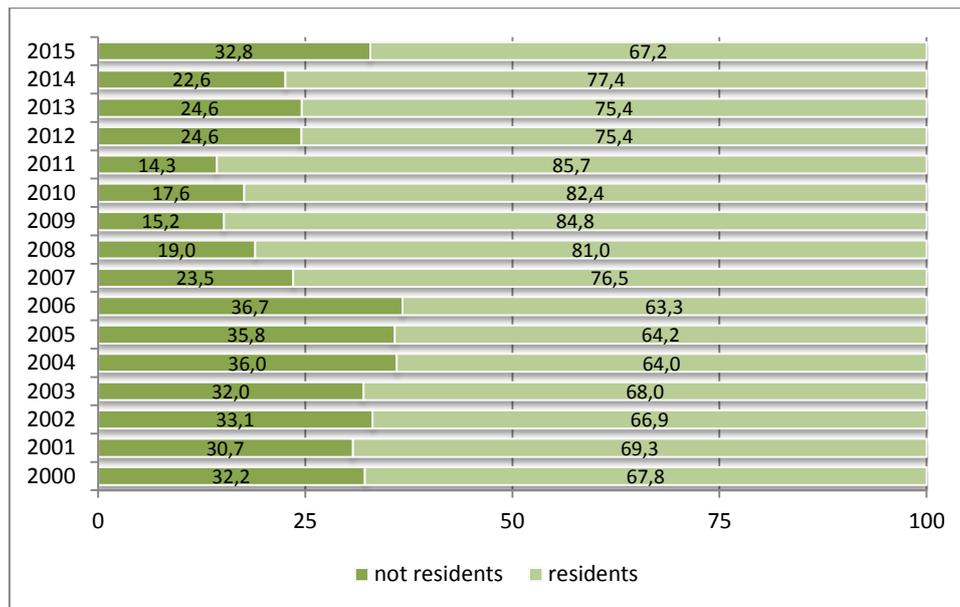
Graph. 3. Monthly nights spent in Turin. Years 2004-2005-2006-2007-2015



Source: Istat, Occupancy in accommodation establishments.

Italian tourists remain the main market for the city of Turin, for the province and for the region: in the 2000s, the percentage of international guests in the municipality of Turin amounted to around 30-32%, which increased considerably over the years near to the Olympics to touch the peak of 36.7% in 2006. Since 2007, the decline of foreign visitors has been consistent and continuous over the years, with a negative peak of 14.3% in 2011. Only in 2015, was the value above 30%, probably driven by Expo Milan.

Graph. 4. Nights spent (by residence) in Turin. Shares on total.



Source: Istat, Occupancy in accommodation establishments.

The Olympics of 2006 have had a significant positive impact on the tourist market and on accommodation establishments in years prior to the Olympics and for the year of the event itself. Then, the effect appeared to be less in the years immediately after the event and finally has showed a continuing positive trend.

The opportunity of the Olympic Games was certainly crucially important for the involved area because it prompted a deep transformation and renovation process:

- at first, the assignment of the Games was an “engine” for the accelerated construction of public works, which was accompanied by a lively recovery in private construction activity with strong growth of accommodation facilities, especially in new forms of accommodation;
- later, after the Games, Turin was able to change its “vision” and has been proposed as a city open to culture and tourism, and, over time, this new “vision” has led to the growth of tourist flows and of the accommodation system.

Turin was known as an industrial center, famous only, for the production of cars: after the Olympic Games, it was offered on the tourist market as a city that gives more value to intangible assets, such as knowledge, well-being, quality of life, communication, information. This change has had an impact also on the cultural side, through the development of initiatives that have been able to use the Olympic opportunity to

promote a new image of the city. A series of focused initiatives have been able to improve the touristic offer, cultural and entertainment and this has brought more tourists.

But it has not had the hoped increase in international guests: in fact, the Olympic Games brought a positive result only near to the event, but then the internationalization over the years never happened. In addition, the mountain tourism vocation for which there was a particular expectation for the nature of the Olympic Games, has remained the least developed over the years. Instead, it was promoted a cultural, gastronomic and congress tourism more centralized in the city of Turin rather than in mountain municipalities.

3.3 Expo Milan 2015

A Universal Fair or Universal Exposition (Expo for short) is a large thematic public exhibition organized to showcase and demonstrate the latest products and services of a sector, to meet with industry partners and customers, to show research and study activities on a thematic area and examine recent market trends and opportunities.

The Expo Milan of 2015 was held from the 1st of May to 31st of October 2015 in the Fair area of Rho (province of Milan) and indirectly in the city of Milan for events such as the opening ceremony and some side events.

Although the event strictly took place in an area outside the city of Milan, there were many important events related to the Expo in the city center (e.g. "Expo in Città").

Also if the areas directly involved in the event were the municipalities of Milan, Baranzate, Pero and Rho, the analysis pointed mainly to the city of Milan and its province, with a view on the other provinces of the Lombardia Region.

For the capacity variables, the accommodation sector shows in 2015 a strong growth in the Expo area¹⁴ and in the province of Milan, both for accommodation establishments and bed-places.

In 2015 in the Expo area the number of tourist accommodation establishments grew by 16.7% compared to 2014 and the number of beds by 10.4%. These increases were driven by the "other accommodation" which registered +28.8%, in terms of establishments, and +20.6% in terms of beds.

Even the hotels increased: in particular in Milan the hotels went from the 452 of 2014 to the 472 of 2015 (+20 units) with 51,351 beds (+4,109 compared to 2014).

Also the provinces of Milan and Monza and Brianza showed a similar growth of the accommodation variables in the period of the event, with rises mainly set by the non-hotel sector.

¹⁴ "Expo Area" means the municipalities of Milan, Baranzate, Pero and Rho.

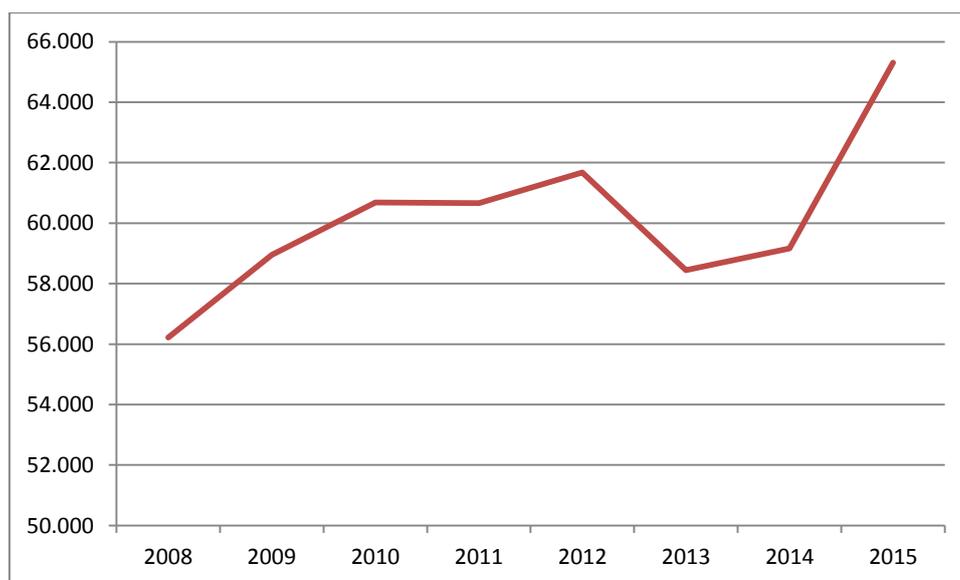
Tab.2. Capacity of accommodation. Expo area and other territory. Var. % 2014-2015

Territory	Hotels and similar		Other accommodation		Total accommodation	
	Est.	Beds	Est.	Beds	Est.	Beds
Expo area	4.1%	8.5%	28.8%	20.6%	16.7%	10.4%
Province of Milan	3.4%	6.6%	26.4%	20.3%	15.6%	8.4%
Province of Monza e della Brianza	1.6%	1.3%	22.9%	7.1%	14.6%	2.5%

Source: Istat, Capacity of accommodation establishments.

The pattern of bed-places of the accommodation establishments in Expo area from 2008¹⁵ to 2015 showed the Expo effect on the accommodation sector: after the negative peak of 2013, determined by the economic crisis, the number of bed-places restart to grow in 2014 and reach its maximum peak in 2015, approaching the 66.000 bed-places.

Graph. 5. Bed-places of accommodation establishments in Expo area. Years 2008-2015.



Source: Istat, Capacity of accommodation establishments.

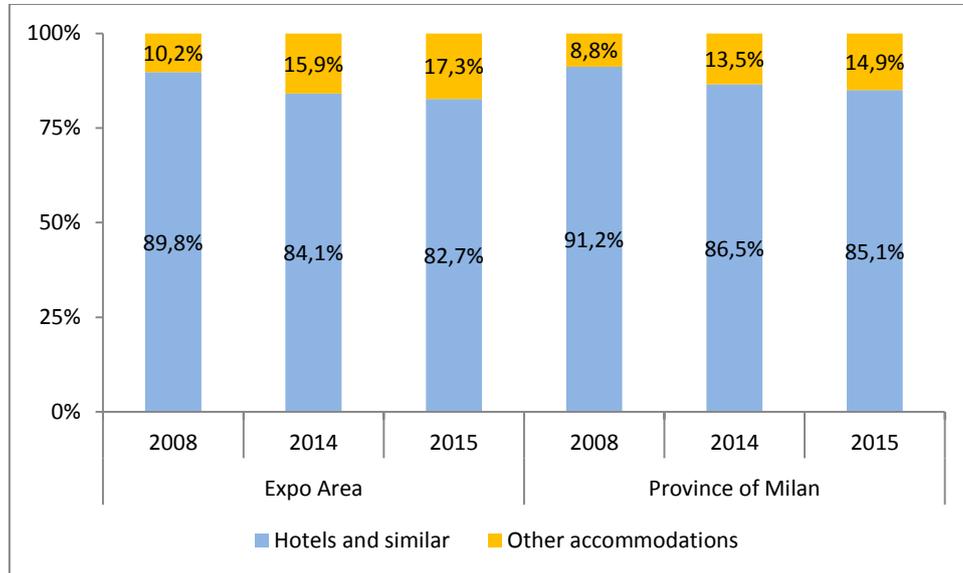
For a business region as Lombardia, and in particular for the city of Milan, the hotel-like accommodation always had a prevalent role in the tourism sector. As seen before, the Expo produced a very positive trend of capacity variables. The hotels of the Expo area gained 4,213 bed-places from 2015 to 2014 and the “other accommodation” sector added in the same period about 2,000 bed-places to its offer.

Although the “other accommodation” grew in a larger way than the hotels, the prevalence of the hotel receptivity in the area has determined only small changes in terms of the share of bed-places by type of accommodation: the “other accommodation establishments” moved from the 15.9% of 2014 to the 17.3%

¹⁵ In 2008 the Bureau of International Expositions has decided to award the event in Milan.

of 2015 with a gain of 1.4 points on the hotel sector. This gain gets bigger if it is compared to the value of the share of bed-places of the “other accommodation” sector in 2008 (+7.1 points).

Graph. 6. Share of bed-places for typology. Expo area and province of Milan. Years 2008-2014-2015.



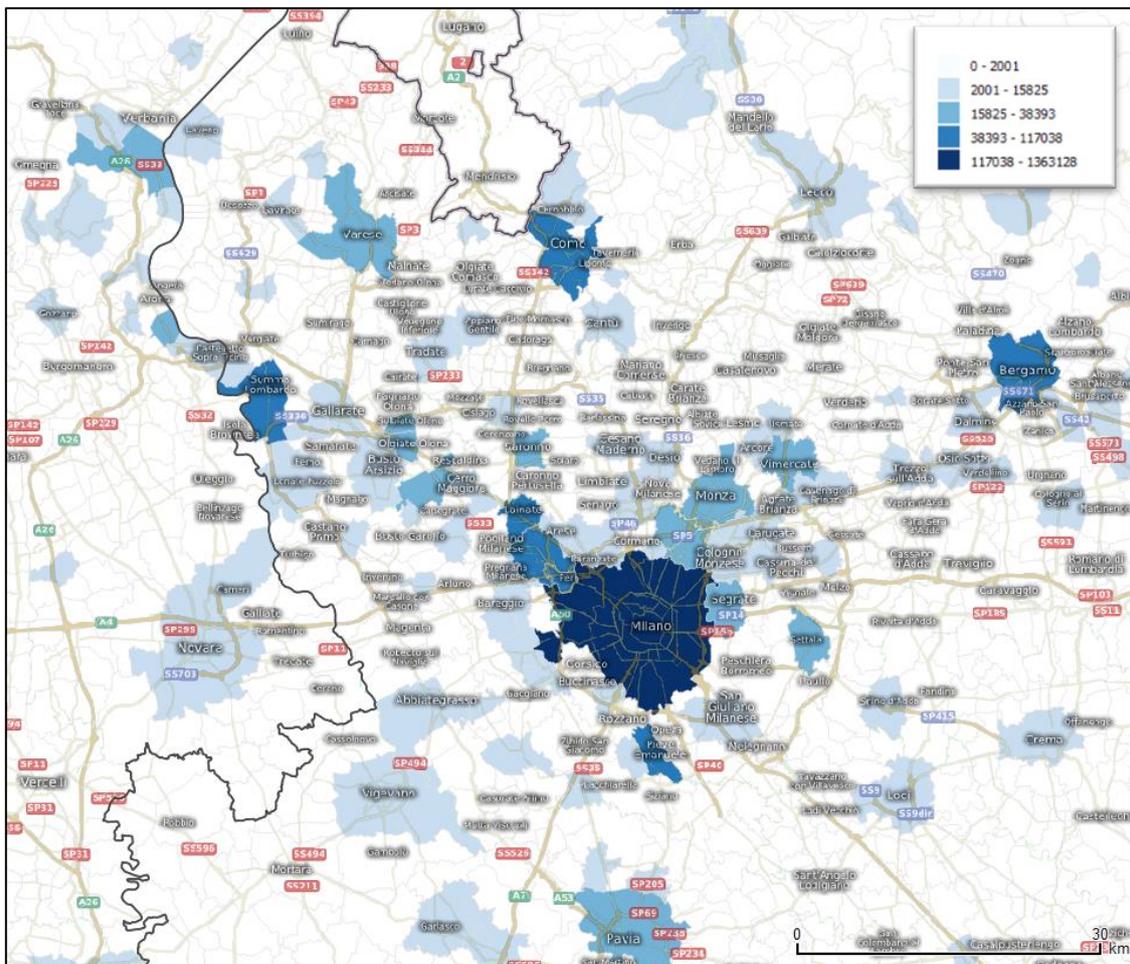
Source: Istat, Capacity of accommodation establishments.

The impact of the Expo on the occupancy variables was very wide and involved a territory that extends far beyond the strictly Expo area.

Through a graphic approach it is possible to view at municipality level the effect of the event in terms of nights spent in the accommodation establishments during the six month of the Expo compared to the same period of 2014.

It is clear that in territorial terms there were an extensive effect on tourist flows. The major impact was obviously in the municipalities of the Expo area and in the urban neighbourhoods of Milan, but also other territories showed big variations in terms of overnights, as most of cities close to Milan (e.g. Monza, Como, Varese) and many cities on the main lines of communication with the city of Milan and the fair area (e.g. Somma Lombardo, Cerro Maggiore, Olgiate Olona, Saronno) as well as almost all the areas of the major airports (e.g. Bergamo). The event effect was present even outside the region with variations in many towns of Piemonte (e.g. Torino, Dormelletto, Verbania, Novara).

Fig. 1. Variation of nights spent at municipality level. May-October 2014-2015

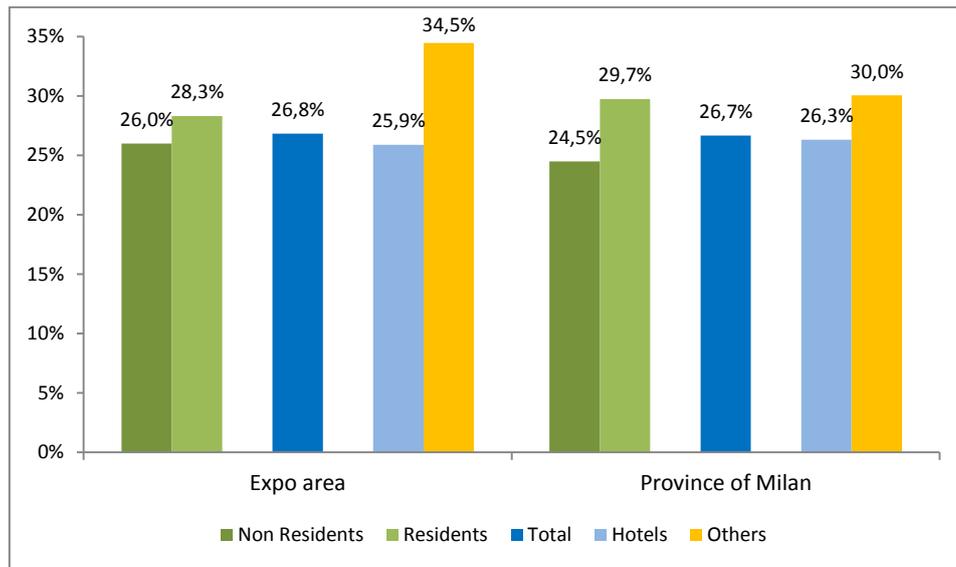


Source: Istat, Occupancy in accommodation establishments.

In the six months of the Expo event, from May to October 2015, in the Expo area the nights spent in tourist accommodation establishments showed an increase of 26.8% compared to the same period of the previous year. The major variations determined by the event were recorded in “other accommodation” where overnights increased by over 1/3 (+34.5%) on the same period of 2014. The hotel sector increased by 25.9% with almost 1.3 million additional guests compared to the previous year. Overall there were about 7 million overnight stays, with nearly 1.5 million tourists in accommodation establishments in the same period of 2014.

In the six months of the Expo the province of Milan showed similar changes to those registered in the Expo area (that were overall +26.7% compared to 2014) even by type of accommodation and by residence of the guests. The trend of tourist flows by country of residence in the Expo area showed that the increase of the domestic component (+28.3%) was higher than that of the international component (+26.0%), with a difference even more pronounced when considering the province of Milan.

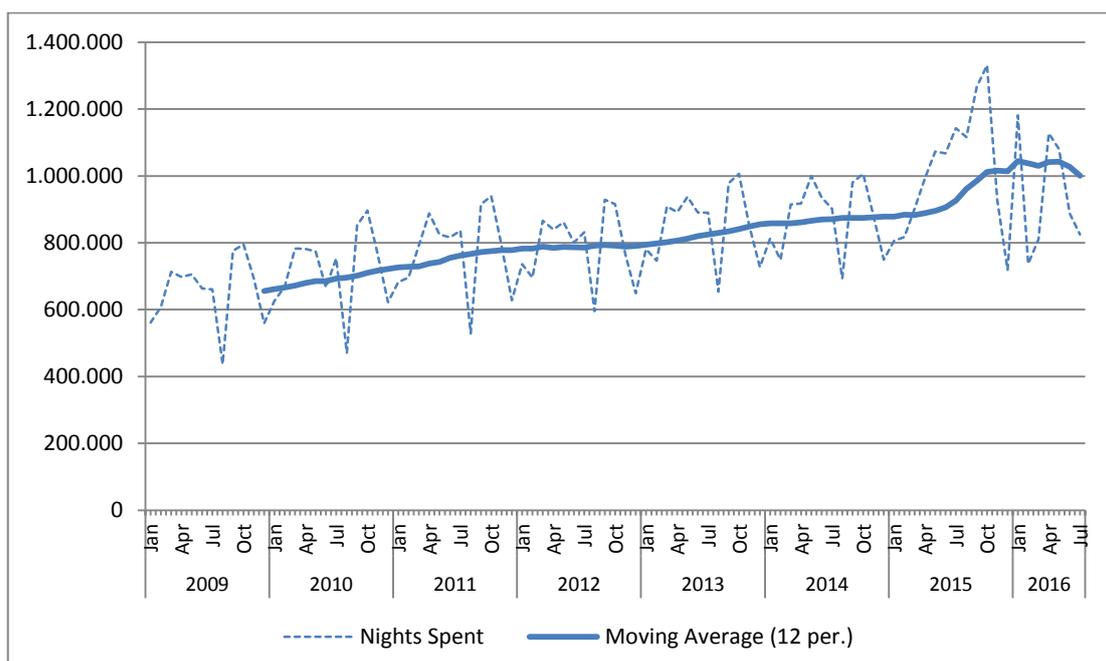
Graph. 7. Variation of nights spent. Expo area and province of Milan. May-October 2014-2015



Source: Istat, Occupancy in accommodation establishments.

The shares of nights spent by residence of the guests did not change between 2014 and 2015, but compared to 2008, the year in which the Bureau of International Expositions decided to award the event to Milan, the share of non-resident guests in the Expo area gained 3 percentage points (from 61% to 64%). In the Expo area as in the province of Milan, the higher incidence of non-resident guests determined a growth of 1 million of overnight stays for the international guests and 600,000 for residents. The pattern of nights spent in accommodation establishments of the Expo area showed a rising trend since 2009, with a strong growth during the event.

Graph. 8. Monthly data of nights spent in Expo area. Years 2010-2016



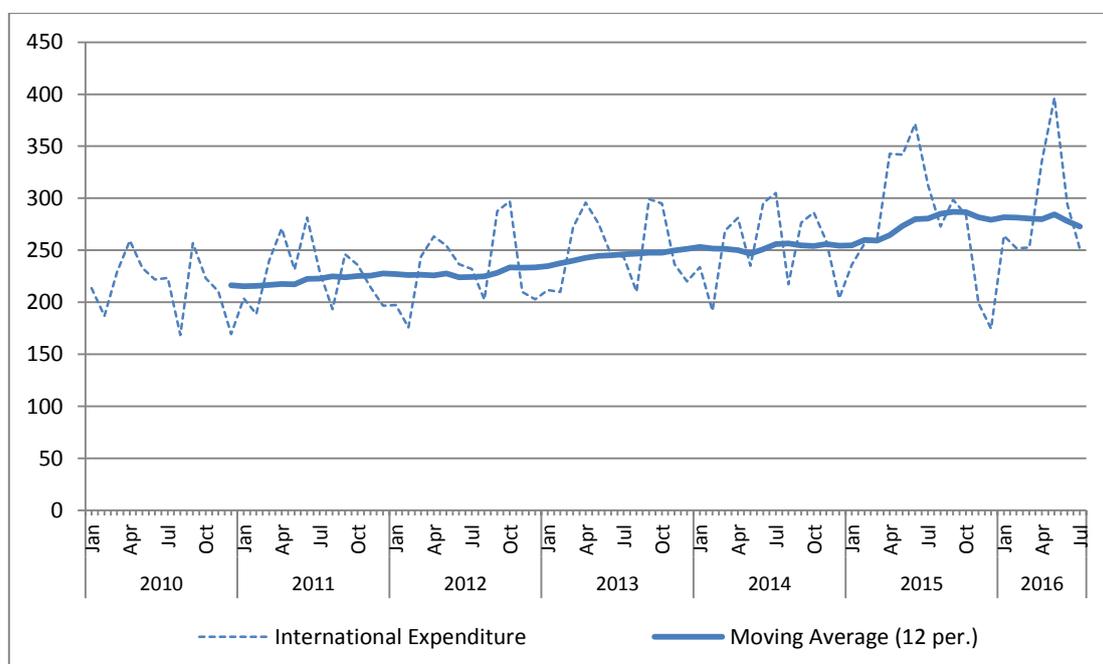
Source: Istat, Occupancy in accommodation establishments.

Although the time series of nights spent after the event is still short, it seems that even after the Expo the overnights are at a higher level than before, and the nights spent by the international guests are still increasing.

Expo Milan 2015 has had a strong positive impact on the tourist market and the offer accommodation in a much wider area of the only municipality of Milan and the surrounding towns. This effect is visible both in terms of the capacity and in terms of tourist flows, but it did not upset the tourist offer of the territory that remains mostly hotel-like, with a strong international image. The strong “business soul” of Milan determined the prevalence of the hotel sector also for a mass big event like Expo, with a very wide target of visitors and on a very popular theme like the alimentation. The offer of the “other accommodation establishments”, increased significantly before the event, seems to have covered the additional demand of overnight stays of national guests determined by the event.

Also if the analysis has showed an increasing number of international guests during the event and before that, lower than nationals, on the other hand there was a big growth in tourism spending of non-residents during the event, as evidenced by survey data on international tourism of Banca d’Italia.¹⁶ The pattern of the international expenditure of Milan visitors, showed a rising trend since 2009, similar to the nights spent in the accommodation establishments, with an increasing ramp from the first months of 2015, remaining in 2016 on a higher level than before.

Graph. 9. Monthly data of international expenditure in Milan. Euros. Years 2010-2016



Source: Bank of Italy, Survey on international tourism.

¹⁶ The Bank of Italy conducts a sample survey on international tourism at the country’s main border crossings for balance-of-payments and analysis purposes. Each year a sample of international travellers (both foreigners in Italy and Italians abroad) who have crossed Italy’s borders is interviewed.

3.4 The Great Jubilee of Christianity of 2000 and The Extraordinary Jubilee of Mercy 2016

Christian Jubilees involve pilgrimage to a sacred site, normally the city of Rome. The Great Jubilee in 2000 was a major event in the Roman Catholic Church, held from Christmas Eve (December 24), 1999 to Epiphany (January 6), 2001. The Extraordinary Jubilee of Mercy is a Roman Catholic period of prayer held from the Feast of the Immaculate Conception (December 8), 2015, to the Feast of Christ the King (November 20), 2016.

It is an extraordinary Jubilee because it was not predetermined long before (usually ordinary jubilees take place every 25 years). The 2016 Jubilee was declared by Pope Francis in April 2015.

Like other Jubilees, these events were a celebration of the mercy of God and forgiveness of sins and its major innovation was the addition of many “particular Jubilees” for various groups of people distributed during the year.

The Jubilee’s events involved the city of Rome, because the main points of attraction of the jubilee event were in the city center, with the four great basilicas (St. Peter's, St. John Lateran, Basilica of St. Mary Major, St. Paul outside the Walls) which the pilgrims were required to visit.

Excepted for the ceremony of the unwalling and the final walling up of the “holy door” in each of the four great basilicas, like every Jubilee, there were a fairly spread distribution of the pilgrim flows throughout all the year.

It seemed natural to analyze together the Jubilee of 2000 and that Extraordinary Jubilee of 2016 both for the similarities of the two events and for the geographical area involved, the city of Rome.

But the two events had important differences that will certainly have been a strong influence on the impact on the local tourist market:

- The Great Jubilee of 2000 was announced officially four years before, while the Extraordinary Jubilee of Mercy was announced only a few months before;
- The 2016 Jubilee was profoundly different from that of 2000 because it is not necessarily required to come to Rome to enter the Holy Door for the jubilee benefits, which will instead gather in all the dioceses of the world and in all of Christendom sanctuary selected by bishops;
- The current Pope Francis wanted a strictly “spiritual Jubilee”, not an economic phenomenon, while Pope John Paul II drew impressive crowds of pilgrims to Rome and there was a media impact never had before for a religious event. In fact, the Jubilee of 2000 was marked by a simplification of the rites and the requirements for achieving the indulgence, as well as a huge effort to involve more Christians in the event;
- The economic crisis and the growing fear of terrorist attacks characterized negatively the dynamics of tourism in the recent period.

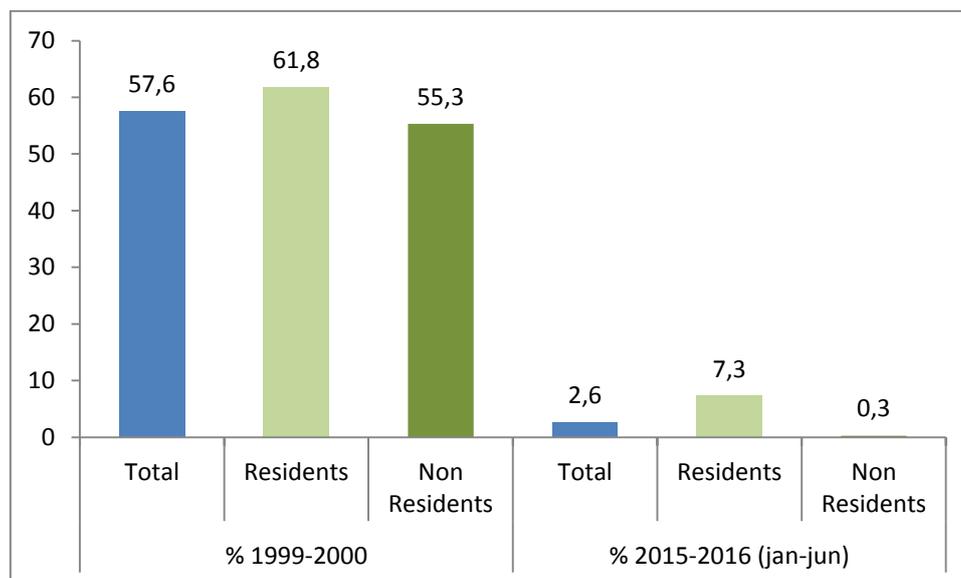
The first fact to consider the 2000 Jubilee concerned the flow of tourists. That year tourism had record levels for Rome and Italy in general: in 2000 the nights spent grew by 57.6% compared to 1999 in Rome, while Italy registered a +7.4%, a bigger variation than the average of the previous years.

In Rome both domestic and non-resident guests have an increase in terms of overnight stays, respectively +61.8% and +55.3%; this indicates that the Jubilee of 2000 attracted more national tourists than international, although even the growth of foreigners was significant. The tourist flows for some nationalities increased significantly in that year (e.g. French and German) but the share of non-resident guests in total remain still the same (64.9% in 1999 and 64.0% in 2000).

The Extraordinary Jubilee of Mercy is still ongoing and for that reason the analysis on tourist flows is up to the month of June 2016.

Although the dynamic of tourist flows was positive in the period from January-June 2016 compared to the same period of the previous year, the values registered are very far from those of 2000. In fact, the overnight stays in total grew by 2.6% with the domestic guests that increased by 7.3%. The international guest showed virtually no change (+0.3%).

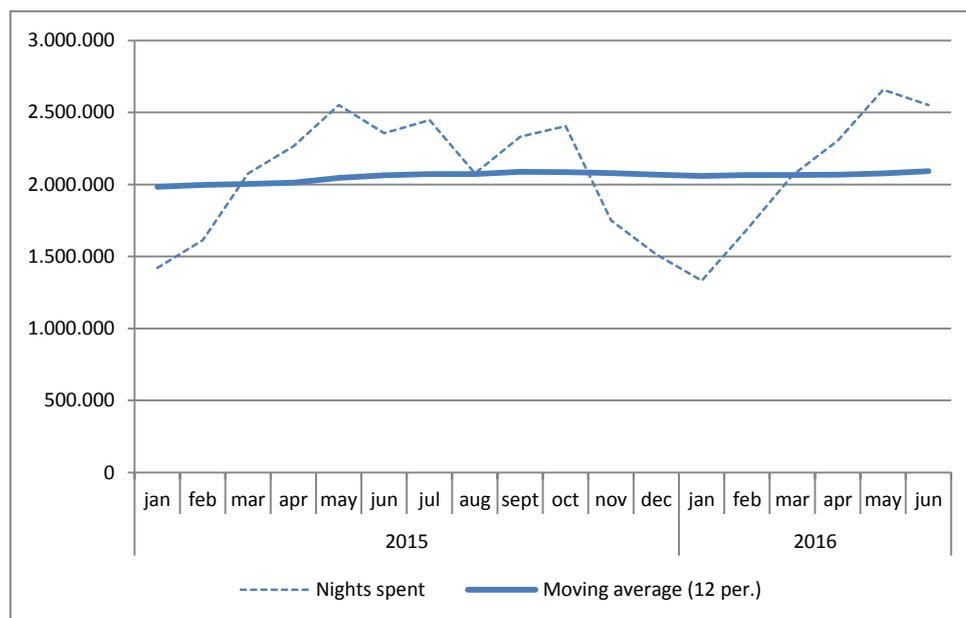
Graph. 10. Variation of nights spent. Rome. Years 1999-2000 and 2015-2016 (January-June)



Source: Istat, Occupancy in accommodation establishments.

The time series of nights spent in Rome in a wide interval of time did not show a “Jubilee effect” on the tourism market. From 2001 there was a continuous decrease of nights spent in accommodation establishments that stopped only in 2004, but seem completely disconnected from Jubilee dynamics. Also the overall positive pattern of overnights of recent times seems not to be determined by the Jubilee event of 2016 but by the effect of a positive trend component in the time series which showed its first signals with the values of April 2015 (with effect still ongoing).

Graph. 11. Monthly data of nights spent in Rome. Years 2015-2016



Source: Istat, Occupancy in accommodation establishments.

The Jubilee of 2000 also had an impact on the accommodation sector that increased considerably on the previous year, mainly for “other accommodation” that registered +31.1% of beds compared to 1999, but also for the hotels (+5.9% of beds).

The Jubilee of 2016 showed a similar effect on the capacity of accommodation establishments in Rome, with positive changes both for the number of establishments and beds, especially in the “other accommodation establishments” sector. The capacity variables increased by 12% in terms of total establishments and by 10.1% in terms of bed-places compared to 2015, with a variation of hotel beds by 5.2% and of the “others” by 17.7%.

Tab.3. Capacity by type of accommodation. Municipality of Rome. Years 1999-2000, 2015-2016. Abs. val. and Var. %

	Establishments					
	1999	2000	% 99-00	2015	2016	% 15-16
Hotel and similar accommodations	766	802	4,7%	1.140	1.211	6,2%
Other accommodation establishments	200	254	27,0%	9.432	10.633	12,7%
Total	966	1.056	9,3%	10.572	11.844	12,0%
	Beds					
	1999	2000	% 99-00	2015	2016	% 15-16
Hotel and similar accommodations	74.128	78.480	5,9%	111.783	117.576	5,2%
Other accommodation establishments	16.489	21.620	31,1%	71.979	84.716	17,7%
Total	90.617	100.100	10,5%	183.762	202.292	10,1%

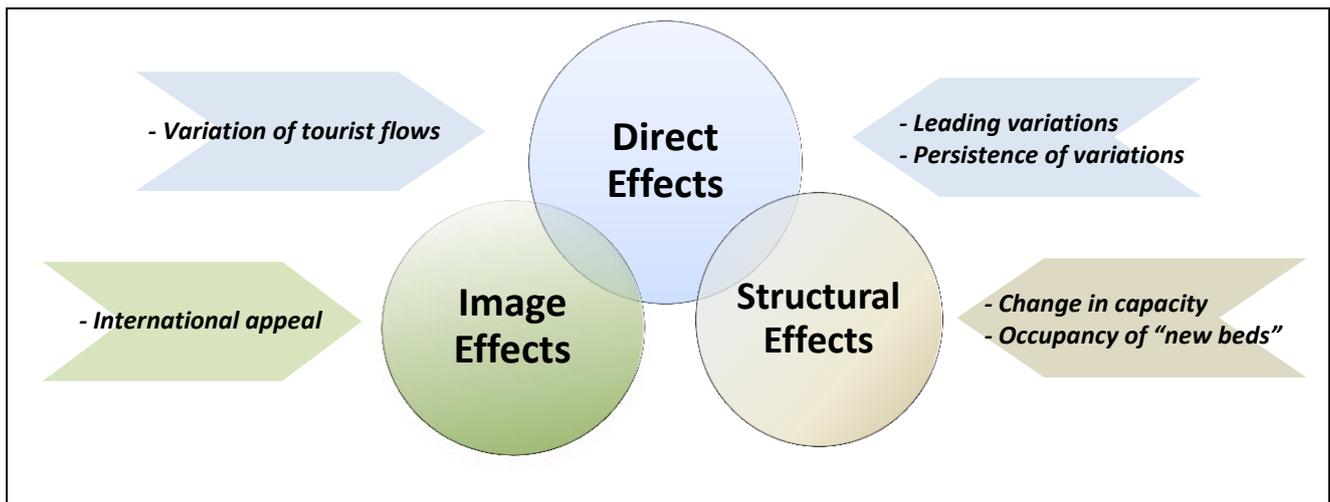
Source: Istat, Capacity of accommodation establishments.

4. JOINT ANALYSIS OF THE EVENTS

The analysis of the events and their characteristics showed some key elements to measure and highlight the different aspects of the impact of an event on the local tourism market.

The three points of view considered in this paragraph to analyze the impact of these events on the local tourist market were: direct effects, effects in terms of image, structural effects on the sector.

Fig. 2. Impact of Event: key aspects



The direct effects focused mainly on nights spent, not strictly in the event period but in a wider time interval, to appreciate the event's impact on the local tourism market. Another direct effect was the pattern of nights spent over time like the change before the event, the persistence of variations over time and the "comet effect" of the event after many years.

The image effects concerned the international appeal of the event, analyzed by the variations of overnights of international guests and their change over time.

The analysis of the structural effects mainly concerned the capacity variables and the rates of occupancy of the extra beds generated by the event. It was also given an indicator of the scale of the area involved directly and indirectly in the event as measure of the territorial weight of the impact.

Finally in the last part of this paragraph it was calculated the overall impact of the events by a synthetic index.

4.1 Structural and direct effects: accommodation and flows

To analyze together the direct effect of an event and the structural change on the tourism market is possible to observe jointly tourist flows (during the event) and accommodation capacity.

To measure the impact of an event on a local tourism, while it is clear the importance of additional tourist flows generated by the event, it is more difficult to understand the big importance of the capacity variables

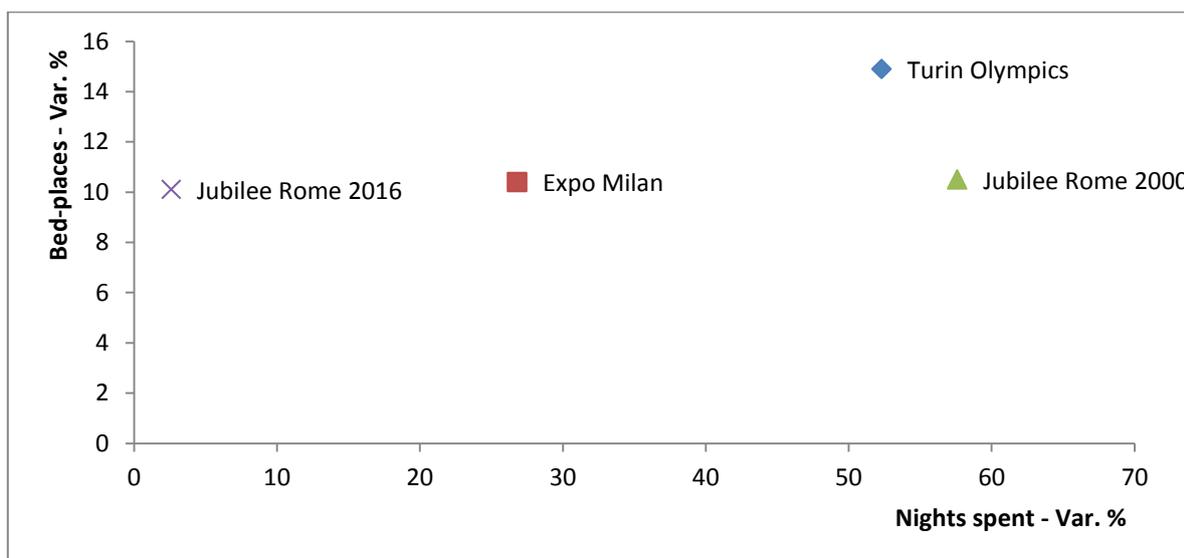
on a local tourism market. The capacity was a leading indicator, with its structurally rigid nature slow to sudden changes.

A big event can “change the skin” of a local accommodation sector, deviating the overnights to “new kind” of accommodation establishments and changing strongly the market, even in economic terms.

An “elastic” accommodation sector is more able to catch the increasing flows of tourist determined by the event. But on the other hand an excess in accommodation offer caused by an event with a low occupancy ratio is a weakness of a tourism market and a sign of overvaluation of the effects of an event.

The data showed that the Jubilee of 2000, Expo Milan and the Jubilee of 2016 had similar variations of bed-places compared to the period prior to the event, but had very different values in terms of tourist flows: from the major values of the Jubilee of 2000 (+57.6% compared to 1999) to the slight variation of the Jubilee of 2016 (+2.6%). The Turin Olympics had increasing tourist flows (+52.3%) similar to the Jubilee of 2000, but with a bigger increase on the number of beds (+14.9%).

Graph. 12. Variation of nights spent and bed-places during the event. %



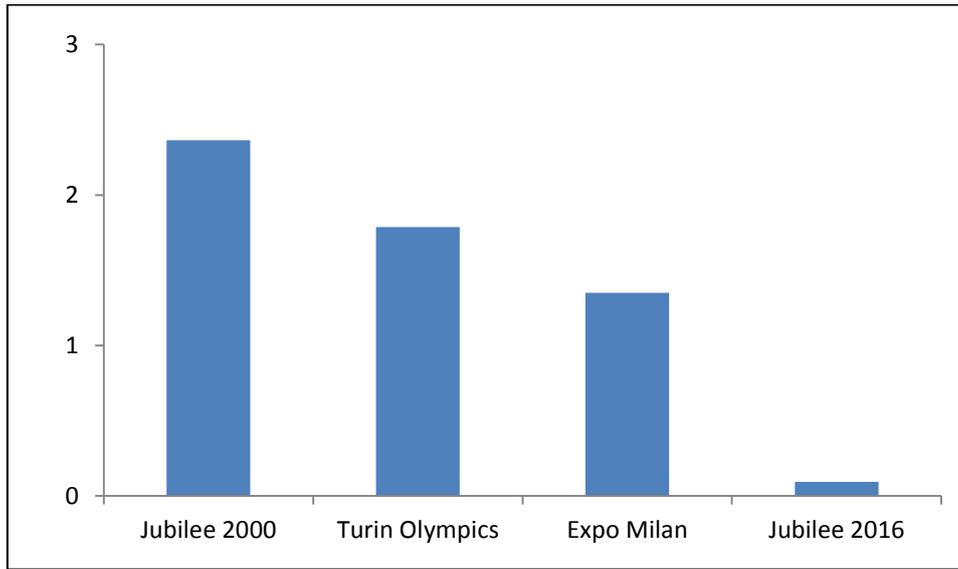
Source: Istat, Occupancy and Capacity in accommodation establishments.

It is also calculated the ratio of the additional flows generated by the event (in terms of nights spent determined by the event on the previous period) on the additional capacity generated by the event (in terms of additional bed-places multiplied by the days of the event).

When the indicator was ≥ 1 there was a positive effect of “extra beds” determined by the event; for values < 1 there was an excess of “extra beds” determined by the event not justified by additional tourist flows.

For the Jubilee of 2000, every added beds had host more than 2 added nights per day (2.4): this was a sign of a great impact of the event, maybe bigger than expectation. Even Turin Olympics (1.8) and Expo (1.4) had values of the indicator greater than 1, while for the Jubilee of Rome of 2016 (still ongoing) the value of the indicator was very low (0.1), a signal of overvaluation of the effect of the event.

Graph. 13. Added “Flows / Capacity” Ratio



Source: Istat, Occupancy and Capacity in accommodation establishments.

4.2 Indicators of impact

To compare in a synthetic way the impact of the reviewed events, it was found some indicators to allow an immediate comparison on the various aspects highlighted in the previous paragraphs.

The different aspects analyzed by the indicators were the impact in terms of tourist flows before and during the event, the persistence of event effect (in short and long term), the structural impact on local accommodation sector, the international appeal of the event and the impact area of the event.

The indicators used were:

- the “**event impact**” (E_i^{17}), the nights spent during the event compared to the same prior period;
- the “**leading impact**” (L_i^{18}), the variation of nights spent in the 6 months before the event period;
- the “**short term persistence**” ($P_i^S^{19}$), the variation of nights spent in the 6 months that follow the event;
- the “**long term persistence**” ($P_i^L^{20}$), the annual average of nights spent;

¹⁷ $E_i = \frac{NS_i^T - NS_i^{T-1}}{NS_i^{T-1}} \cdot 100$ where i is the event, T is the period of the event, NS_i^T are the nights spent during the period of event i and NS_i^{T-1} are the nights spent in the same prior period.

¹⁸ $L_i = \frac{NS_i^{[t-6]} - NS_i^{[t-6]-1}}{NS_i^{[t-6]-1}} \cdot 100$ where $NS_i^{[t-6]}$ are the nights spent in the six months before the event i and $NS_i^{[t-6]-1}$ are the nights spent in the same prior period.

¹⁹ $P_i^S = \frac{NS_i^{[t+6]} - NS_i^{[t+6]-1}}{NS_i^{[t+6]-1}} \cdot 100$ where $NS_i^{[t+6]}$ are the nights spent in the six months that follow the event i and $NS_i^{[t+6]-1}$ are the nights spent in the same prior period.

²⁰ $P_i^L = \sqrt[10]{\frac{NS_i^{T+10}}{NS_i^{T-1}} - 1} \cdot 100$ where NS_i^{T+10} are the nights spent (for the event period) 10 years after of the event i and NS_i^{T-1} are the nights spent in the prior period. It was considered a period of ten years.

- the **“international appeal”** (IA_i^{21}), the non-resident/resident ratio, the variation of nights spent of non-residents guests on the same variation for residents;
- the **“gross occupancy rate of beds”** (OCC_i^{22}), the nights spent during the event on the bed-places multiplied by the days of the event
- the **“impact area”** (w_i^{23}) and the indicator on the scale of the event in terms of municipalities direct involved by the event.

In Tab.4 are reported the values of these indicators.

Turin Olympics showed by far the big **“leading impact”**: the variation of nights spent in the six months before the event was +18.2 (on the same prior period) followed by Expo Milan (+3.6) and the Jubilee of 2000 (+3.1). The bigger **“event impact”** was for the Jubilee of 2000 (+57.6); even Turin Olympics (+52.3) and Expo Milan (+26.8) had big values in term of **“event impact”**, but the duration of these events were shorter than the Jubilee. Also the bigger **“short term persistence”** was for the Jubilee of 2000 (+43.4) followed by far by Expo Milan (+7.1) while the Turin Olympics showed a negative short persistence (-13.7). The highest **“international appeal”** was for Turin Olympics (2.28) with all the other events below the threshold of 1 that indicates a major appeal of the event of the national component: in fact the Jubilee of 2000, as the more recent Jubilee of 2015, seems to be more attractive for the national component of visitors. Both the Jubilee of 2000 (81.6), Turin Olympics (68.7) and Expo Milan (58.9) had a **“gross occupancy rate of beds”** greater than 50. The major **“impact area”** was for Expo Milan²⁴ followed by the Turin Olympics. It was possible to calculate the **“long term persistence”** only for the Turin Olympics and the Jubilee of 2000²⁵, with the first one that had an amazing value of +3.2. The Jubilee of 2016 is still ongoing and for this reason it was impossible to calculate the indicators of persistence, but the event had the lower values for all the other indicators.

²¹ $IA_i = \frac{\frac{intNS_i^T}{intNS_i^{T-1}}}{\frac{natNS_i^T}{natNS_i^{T-1}}}$ where $intNS_i^T$ are the nights spent of non-residents during the period of the event i , $natNS_i^T$ are the nights spent

of residents during the period of the event i , $intNS_i^{T-1}$ are the nights spent of non-residents in the same prior period and $natNS_i^{T-1}$ are the nights spent of residents in the same prior period.

²² $OCC_i = \frac{NS_i^T}{BP_i^T \cdot d_i} \cdot 100$ where NS_i^T are the nights spent during the period of the event i , BP_i^T are the bed-places in the year of the event i and d_i are the days of the event i .

²³ $w_i \in \{1, 1.5\}$ according to the number of municipalities involved in the event.

²⁴ See the paragraph 3.3.

²⁵ The Expo Milan closed less than a year ago and the Jubilee of 2016 is still ongoing.

Tab.4. Impact indicators

	Leading Impact	Event Impact	Short Term Persistence	Long Term Persistence	International Appeal	Gross Occupancy Rate	Impact Area
Turin Winter Olympic	18.2	52.3	-13.7	3.2	2.28	68.7	1.1
Expo Milan	3.6	26.8	7.1	(a)	0.98	58.9	1.2
Rome Jubilee of 2000	0.6	57.6	43.4	0.6	0.96	81.6	1
Rome Jubilee of 2000	3.1	2.6	(b)	(b)	0.93	34.2	1

Source: Istat, Occupancy and Capacity in accommodation establishments.

(a) Data still not available.

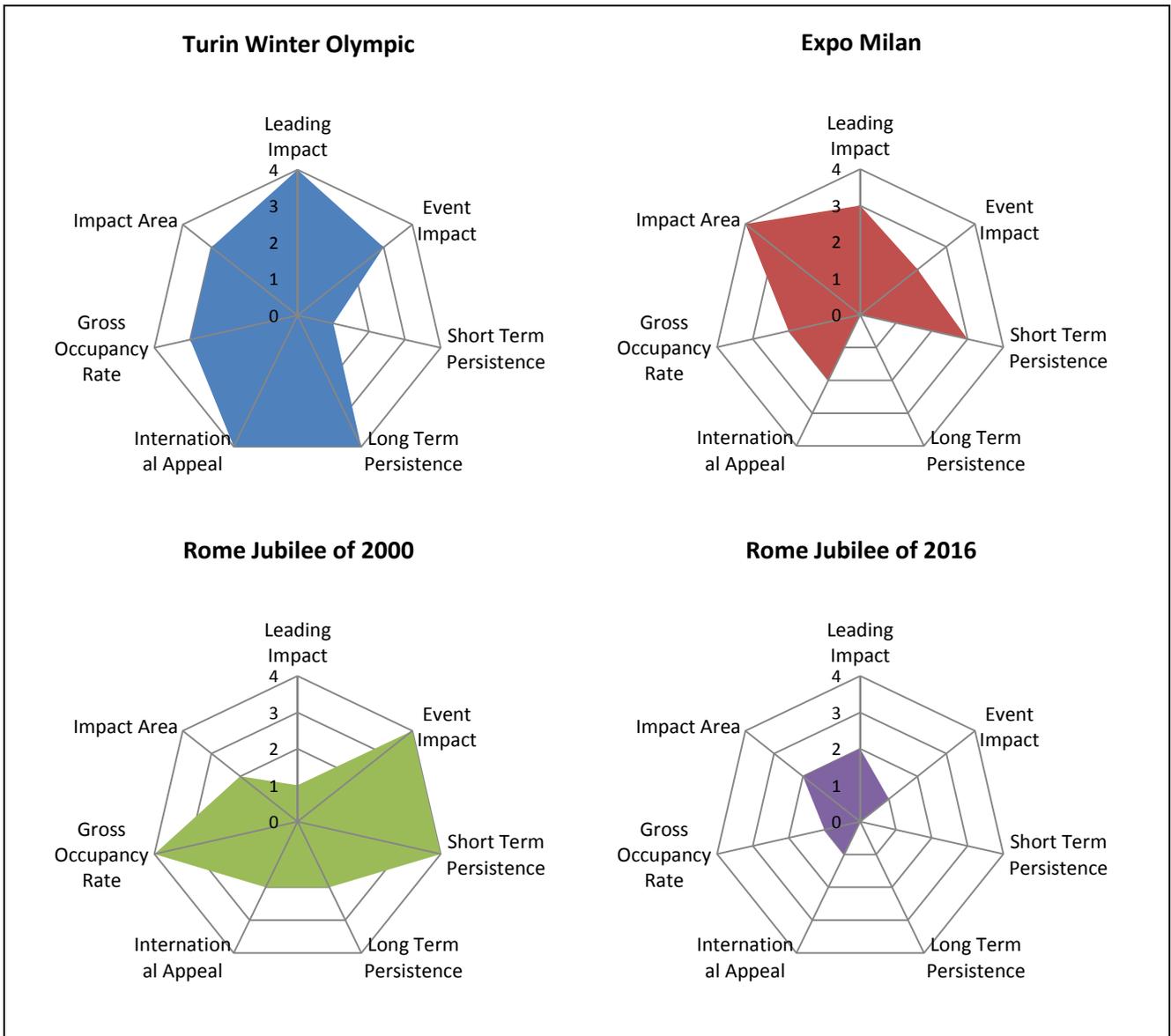
(b) Still ongoing.

The Graph. 14 gives a synthetic view of the diverse aspects of the events impact seen before. To each indicator was assigned a score from 1 to 4 to the event (4 for the major impact, 1 for lower/none impact).

In summary:

- Turin Olympics had the great leading impact, long term persistence and international appeal of the event;
- Expo Milan 2015 had the bigger impact area and good values for the leading indicator and short term persistence;
- the Jubilee of 2000 had the bigger impact of the event, short term persistence and the higher rate of occupancy of beds;
- the Jubilee of 2016 had the lower values for international appeal, occupancy rate of beds and impact of the event, with a weak leading effect.

Graph. 14. Impact indicators score



Source: Istat, Occupancy and Capacity in accommodation establishments.

4.3 The synthetic index I_i

After analyzing the main characteristics of the major recent events hosted in Italy, giving a measure of their impact and compared them showing main aspects, strengths and weaknesses, in the last paragraph, it has attempted to give a generalized function of impact that would provide and summarize an overall measure of the impact of an event on a tourism market.

The main aim was to allow to give a measure of the impact of an event whatever its nature and characteristics and wherever it was hosted.

The function was the “**Impact Index**” of the event I_i and the formula was:

$$I_i = \alpha L_i + \beta P_i^S + \gamma P_i^L + \delta IA_i (D^T \cdot E_i) + \varepsilon w_i OCC_i$$

Where L_i was the “*leading impact*”, P_i^S was the “*short term persistence*”, P_i^L was the “*long term persistence*”, D^T was the “*event duration*”²⁶, IA_i was the “*international appeal*”, E_i was the “*event impact*”, w_i was the “*impact area*” and OCC_i was the “*gross occupancy rate of beds*”.

It was a mixed form formula with an additive part for L_i , P_i^S and P_i^L and a multiplicative part for $[E_i, D^T, IA_i]$ and $[w_i, OCC_i]$.²⁷

In particular giving the values at the coefficients²⁸ the formula of the index was:

$$I_i = 0.04 L_i + 0.06 P_i^S + 0.72 P_i^L + 0.09 IA_i (D^T \cdot E_i) + 0.03 w_i OCC_i$$

After all it was calculated the “Impact Index” of the four big event. The index was calculated with and without the “*long term persistence*”²⁹.

Tab.5. Impact index

	Impact Index <i>without Long term persistence</i>	Impact Index
Turin Winter Olympic	10,22	12,53
Expo Milan	5,05	5,05
Rome Jubilee of 2000	11,55	11,98
Rome Jubilee of 2000	1,43	1,43

²⁶ The “*event duration*” was determined by the duration in months of the event. The values were for 2 months: $D^T = 0.75$, for 6 months: $D^T = 1.00$, for 12 months: $D^T = 1.30$.

²⁷ The “*international appeal*” and the “*event duration*” had a direct effect on the “*event impact*” and the structural impact is calculated with the “*impact area*” and the “*occupancy rate of beds*”.

²⁸ The value of coefficients is determined by the weight assigned to each indicator. For more details: cavallo@istat.it, petrei@istat.it, disante@istat.it.

²⁹ It was impossible to have the related values for Expo Milan and the Jubilee of 2016. See note 27.

The final result showed similar values for the Jubilee of 2000 and Turin Olympics with results determined by several factors. Both the events are similar in terms of increments of touristic flows, the Turin Olympics prevails on the international side and the Jubilee of 2000 on the impact during the event impact and in the short term persistence.

But there was a difference with or without the *“long term persistence”*. In fact while the Jubilee of 2000 prevails in the index without the long term effects (11.55), the results change with *“long term persistence”* with Turin Olympics at first place with a 12.53 and the Jubilee of 2000 second with 11.98 (the *“long term persistence”* gave a +2.31 to the Olympics and only +0.43 to the Jubilee).

4.4 Final remarks

Over the last few years, the international debate on the convenience or not for a city to host a “Mega event” is on. Just recently, the decision of some cities to withdraw their candidature for the 2024 Olympics has provoked much discussion.

The planning of a “Mega event” has to rest on a model by which it is possible to measure the direct and indirect effects of the event, the expected results in economic and employment terms and the territorial changes over time of the accommodation sector. Moreover, the management has to be different according to the type of the event and its strategic vision necessarily has to be shared by all public and private local stakeholders.

In this paper, it is decided to analyze the phenomenon “Mega events” from the point of view of the tourism market and it is chosen to dwell on the Italian ones of 21th century to understand what were the short and long term effects on the tourist dynamics of the cities involved.

The report has proposed some indicators and an index to give a synthetic measure of some aspects considered important and has highlighted the strengths and weaknesses of each event.

This model of analysis is believed that can also be used to explore other similar events and in future it can be seen as an input for the organizers of a “Mega event” to achieve major advantages on the tourism market.

The “Mega events” should be regarded as real marketing tools and should be planned within a territorial development strategy and possibly linked not only to local development, but also internationally. In this sense, in order to develop the potential for tourism of a “Mega events”, the territorial bodies should move towards cooperation and joint analyzes to exchange of information and local experiences.

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