

Fall 2015

## Economic Development Potential of Festivals, Arts and Culture



UP454: Local Economic Planning  
School of Planning, Design & Construction  
Michigan State University  
Fall 2015

# Economic Development Potential of Festivals, Arts and Culture

Students of UP454: Local Economic Planning

## **Introduction**

The Urban and Regional Planning Program places great emphasis on linking theory to practice, and offering students the opportunity to contribute to Michigan's planning process. The analysis presented in this report is the result of applied research conducted by students in UP454: Local Economic Planning during fall 2015. The course addressed the economic development process in cities and regions and we were pleased to be able to partner with the Summer Solstice Jazz Festival in an analysis of arts and culture based tourism in East Lansing. The results displayed in this report show the energy and creativity of our emerging urban planners as they serve the needs of Michigan communities.

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## **About SPDC**

The School of Planning, Design and Construction (SPDC) at Michigan State University integrates expertise to create a sustainable built and natural environment that enriches communities, the economy and family life. The School achieves its mission through leadership, entrepreneurial creativity, social responsibility, cultural relevance, and environmentally sustainable planning and policy. The School offers undergraduate degrees in Construction Management, Interior Design, Landscape Architecture and Urban & Regional Planning. In addition, the SPDC offers Master's degrees in Construction Management, Environmental Design, and Urban & Regional Planning, and a PhD in Planning, Design and Construction.

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# **Creating Long Term Economic Growth through Cultural Initiatives**

By Christine Steigelman

Many local officials are constantly searching for new and innovative ways to attract a diverse population to visit their city and stimulate the economy. Most people want to visit areas that are considered unique destinations. Often times it is necessary to brand a city in a certain way to ensure that it is successful and prosperous. High profile attractions like the Great Lakes and Mackinac Island are natural features that encourage people to visit the area. However often times if a place is not considered a region of high tourist significance due to the lack of substantial scenic wonders, then it is necessary to create alternative ways of creating a unique identity for an area so that tourists want to visit it. East Lansing would not necessarily be considered a major tourist destination due to its lack of geographic features and historical significance. Therefore it is necessary to create alternative features that bring people to the city as visitors and as permanent residents. Culture is necessary to make cities a destination in which individuals want to work, live, and invest. Activities such as music and the art festivals have the ability to draw in new people to a city. The East Lansing Summer Solstice Jazz Festival is a popular attraction that has been held for the past 20 years. These types of art and music festivals have the ability to contribute to unique opportunities for individuals and increase the amount of culture available. By effectively putting a cultural plan into place, it is possible to bring both short term and long-term economic growth to the East Lansing area.

East Lansing is located in the center of the state directly east of Michigan's state capital of Lansing. While it is not located near some of the geographic features that make Michigan famous, like the Great Lakes, its central location in the state allows easy access for Michigan natives. The main draw to the area is Michigan State University, which educates almost 50,000 students. A nationally ranked football and basketball team attract thousands of fans to the area on game days. This brings an influx of money into the local economy from visitors who shop or dine at any of the restaurants or stores close to campus. Visitors are also attracted to the art sector that has begun to develop within the area. Construction of the Eli and Edythe Broad Art Museum through Michigan State University has contributed to this substantially. Other than these few attractions, there are limited reasons for tourists to visit East Lansing. By developing more cultural significance, East Lansing has the ability to become a hot spot for visitors traveling from around the world as well as attracting permanent residents seeking an increased quality of life.

## **Total Economic Impact of Tourism**

Culture that is introduced through art and music opportunities attracts people from around the country and even the world to a city. A direct effect is considered to be “production changes associated with the immediate effects of changes in tourism expenditures” (Stynes). This would involve industries such as lodging, restaurants, transportation, entertainment, etc. In 2011 these industries generated five per cent of global GDP. Tourism has been an increasingly important industry for the Michigan economy. In 2014 visitation reached 113.4 million people. Traveler spending also reached a new high of \$22.8 billion. This was spent on a variety of different things such as lodging, dining, retail, and recreation. A strong tourist industry also helps to support employment in the hospitality industry. In Michigan, tourism is the ranked number ten based on the number of employees (“The Economic Impact”). Music festivals and cultural events would attract tourists to the East Lansing and allow for the city to reap more of the direct benefits of the thriving Michigan tourist industry. The influx of new expenditures would encourage economic growth and likely increase the amount of employment within the primary tourism sectors.

Not only would East Lansing have the potential to grow and gain benefits from its tourism industry, but also the ability to for tourism spending to flow throughout different sectors of the economy. This would be considered secondary effects, also known as indirect effects. What falls into this category are goods and services that tourism industries purchase from other businesses in order to fulfill the needs of their businesses. For example, a hotel with increased business would need to increase their purchases from the linen company that supplies the towels. Increases in business activity will require more employees to be hired, which will change household spending due to additional employment. These induced effects are supported both directly and indirectly through tourism. Employees of any company affected by the increase in tourism will spend their income on food, housing, clothing, etc. that will stimulate even more economic activity (Stynes). A 2011 estimate of indirect contributions of tourism on the United States accounted for 4.2 percent of the GDP and 4.7 percent of employment increases (Vellas).

One example that shows the benefits of an increased tourist industry is the Milwaukee Irish Fest. The direct effects the festival had included the creation of 189 employees, \$4,352,445 in labor income, and \$11,221,478 in output. Indirect and induced effects were not as prevalent but still had an impact. There was the creation of approximately 73 jobs, \$3,430,445 in labor income, and \$9,484,894 in output. Food services, retail, and hotels were the top industries affected by the festival. However other industries such as services to buildings and private hospitals still received some of the benefits

through indirect and induced effects. Overall the festival contributed over \$20 million to the Milwaukee economy and created 263 jobs (“Milwaukee Irish Fest”)

These impacts can also occur in smaller areas. Tompkin County, New York has a population of approximately 100,000 (compared to the 600,000 people living in Milwaukee). The Finger Lakes Grassroots Festival of Music and Dance is an annual music festival that takes place in the area. During 2007 a study found that \$4.8 million was contributed to the county's economic activity because of the festival. This generated 102 full-time jobs that create \$1.9 million in household incomes for residents of the area. Approximately half of these jobs were not directly through tourist businesses. It was estimated that two thirds of the attendees were not residents of Tompkin County. These tourists on average spent 38 percent more than local visitors (“Arts & Economic Prosperity”)

### **How Tourism Creates Long-Term Benefits**

The impact of an increase in the tourist industry goes beyond the standard benefits mentioned in most economic analysis reports. It has been shown that cities with more tourist related industries tend to grow faster than the average city (“Destination Promotion”). The more an area becomes well known for certain events, like the Summer Solstice Festival, the more likely a city will start to form a unique sense of identity and place. Once it is recognized that a large amount of expenditures come in through the tourist industry for events like this, there will be more of an incentive for a city to bring cultural events to the area. Tourists who have experienced first-hand the great opportunities an area has to offer are more likely to return to that place as residents seeking a higher quality of life. One survey indicated that one-third of new residents had first visited the area as a tourist (“Destination Promotion”).

New businesses are also more likely to locate in an area that has a lot of cultural activities and tourism. Approximately nine percent of executives who are chosen to select the site for a company had previously visited the area for leisure travel. Another twenty seven percent had visited for business travel (“Destination Promotion”). Introduction of new businesses into the area allows for the creation of new jobs that will in turn attract more skilled workers to the area. This would be very beneficial for East Lansing in helping to retain more students graduating from the University who currently wish to move to larger cities like New York, Washington D.C., and Chicago in order to have increased employment and cultural opportunities.

Cities who are considered culturally significant have been known to increase individuals standard of living by allowing them to have wide array of opportunities that would not get to experience elsewhere. In one survey it was found that standard of living ranked

just below salary when it came to the appeal of a job (Stynes). An example of this is when Boeing relocated its headquarters to Chicago because of the “cultural assets and vibrancy of the city” (“Destination Promotion”). Jeff Malehorn of World Business Chicago stated that the one reason the company moved was because, “The location has to be a cool place with activities and culture. Traveler’s attractions are the same reason that CEOs choose a place” (“Destination Promotion”). Cities with leisure activities in the form of cultural events were found to have a population and employment growth that was two percent higher. New workers who decide to seek employment in an area will have the ability to drive innovation and entrepreneurship, which is necessary for long-term economic growth. Between 2000 and 2008, innovation accounted for 63 percent of economic growth in the United States. Without innovation the only way to increase productivity is to increase the amount of inputs needed to create outputs. This could result in very high costs for a business or community (Stynes).

In addition, culture also creates the incentive to redevelop and revitalize the downtown area. If there is not available space for the influx of new businesses then they find ways to reuse vacant downtown spaces. By doing so it will generate local property and sales tax revenues that will go towards improving the city amenities like parks, transportation, cultural institutions, etc. An example of using a singular initiative to improve the infrastructure within a city is Kansas City, Missouri. The area’s local art organization worked to pass a one-eighth-cent asset tax in order to create a museum and science center in the Union Station in Kansas City. It is expected that the new attraction will bring about \$8 million to the economy each year along with many positive externalities. Since the building has begun getting renovated, property values within the city have increased which in turn creates more tax revenue. Older buildings are now being renovated and transformed into new office space, lofts, and art galleries. New businesses and employment opportunities are also beginning to move to the area. Overall this attempt to bring culture to the city in the form of a singular museum has created a stronger metropolitan community (Singer).

### **Cultural Planning**

In order to gain all of the benefits that come from increased tourism, the city will need to plan accordingly. Cultural Planning has the ability to capture the direct benefits from the tourist industry in order to create long-term economic growth for a city. This is a place-based approach to development and planning that connects arts and resources to community development goals. In order to do this it is necessary to identify the cultural needs of a community in a way that will enhance the residents and potential visitors’ lives. Through urban planning there is the need to strengthen the management of existing cultural resources and finding ways to integrate the resources in the local



planning process. Increasing the productivity of a cities cultural resources allows for it to form a unique identity that would otherwise be absent.

East Lansing falls into this category due to the fact that is typically associated with being a college town rather than a cultural destination. Cultural initiatives such as festivals could be an effective tool in starting to form a new identity. It also allows for planners to address the gaps in cultural service delivery, identify new opportunities, expand participation, and broaden the impact of culture. Supporting cultural facilities, new entrepreneurs, cultural events, etc will increase the value of the community and increase the quality of life. By doing this cities have the potential to create more economic development opportunity through a larger tourist population. This will in turn attract people to the area to stay permanently and create long-term economic growth ("Fecteu")

The city has also relied on the University too heavily to create a sense of culture. While the University is a very large institution, developing a cultural plan that allows for the city to experience both short term and long term economic growth would be too much for it to take on alone. There are a variety of different cultural plans that can be set in place depending on the community. A larger community like New York or Chicago may choose to develop a more comprehensive plan since they will likely have more cultural amenities. Smaller communities may not have as many options due to limited financial and cultural resources. An option that may be the most viable for the East Lansing area would be a community or regional arts and cultural assessment. This is simply identifying what are some of the features in an area that could be used or transformed into a tourist and leisure attraction ("Fecteau"). A task like this could even be performed by the University to ensure that they still had a role in the planning process without having complete responsibility. It also may be useful to get students involved with this in order to understand what sort of features would keep them from leaving East Lansing for larger metropolitan areas. This would require limited amounts of funding and would help give the City of East Lansing the tools they need to properly implement some of the ideas to a more in depth cultural plan.

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# **Art and Music Festivals in Michigan and their Influence on Economic Development**

By Melanie D. Nieske

Art festivals breathe vibrancy and life into cities and rural areas all over the world. They become destinations and yearly traditions for people that can help put small town names on the map. Many people have a favorite summer festival to attend and these events can help positively brand a city or town. Art and music festivals also work to promote diversity and culture. Artists are encouraged to present and often also sell their work. This is mutually beneficial for exposure to local artists and for participants to engage in the art community. This engagement with artists, musicians, and local businesses can become a cultural and economic driver for these communities. A strong cultural atmosphere can lead to greater happiness and quality of life in the area and for the residents. The more invested the city and participants are, the more the festival is able to grow and reach new potentials in serving the community.

## **The Challenges of Art and Music Festivals**

With the wonderful benefits that come along with art and music festivals, there are also significant challenges that need to be overcome for a successful event. Financing art and music festivals is a major hurdle. Paying for talent, space, equipment, staff, and general logistics can wipe out an entire festival budget. This is where the strength and concern from the community, local government, and media can play a big role. Funding art and music festivals most often comes from donations from sponsors. The more that is invested in a festival, often times, the bigger and better the event. It is difficult in the beginning to gain this momentum in the community for small festivals. Promotion through the local government officials and media can help garner interest in the businesses and community. Several festivals in Michigan show the different levels of engagement from the community and economic impact of the festivals including East Lansing's Summer Solstice Jazz Festival, Detroit's Jazz Festival, and Royal Oak's Arts Beats & Eats.

## **East Lansing Summer Solstice Jazz Festival**

The East Lansing Jazz Festival is one of these small festivals. It is an annual event that is free to the public and offers a variety of cultural music entertainment. Major sponsorship is provided by The City of East Lansing, Michigan State University's Warton Center for Performing Arts, and Michigan State University's College of Music (East Lansing Jazz Festival, 2015). The festival is closely tied with the university in the area. Michigan State University is a unique institution to have in a small city and helps to bring funding and talent to the festival. However, there can also be a heavy reliance

from the festival on the university's involvement. The major sponsorship comes from Michigan State University and less so from the local community. This is shown through the amount of funding provided, the lack of promotion from the local businesses, and minimal city government involvement.

However despite all of this, there is participation from a town that loses more than half of its population when the university is out of session for the summer. The event is relaxing and low key. The majority of the participants are coming from the local area and there is a sense of pride about the encouragement of the arts. At night the main stage area is packed with spectators, dancers, and artists. The event takes place in the main downtown of the area which helps promote local restaurants and businesses, less by vendors at the event and more so by the close proximity to the stages.

In order to increase participation several things could be changed. The timing of the event could impact the amount of people it influences. Late August and September would capture the student population from Michigan State University. At that time many businesses are advertising for the upcoming school year. Many university organizations are also looking for ways to draw in the students and community through positive and culturally diverse events. Maintaining the unique aspect of the jazz and music scene can brand the event and set it apart from other festivals in the area.

### **Case Study: Detroit Jazz Festival**

One example of branding that has worked well for jazz festivals is the Detroit Jazz Festival. The Detroit Jazz Festival is an annual event that has taken place in the city for the past thirty-six years. The event grounds cover major areas of the city such as Hart Plaza, Woodward Avenue, and Campus Martius Park (Detroit Jazz Festival, 2015). This event has given Detroit the opportunity to market itself as a culturally diverse, economically robust, and family-friendly place. It is considered the world's largest free jazz festival and is a great attraction every year. Despite the sometimes negative reputation surrounding Detroit people still come to the city to discover the music and festivities. The Jazz Festival opens the door for people who would not normally spend time in the city, to come and explore the changes in the city. This is the unique power of music and art festivals and what they can do for economic development and local culture.

### **Case Study: Arts Beats & Eats**

Arts Beats & Eats is a festival that takes place in downtown Royal Oak, Michigan. It was originally held in Pontiac, Michigan until 2009. Since the festival has moved to Royal Oak they have had great success. It sees participation numbers of up to 400,000 people over a period of four days (Arts Beats & Eats, 2015). Unlike the East Lansing Summer Solstice Jazz Festival and the Detroit Jazz Festival, Arts Beats & Eats charges

admission to the public. This admission charge was added after the festival moved to Royal Oak. The money raised from admission fee is split up .25 to Arts Advocacy, .25 to the City of Royal Oak, and half of the remaining money is donated to local charities after gating costs (Arts Beats & Eats, 2015). The festival has full docket of sponsors from across the state of Michigan, government support, and is widely publicized in the local media. The event offers a wide variety of entertainment options such as live music from local and well-known bands, a juried fine arts show, entertainment that can be enjoyed by people of all ages, and a large host of food and beverage sponsors.

The interesting aspect of Arts, Beats, and Eats is how much success they have since moving to a significantly more affluent area. Pontiac struggled to pay for the costs of such a large festival and the festival approached Royal Oak in 2008. At the time of the switch, Oakland County Executive L. Brooks Patterson said, "It's an exciting move that will bode well for the sustainability for this festival... Royal Oak will perfectly suit Arts, Beats and Eats" (Carroll, 2008). The switch from Pontiac to Royal Oak shows the undertaking such a festival calls for from a host city. In the first year at Royal Oak, Arts Beats & Eats planned to spend roughly \$100,000 on police, fire and Department of Public Service workers for the four-day event, as well as another \$100,000 committed by the Downtown Development Authority. This money would be returned to the city by charging admission as well as parking revenue during the event (Carroll, 2008). Even a more affluent area like Royal Oak had to factor in the burden of holding such an event. However, the move brought more money and publicity to a city that was doing quite well regardless. From 2009 to 2013, Pontiac was under an emergency financial manager. The city struggled in maintaining its downtown and for the festival at the time, the continuation and "sustainability" as Patterson mentioned, was at risk (Carroll, 2008).

### **Opportunities for Economic Development**

Both the case studies in Royal Oak and Detroit show that there are many different varieties and methods behind festivals. It takes a significant amount of creativity, branding, and planning to host a vibrant and sustainable music and arts festival. A greater push for local involvement, including the student population of East Lansing, could help raise the status of the Jazz Festival to widely popular event. More investment and a stress on publicity from the city and local media in conjunction with Michigan State University could return higher yields to support more artists and create a larger event. A diversity of entertainment options for all ages including art and music would help to bring in new ideas and excitement to an event that will be celebrating its twentieth birthday in 2016. This variety of entertainment and vendors could be supported through a small admissions fee that would help the maintenance and support of the festival in the future. In general, if the planning of the event was widely publicized

and allowed for greater input from the local community and student population it could become a well-known and vibrant festival for the state of Michigan.

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## **The Importance of Local Art: Analysis of the Benefits to a Local Economy from Tourism**

By Christina Ignasiak

A city functions primarily by collecting tax revenues from residents, but a thriving community uses various tools to draw in visitors to increase their monetary supply while simultaneously creating a place where people want to live and businesses want to invest. One significant tool used to attract visitors is creating and sustaining successful events that satisfy the desires of various groups of people. The purpose of this research paper is to analyze how tourism derived from the arts can serve as a driver to local economic development focusing on the Greater Lansing Region.

There are various ways a local economy can be impacted by visitors- directly and indirectly. Direct impacts serve as a point source where the visitor or consumer spends money at a business, in this case a restaurant, hotel, or retail shop in the Lansing region. The money gained by the local business through visitor spending is turned around and used to pay bills and taxes to the city, pay wages to the employees, and other expenses the business is responsible for. Indirect impacts are more difficult to quantitate considering they are the result of direct impacts. Indirect sources of economic benefits are the spending that is spurred from the gain the local business makes. Ideally, money spent in a specific region would be recycled through the same area and circulate through to support a sustainable and healthy local economy. An example of this is when an employee of a local business utilizes their wages earned to spend money on other goods and services in the community. It is difficult to determine the spending from tourists and permanent residents of the area, but considering art events draw attention that would be obsolete without, the spending in the region regardless of the visitor status is beneficial.

The Greater Lansing Convention and Visitors Bureau focus on statistics and data from visitors that come to events from outside of the region. Festivals and cultural events attract a blend of attendees from inside and outside of the vicinity of the event. One tool used to derive the amount of visitors to an area that are not from the focus region is through overnight hotel stays. Although some travelers may have other accommodations such as staying at a friend or family member's house, this is a way to calculate people who visit and spend over a day in the area of the attraction.

According to the Greater Lansing Convention and Visitors Bureau, an average visitor spends \$100 per day and visitors who stay overnight spend around \$256 during the duration of their trip. This spending adds to the revenues of local businesses and

overall creates a healthy local economy. In 2012, The Visitors Bureau recorded over 4.7 million visitors in the Greater Lansing region for arts related events and festivals that resulted in \$472 million in spending. This temporary influx of population as well as spending greatly impacts the local businesses and overall economic condition of the region. In the same focus year it was estimated that the total arts related events created and sustained 6,400 jobs related to the tourism market for the region. It is immensely important for a local economy to have job creation but even more significant to have jobs that are maintained and not just temporary.

The Americans for the Arts' Economic Prosperity III Calculator is a tool used to calculate the impact that arts festivals have to 182 different regions across the United States. This tool can be utilized by various organizations and communities to calculate the average economic impact events have to the specific region. Analyzing regions of similar size and demographics to the Greater Lansing Region is something that The Greater Lansing Convention and Visitors Bureau could evaluate to better serve the arts in the region.

### **Arts and Planning**

Planning in the United States historically had been focused on a specific place and there is now becoming a greater need for "boundary crossing collaboration" as cities and regions advance and grow. The Arts Council of Greater Lansing understands the importance and benefits that arts bring to a community and notes the sustainable aspects as well. In 2009, the Arts Council created a ten-year Cultural Economic Development (CED) Plan that serves as a representation of the needs of local artists in the region and as a guide to economic prosperity. Through this plan the Greater Lansing Region is being proactive and innovative about their strategic planning mechanisms specifically related to economic development and the arts.

The primary goals of the CED plan include: 1. Lead and Coordinate Cultural Economic Development, 2. Encourage Support and Investment in Creative Enterprises, 3. Attract and Assist Workers and Businesses, 4. Enhance the Value of Place. Fostering collaboration while strengthening the economy through job creation and embodying an atmosphere where creative minds can best work are facets incorporated in these goals. These goals highlight the primary focus on the Arts Council and incorporate economic components with creativity entrepreneurship and regional leadership. This all-inclusive plan focuses on various aspects of planning that ultimately impact the overall success of the arts festivals such as connectivity, transportation, capitalize on green space, and other focus areas not just specific to a single locality, but bridging the gap between a region with great cultural and economic potential.



### Case Study: ArtPrize- Grand Rapids, Michigan

A primary example of a successful art event that draws tourism from across the nation is the 3-week ArtPrize, self-proclaimed to be an “Unorthodox, highly disruptive, and undeniably intriguing to the art world and the public alike” and has successfully captivated audiences from around the world. This event draws from local talent as well as nationally and internationally for an art competition where the patrons of the event and a panel of judges vote for the winners. During the event the City’s Downtown is transformed into a space for cultural creativity and exploration to thrive. Through its increase in popularity and impact, CNN included ArtPrize in its “50 States 50 Spots for 2014” list. This significant designation recognizes this art-focused event as a place to be in the state and nation. Not only has this event designated Grand Rapids as an arts and culture hub, it has also boosted economic activity and social capital for the entire region of western Michigan.

In the 2013 Annual Report created by the ArtPrize committee, there was a recorded 400,000 visitors representing all 50 states and 47 countries around the world. The out of state attendees accounting for 30,432 visitors and were most prominent from the Midwestern states. From a regional perspective, it is positive to have visitors travel from within the Midwest Region to make the overall economic health of the U.S. Region secure. The table shown below represents the number of visitors to this event is significantly increasing over the years with future growth to follow this trend.

Table 1: ArtPrize Visitors	
Year	Number
2009	200,000
2010	250,000
2011	322,000
2012	375,000
2013	400,000
Total	1,547,000

Another way to sustain a successful event that draws and retains visitors for years to come is to create a plan for the future to facilitate transparency within the organization. Included on the ArtPrize main webpage is a list that includes the exact dates for the festival from 2016-2025. Using the same timeframe and precisely the same series of weeks each year creates a reliable and organized event that allows the audience to rely on it to happen and in a professional and reliable manner.

## **East Lansing Summer Solstice Jazz Festival Recommendations**

Although the events in the Greater Lansing Region, specifically The East Lansing Summer Solstice Jazz Festival present vast differences from other large art events such as ArtPrize such as scale, resources, and capacity, there are some best practices that can be utilized from the success of the Grand Rapids event that could prove to benefit the Greater Lansing area.

Tools such as the utilization of marketing and planning methods as well as collaboration with businesses in the area could help to make a more economically sound festival. Keeping up to date with technology is a consideration to make when planning an arts festival. Through interactive maps and online voting for artwork, ArtPrize incorporates modern technology in different facets of the event. The East Lansing Jazz Festival could benefit from creating an interactive map to exhibit the features of the event to allow visitors to get a full experience of what the event has to offer. This could include local restaurants as well as other attractions in the downtown or region to support other economies and businesses to capitalize on the amount of tourists drawn in for the festival. This map could be accessible on a mobile device and could include check in points to different locations with a potential benefit for visiting a certain amount of places.

Another holistic concept that is exhibited in the Grand Rapids event is incorporating art into local businesses stores to draw attention from the arts to the businesses as well. Although the jazz festival is focused primarily on music components, this could be assimilated in local businesses by having meet and greets or material signing events after their performance at local stores to entice visitors to venture to the businesses too. Another example that East Lansing could follow is to have the dates of the upcoming event clearly posted on their website. This allows for marketing of the event to begin and for there to be a greater audience aware of the attraction for visitors to plan a trip ahead of time. Another asset that the festival has not fully capitalized on in the past years is the distinguished modern art museum in close vicinity to the heart of the festival. The Eli and Edythe Broad Art Museum magnets visitors from around the world and being able to incorporate the museum as a venue for performers to play their works would be a prodigious addition to the event.

Arts and culture are the backbone of vibrant and desirable cities and helps to create a sense of place. The East Lansing Summer Solstice Jazz Festival is an event with rich culture and history within the city. There is great diversity in the performances from local high school artists and world-renowned performers to blues players as well as contemporary jazz. East Lansing and the Greater Lansing area has many attractions including vibrant local culture, growing downtowns, and increase in investment. There

is promise in the region to create an inclusive arts culture that serves to drive economic development and serve as a model for collaborative regional event planning.

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# **Building Resilient Communities with Culture and Arts**

By Andrew Bennetts

When one thinks about a certain festival there are distinct images that are associated with them. The sound of saxophones and trumpets while complimenting the sweet and savory smells of food from all over the world. Whether these festivals are centered on Jazz, Folk, or Art; these very festivals give a strong sense of atmosphere and culture when we think about them. Festivals surprising do more than just build a sense of diverse culture within a community. They also play a rather large part in the contribution of local economic development and the future sustainability of the communities in which they inhabit. Essentially they systematically build and diversify local economics by introducing many different kinds of arts, music, and culture to build a more resilient economy with more opportunities for growth.

The purpose of this study is to look at other cities festivals around the world that have been very successfully in diversifying and strengthening their local economies. Once these case studies have been researched; we will then compare and contrast those festivals strengths and weaknesses with the East Lansing Summer Solstice Jazz Festival. After doing this comparison we will be able to see how the community of East Lansing can efficiently utilize all of the aspects of a festival and build an economy that is more resilient and diverse in its economic opportunities.

## **Using Festivals to Build Culture in Communities**

Having a strong sense of diverse culture is very important in any community. A community with a strong sense of culture makes that said community look and sound more appealing to a larger population. If festivals are used to the best of their abilities they can change the atmosphere of a community and make it a very unique place to visit. They can diversify the places we might eat, the kind of music that we listen to, the kind of stores that we shop from, and the overall way we perceive other cultures in our own community and around the world. This is a very important tool because it can break down culture divides and unite communities because of their differences instead of separating them.

For example, East Lansing is considered to be a “College Town” because Michigan State University resides in the same area. This has unfortunately created a culture divide that has separated the students from the residents in East Lansing. Because it is perceived as a college town there are many different perceived images that come with that label. Unfortunately many of those perceived images are negative and do not

represent all of the positive opportunities that are available within the community of East Lansing.

On the bright side, by using festivals like the Summer Solstice Jazz Festival, we can begin to break down those very same cultural divides and find a common ground of interest. Once we have done this, we can diversify our culture within the community and together make it a more appealing community for current and future visitors.

### **How Festivals Strengthen and Increase Opportunities**

Festivals are used to build a communities sense of place and make them more appealing to the public. They are also used to strengthen economies and increase the opportunities for economic growth in them. Depending on the strengths and weaknesses of the current economy, we can calculate things like the Location Quotient and Share-Shift Analysis to see where our economy is losing (weak) or gaining (strong) trade between other economies. Once we know if there are weaker or stronger industries in our economy; we can act upon them in a proactive way and build a resilient economy.

For example, we see that our town has a very low location quotient for the industry for Agriculture. How do we solve this economic short coming? We can use some kind of festival involving agriculture and its benefits to show the community how important it is to our local success. Using festivals increases attractiveness to a particular place and might even make people ask themselves “how can bring my business into this place and be successful.” By increasing the local attractiveness of a community we can increase the opportunities that could present themselves and help build a more resilient community.

### **Study 1: Edinburgh Scotland Festivals**

Edinburgh has built a strong economy around tourism by creating and holding several different festivals throughout the year. These festivals are aimed at uniting the people of Scotland, Britain, Europe, and anyone else who comes to experience the cities culture. The festivals in Edinburgh include festivals that are centered on films, jazz and blues, art, books, and International differences.

The Edinburgh Film Festival casually welcomes actors, directors, and film fans to the city and runs hundreds of movie screening throughout local cinemas (Visit Scotland, 2015). These screenings are anywhere from student produced shorts (short videos) to large budget features and documentaries to animations. This festival helps unite people’s interests of movies and helps the local economy by generating money for the local cinemas in Edinburgh.

Another festival that Edinburgh puts on is the Jazz and Blues festival. This music filled festival expands over ten days and is going to bring in more than 150 musical events that will light up the city (Visit Scotland, 2015). This festival encourages community participation through music enjoyment and leisure time. One thing that is great about this festival is that it even offers many free of cost events for participants to come and enjoy the music from a spread of musicians.

Edinburgh also offers their annual Art festival during the summer and brings in many art enthusiasts from the U.K. and other surrounding areas. This festival emphasizes the natural beauty of the world's best contemporary and modern art from local artists as well as more world renowned artists. This simple but interesting festival brings in many new faces to the city of Edinburgh and also helps generate the local economy through common interests of art (Visit Scotland, 2015).

One unusual festival that is run is the Edinburgh Book festival. One might be surprised that books are the main focus of a cities economic growth but it is. Each year the Edinburgh book festival features hundreds of public readings and commentary from authors (their thoughts, opinions, and inspirations) near and far throughout the cities capital (Visit Scotland, 2015). This festival brings in many book lovers each year and helps support the local book stores in the area.

The last festival, and most influential, is the Edinburgh International Festival. This festival happens annually during the mid-summer months in the heart of Edinburgh. Each year the festival aims at growing people's love for the performing arts (music, theatre, opera, and dance) and enriching the human spirit within Scotland, Britain, and Europe (Edinburgh International Festival, 2015). The main goal of the festival is to increase the desires of arts in people's hearts but it also benefits other aspects of the community like its culture, education, and local economy growth.

All of these festivals that Edinburgh has created have helped build their communities sense of place and culture in their city. It has also helped the local economy grow and be much more resilient to possible economic problems. Each of these festivals plays an important role in diversifying the community and creating many opportunities for local economic growth but it would not be done without support from the local community. The community invests its time and businesses in the festivals and makes it a much more rewarding experience. Without such strong community involvement; such large events would go without great success. All of these festivals increase growth buy attracting new people and businesses while also encouraging them to consume at local businesses throughout the city. Edinburgh has successfully used these festivals to

efficiently increase its attractiveness and secure its future with a more resilient economy.

### **Study 2: The New Orleans Jazz & Heritage Festival**

New Orleans has undoubtedly branded itself as a main hub for diverse culture in the United States. When you think about New Orleans you almost always think about two things: you think “good food” and “incredible music.” Along with the strong sense of diverse culture generated in the city; the city of New Orleans has a very strong local economy thanks to the large amount of support from local businesses and other nonprofit organizations that live and work within the city.

Local businesses play a large role in making the New Orleans Jazz Festival such a success in cultural and local economic development. These local businesses there encourage the visitors of the festival to come and shop at their stores and that spending contributes to local economic growth within the community. These shops sell everything from food and beverages to musical instruments and textiles. Whatever these shops sell those sales all promote the economic development of New Orleans and the surrounding community.

The main supporters of the New Orleans Jazz and Heritage Festival are from its own nonprofit organization and the local natives who work and live there. The Jazz and Heritage Foundation is an active nonprofit that actively provides programs that are focused on education, cultural enrichment, and economic development within the community all year round (Jazz and Heritage Foundation, 2015). This foundation provided most of the funding for the jazz festival and also provides other activities for the community during the months of the year in which the festival does not operate. While having most of the funding supplied by their own nonprofit, the public also plays a huge role in the success of the jazz festival. Like the festivals that happen in Edinburgh Scotland; public involvement is a very strong component of making this festival successful. Having local supporters as well as larger organizations to help provide funding and voluntary work is very important and will help make any festival that is looking to achieve economic development see success.

### **Comparison of the East Lansing Summer Solstice Jazz Festival**

The Summer Solstice Jazz Festival in East Lansing is a great way to connect the residents with students and new visitors. But as mentioned before, it is also an effective way at building a resilient local economy by diversifying the cities culture and economic opportunities. After looking at the two other case studies we can see some pretty clear differences between the East Lansing Jazz festival and the festivals that happen in New Orleans and Edinburgh Scotland. The differences we see between the festivals includes the amount of local support (donations, volunteers, etc) given by community members

and the amount of involvement that larger shops or chains play in local economic development.

Local support in the Edinburgh and New Orleans festivals is a key part in both of their local economic success. The support that those festivals receive from their communities is enormous! The communities donate their time and facilities to ensure its success. They even make financial contributions to their cities festivals to help make them succeed. East Lansing however, is a city that is experiencing the complete opposite results. The city of East Lansing is having trouble with receiving adequate financial donations from local shops in the community (Hall, 2015). This shortcoming in funding could put an economic dampening on the party but it can be lessened with the use of other financial recourses like grants, etc.

Another difference between the festivals is the involvement of larger shops or chains in the overall process of the festivals. The East Lansing Jazz festival is running into the problem of not gathering enough support from local chains and larger shops. There seems to be some kind of disconnect between the community and the duties of the community members. For some reason, larger shops in East Lansing are not engaged because they do not feel that they need to be a part of the community event (Hall, 2015). It is not clear as to why this is happening but it is a growing concern for the city and will need to be resolved in the future.

## **Conclusion**

When festivals are used efficiently and to their full potential they can build a strong sense of culture and unity within a community. They can also be used to build very resilient economies by breaking down cultural divides and creating many opportunities for economic growth in all industries. The festivals that take place in Edinburgh Scotland and New Orleans are prime examples of festivals that are indeed reaching their full potentials and should be a model that the East Lansing Jazz festival should follow. The importance of local involvement, by the native residents, local business owners, and larger local business chains, is the key to the success of any festival. If East Lansing wants to build a more resilient and diverse economy it must first find the reasons for the social disconnect between its community members and their lack of support. By creating a diverse culture with festivals in all forms we can build a resilient economy with more opportunities for current and future business.



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# **Contribution of Festivals to Local Economic Development**

By Sungjin Yoon

There is no disputing the positive impact that arts and cultural festivals have on cities and downtowns in the US. Festivals are a main component of the cultural offerings of local areas, exposing people to new cultural experiences and developing the tourism potential of the areas. Cultural organizations have invested in festivals primarily as a tool for audience development, broadening participation and promoting an inclusion focused agenda (S4W, 2011).

Economic goals have largely been a secondary outcome. With the beginning of recession, a slow recovery and government investment geared towards stimulating growth, many cities and downtowns are now focusing on economic objectives being the driving force behind public investment in their major festivals and events. This paper explores some of the aspects of economic development in relation to the major contribution festivals can make, drawing upon a brief case study example, the Summer Solstice Jazz Festival in East Lansing.

## **Why Festivals?**

Downtown festivals are enjoyable. They also take a lot of work, and sometimes, a lot of money. So why do they happen? As it turns out, there are quite a few reasons that downtown development organizations design festivals (Burg, 2011). I believe the fact that they are a lot of fun is only one important piece of the puzzle.

## **Building an attractive and awesome image**

City festivals make its downtown an attraction for the residents and tourists. The approach they are using is arts and culture as a means of local economic development. Many area festivals and events are based on the arts and culture. By making this investment in a comparatively affordable festival, optimistically it will pay off with additional shoppers coming back to the area. This cultural festival can attract many related small businesses that will open up their shops and help promote that image (Burg, 2011).

## **Building up merchants**

Small businesses are the cornerstones of downtowns. Another important reason why cities and downtown organizations hold festivals is to not only attract new businesses, but also show off the ones they have. Festivals do bring people downtown, and they walk around. The closer the festival is to merchants' front doors, the closer the participants are to the merchants' cash registers (Burg, 2011). Those flows of money

can make a city and downtown economically dynamic. Though sales may rise that day, festival organizers expect the positive experience to create repeat customers of the first-time visitors. Obviously, bringing in thousands of extra people into a city or downtown can have the greatest influence on the businesses that seek to get involved. For example, many eateries and restaurants participated in the SSJF by extending their seating outside. So they became part of the festival and that played an active role (Burg, 2011).

### **Building up a budget**

The third reason why festivals are an essential part of local economic development is to bring those benefits to their merchants. Everything from entrance fees to beer tent receipts help to fund the daily operating expenses necessary to keep the local economic development train rolling forward (Burg, 2011). In one case, a fundraising event takes place to benefit another that has a big effect on local economic development. The “Jazz-tastic Pub Party” takes place at Dublin Square prior to the SSJF, and 10 percent of the proceeds benefit the large festival. The fundraising event is a win-win for both the festival and Dublin Square. It attracts customers to downtown for a special event, while raising the necessary funds to pay for the free-to-the-community SSJF (Burg, 2011).

### **Brief Statistics of Festivals in Michigan**

- ① Every dollar granted to arts and culture in Michigan generates a return of \$10 and has a ripple effect of \$34 (Arts Council of Greater Lansing).
- ② In 2004 the average household expenditure was \$30.72 per month for arts and cultural activities.
  - In Clinton County this equals \$726,000 spent on the arts per month.
  - In Eaton County this equals \$1.2 million spent on the arts per month.
  - In Ingham County this equals \$3.3 million spent on the arts per month.
- ③ The arts employ an important workforce, and purchase goods and services from local businesses. In the greater Lansing region the arts conservatively employ 750 direct full-time jobs, and influence more than 1,700 indirect full-time jobs. Purchases made by the greater Lansing arts and cultural sector, together with its attendees, provide the region with \$58 million in economic impact, and \$3.1 million in state tax revenue annually.
- ④ The main festivals in Lansing and East Lansing alone draw 450,000 each year, providing \$13.5 million in regional economic impact, nearly 80 direct jobs, and more than 400 indirect jobs.

⑤ According to the Travel Industry Association, cultural tourists stay longer, spend more, and are more likely to spend \$1,000 more than the average traveler.

### **The Summer Solstice Jazz Festival in East Lansing 2015**

The 19th annual Summer Solstice Jazz Festival (SSJF) made its way June 19-20 to downtown East Lansing, featuring a high-caliber lineup of local, regional and national jazz performers. The festival was presented by the City of East Lansing, the Wharton Center for Performing Arts and the MSU College of Music, with artistic direction by Rodney Whitaker. This free-to-the-community festival was centered around a large tent located in the heart of downtown East Lansing (SSJF, 2015). New this year to the SSJF was Chicago vibraphonist Jason Adasiewicz, who made his East Lansing debut at the second annual Kozmic Picnik, an opportunity for concert goers to pack a picnic lunch and appreciate avant-garde jazz in the Broad Art Museum Sculpture Garden. Immediately following were the New Orleans Swamp Donkeys, leading a classic Second Line Parade where everyone was invited to participate in a brass band parade to the festival site in downtown East Lansing. The SSJF also featured main stage performances, the Jazz Kids children's activity area, onsite food, jazz cafes, the MSU Outreach and Engagement Education Stage, and "afterglow" performances (City Pulse, 2015). Next year, the festival's 20<sup>th</sup> anniversary, will be much bigger.

### **Music Festivals and Regional Development**

The SSJF is a music festival. Throughout the world the number of music festivals has grown exponentially in the last two decades, as people celebrate local and regional cultures, as musical styles diversify, and as councils, business coalitions and non-profit groups use festivals to both encourage tourism and motivate regional development. Festivals are worthy of examination in a regional development framework not just because they are growing and becoming more commercially significant, but because they invite a more critical perspective on regional development (Gibson *et al.* 2010).

**Table 1. Summary of potential local benefits and costs of hosting music festivals**

<b>Tangible benefits</b>	<b>Tangible costs</b>
Increased revenue to local economy Job creation Positive media coverage and images Sponsorship opportunities Networking opportunities Improved viability for niche musical genres (e.g. jazz, blues, bluegrass) Revenue generation from charges Increased volunteerism Skills acquisition (e.g. management, musicianship) Subsequent tourism Encourages participation in activities	Essential services (police, cleaning etc.) Costs of promotion Direct costs of staging the event (e.g. performers, PA hire) Eroded markets for other forms of entertainment locally (e.g. cinemas) ‘Burnout’ of paid and volunteer staff Infrastructure costs for subsequent tourism
<b>Intangible benefits</b>	<b>Intangible costs</b>
Improved quality of life Enhanced or maintained community pride Puts places ‘on the map’ Tool for regeneration and renewal Increased interest and investment Place promotion and marketing Development of human capital Increased cultural awareness/appreciation Enhanced sense of belonging and community (whether to the host place, or to a community of fans or specialists) Rising property values (benefit to property owners) Intercultural contact Morale boost	Detriment to quality of life Perceived loss of traditions Crowding and inconvenience to residents Noise and visual pollution Poor reputation and image if badly organized Alienation of local residents through inappropriate or elitist place marketing Environmental degradation Social exclusion and exacerbation of existing socio-economic and cultural divides Rising property values (cost to renters and low income earners) Potential for intercultural misunderstanding Can trigger greed (e.g. price-gouging)

Source: Gibson & Connell (2012), p.22

Music festivals can therefore be key components of local economic development and regeneration strategies (Table 1), especially via their link to tourism and its direct economic benefits – through visitor expenditures, both at the festival and en route, for

such obvious things as fuel, accommodations, food, drinks, tickets and souvenirs. Many festivals stress the presence of distinguished performers and an opportunity for regional musicians to interact with them, and enable career development. Festivals may directly be musically innovative (Gibson & Connell, 2012).

### **How to Stimulate Local Economic Development through the SSJF**

Extending retail and leisure catchments: In an era of online retailing and services as well as mega-mall retail parks, many people have become disengaged from their downtown. Therefore, festivals can be an important tool in attracting new customers to cities and downtowns who wouldn't normally consider these places as part of their usual retail and leisure habits. This is particularly important in locations where people have significant choices within a short drive time. Capturing new customers and giving them a positive city and downtown experience is an essential objective of many city and downtown management organizations. Clear and targeted marketing activity is essential to support an increase in visitors from outside a core catchment area, as is ensuring that the festival program provides effective links between daytime and evening activities. In order to fully exploit these opportunities, it is critical to mobilize the local business base in support of the festival and assist them in making the most of events by playing a key role in providing an enjoyable festival atmosphere and thus ensuring visitors have a positive experience. With the development of internet and new media technologies, businesses have the ability to ensure that any new customers they secure can also be potential long-term customers (S4W, 2011).

A test bed for new approaches in the visitor economy: Festivals continue to play a major innovative role in making cities and downtowns attractive places to live, work and spend leisure time. Festivals are an ideal environment for testing new products that add value to a downtown's offerings. There are numerous examples of European festivals – Spain's La Tomatina in Buñol and Spain's Running of the Bulls festival in San Fermin - which have a major impact on the cultural and economic life of a local area beyond the festival period and throughout the entire year. Festivals can also be a bridge between the daytime and nighttime economies. The weekend nighttime economy is significantly dominated by a drinking culture. The recession has worsened the long term trend of a declining drinking-led nighttime economy, leaving a significant opportunity to fill this gap. Bringing different types of visitors (such as families) into city centers after 5pm provides opportunities for businesses to tailor their products to meet customer needs and diversify the early evening offerings. The growth of Light Night festivals outside the peak outdoor events season is an example of this (S4W, 2011).

Promoting a positive image: Imagery from festivals is frequently used as an iconic representation of the vibrancy of an area in a range of promotional material. The

decision to relocate to or to stay within a specific area can be made on the basis of a range of factors including the cultural appeal. The cultural and leisure offerings of a city is a key component within this mix and is more important to those higher up the income scale where it is seen as a major place differentiator. Universities especially see the value of the cultural appeal in attracting students. One of the main conditions for economic growth is local business confidence – this is the key to unlocking business investment. Festivals have the ability to change businesses' perceptions about the vibrancy and vitality of their local trading environment. When businesses feel confident about their trading environment they are much more likely to make long term investment decisions. In the context of cities and downtowns based businesses this can include making commitments to long term leases, investing in new product ranges, and taking on additional staff or refurbishment/shop fitting. All of these investment decisions have an impact on the local economy (S4W, 2011).

Maximizing visitor spending: The traditional model of Economic Impact for festivals has been to treat the festival as a one-off tourism event and model the impact of expenditures from non-local visitors. Whilst there are clearly wider potential economic benefits than the 'on the day' impact, the figures generated from this type of analysis can be a potent force. However, financial measures of impact often do not compare as well as other forms of economic investment, and the figures can often get lost in debates about methodologies and sample sizes. Evidence for 'on the day' visitor spending always looks more robust when local businesses have also been canvassed to see if they have identified an increase in footfall and turnover (S4W, 2011).

Provision of a range of training and development opportunities: There is significant untapped potential within the cultural sector to support individuals, especially young people, to enhance their skills and experience and remain in touch with the labor market at times of high unemployment. These opportunities are significantly prevalent before, during and after festivals. There is a broad range of opportunities that arise from engagement in festivals including developing artistic content and programming, event stewardship and customer care, marketing and social media, photography and evaluation. Cultural appeal is a pull factor in terms of attracting new business, but it can also be a push factor in businesses relocating away if the city is not perceived to have an appropriate infrastructure. At a basic level, it is important that any training and development outcomes for festival volunteers are effectively recorded, especially if there are individuals or groups who are seeking employment as part of the volunteering package. There may also be opportunities to specifically target individuals in back-to-work programs or people disadvantaged in the labor market – areas that may also open up other revenue streams (S4W, 2011).

Developing new products and markets for cultural attractions: Just as festivals play an important role in extending retail catchment, major opportunities are created for arts and cultural venues within areas where festivals take place. Clearly, with the presence of a significant number of people looking to engage in a range of cultural experiences, programming and promotional opportunities are to be exploited by venues keen to entice people through the door and convert them into long term customers and audiences (S4W, 2011).

Supporting artists and designers as entrepreneurs: City and downtown organizations should recognize artists and designers as entrepreneurs and innovators. Artists, designers, entertainers, and other “creatives” are likely to be self-employed, and they are constantly creating new products and delivering them to market. Through start-up funding, business training, and professional development support artists can expand their markets and add greater value to the economy. To that end, city and downtown organizations have changed small business assistance programs to make them more accessible to artists and offered training programs to artists to improve their business and marketing skills (NGA, 2012).

New contents each year, not money but fun: People can easily enjoy festivals anytime and anywhere. Hence, basically everyone can camp on site. People can bring a tent, a marquee, sleep in the car, bring a caravan, campervan, motorhome, make a loungeroom in the back of a truck, get a chartered bus and driver, and do almost anything people like. Each year something new should be added. We just said “what did we do poorly last year?” and one of the key aspects is that the festival should get better before getting bigger. It is not about getting more people and it is not about making lots of money. It does not make money. But it can bring vital incomes to local caterers, petrol stations and retail stores (Gibson & Connell, 2012).

## **Conclusion**

Festivals are all about building for cities and downtowns. They build images, merchant patronage, and sometimes budgets. Throughout the country, cities are eager to find ways to recreate and revitalize downtowns, commercial districts, neighborhoods, and communities for local economic development. I think festivals such as the SSJF are also useful for those purposes. The arts, culture, and design sectors can play two significant roles. First, artists, designers, entertainers and cultural and entertainment activities can create important anchors in neighborhoods and districts, often helping to revive them. Second, the presence of such activities and creative talent can draw other players (e.g., entrepreneurs, researchers, software developers) in local economic developments (Waits, 2012). There is clearly a broad range of economic benefits that most festivals either are, or could be, contributing to. Moreover, I believe people are



family oriented. Festivals do bring people to cities and downtowns. They walk around, and they can communicate, and understand each other through festivals. Therefore, there is a need for East Lansing's cultural resources to be more visible and more accessible to restore pride of place.

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# **The Economic and Artistic Benefits of the New Orleans Jazz and Coachella Music Festivals**

By Andrew Brown

Throughout recorded history, artistic expression in a variety of forms has played an important role in human civilization and culture. These cultural traits, interactions and expressions have brought people together since our earliest times, so it is no surprise that today's large music festivals have become social and cultural magnets, uniting thousands of people and showcasing artistic expression that continues to evolve as it has since the days of crude drawings on cave walls. Music-lovers from all walks of life travel great distances and spend large sums of money to attend these festivals, and the gatherings will often benefit the hosting geographic region economically, as well as by bringing art and music to the area. This paper will examine two such events, The New Orleans Jazz and Heritage Festival, as well as the Coachella Music Festival. These are two successful festivals that have brought in large revenues for themselves as well as for their host communities and other organizations.

## **The New Orleans Jazz and Heritage Festival**

The New Orleans Jazz and Heritage Festival would not exist today without the hard work of two people, George and Joyce Wein. In 1954, George was invited to go to Newport, Rhode Island to organize a jazz festival. The resulting event was the renowned Newport Jazz Festival, the first outdoor jazz music festival of its kind, which set the bar for similar attractions in the future. Eight years later, tourism and business leaders approached George about creating a similar festival in New Orleans, LA. He agreed, and although it took eight more years, George and Joyce's company, Festival Productions, Inc., officially organized the "New Orleans Jazz and Heritage Festival and Louisiana Heritage Fair" on April 22, 1970. Over the years, as the festival grew larger and larger, the name was shortened to the more concise "The New Orleans Jazz and Heritage Festival" (Lopez, 2013).

Today, the festival is a very popular event for locals and tourists alike. It is usually hosted at the New Orleans Fair Grounds Race Course, which is a massive venue located about 3 miles outside of what is considered to be the Central Business District in the city ([nojazzfest.com](http://nojazzfest.com)). According to [neworleansonline.com](http://neworleansonline.com), "The New Orleans Jazz and Heritage Festival, or as the locals call it, Jazz Fest, is the celebration of the unique culture and heritage of New Orleans and Louisiana." Jazz Fest features an enormous amount of live music, tons of great food that is specific to the region, unique hand-made arts and crafts, as well as many festive parades. With all of these attractions, the festival has something for everyone and appeals to a very broad

spectrum of diverse attendees. Because of this, Jazz Fest has received a large amount of attention across the country. Jazz Fest has been named the Festival of the Year four times by Pollstar Magazine, and the Wall Street Journal says that it “showcases a wider, deeper lineup of essential American music styles than any other festival in the nation” (neworleansonline.com).

### **How the Festival Encourages Art, Music, and Culture in Louisiana**

At the festival’s 1970 inauguration, George Wein asserted that the event would be owned by a non-profit foundation, rather than a for profit one. Therefore, the New Orleans Jazz and Heritage Foundation was established with a mission to use the earnings received from the festival to support yearly programs that preserve the area’s musical culture. Since 1970, the foundation has taken on many other assets, besides the festival, pertaining to jazz and heritage. These include the Jazz and Heritage Gallery, the Jazz and Heritage radio, the Jazz and Heritage Foundation Archive, the Jazz and Heritage Center, and the Jazz and Heritage Gala. The gala helps generate funds for the educational, cultural, and economic development opportunities of the area (Lopez, 2013).

One very notable way that the New Orleans Jazz and Heritage Foundation contributes to local communities is by offering community partnership grants to jazz-related endeavors in the state. K-12 schools, non-profit organizations, arts-based organizations, as well as individuals can apply for grants under one of four categories. Under the Jazz and Heritage *In-School* Education Programs in Music, Arts, and Cultural Traditions category, schools can apply for grants that benefit the instruction of music and art that takes place at Louisiana K-12 schools during the normal school day. More specifically, schools can apply for funds to pay for instruments/ instrument repair, sheet music, art supplies, or other materials that are needed. The Jazz and Heritage *After-School and Summer Education Programs* in Music, Arts and Cultural Traditions category of grants are directed towards non-profit organizations and K-12 schools.

These grants support the after-school and summer educational arts programs that are offered by those organizations. The Festivals and Concerts in Music and Performing Arts category allows arts-based organizations (in Louisiana) to apply for grants that would support the hiring of Louisiana-based musicians to perform at cultural events throughout the state. Lastly, the Jazz and Heritage Archive: Documentation and Preservation category of grants lets individuals and non-profit organizations apply for money that would support the creation and exhibition of artwork that characterizes indigenous Louisiana cultures (jazzandheritage.org).

For the 2015-2016 grant cycle, the New Orleans Jazz and Heritage Foundation collected 227 applications between the four categories, and 196 (86.3 percent) of those were accepted and given funding. With all of the grant categories combined, a total of \$601,264.18 was divided and given to non-profit event presenters, educational programs, dance troupes, theater workshops, gallery showings, film productions, and performing/visual artists. Compared to the previous year, this marked a 17% increase in funding given to those kinds of organizations, and in comparison to the 2013-2014 grant cycle, almost 40% more money was distributed (jazzandheritage.org). These yearly contributions would not be possible without the New Orleans Jazz and Heritage Festival, as most of the grant money is generated through the festival. Since 1979, the Jazz and Heritage Foundation has been able to donate more than 3 million dollars to the organizations listed above. According to the Foundation, “by investing so much into the community, and making a concerted effort to nurture local artists and organizations, we are creating an environment in which arts and education projects can succeed over the long term” (jazzandheritage.org).

### **The Coachella Valley Music and Arts Festival**

In October of 1999, three entrepreneurs named Paul Tollett, Bill Fold, and Skip Page, along with their company, Goldenvoice, started the first Coachella Valley Music and Arts Festival in Indio, California. It took place on the large playing fields of the Empire Polo Club, a venue that Tollett first utilized in 1993 when he convinced Pearl Jam to come play a show on the grounds. Unfortunately for Goldenvoice, their first Coachella Music Festival was a complete flop. They lost so much money from that first festival that they weren't sure if the company was going to be able to stay in business. As a result, Tollett and Page wound up selling Goldenvoice to Anschutz Entertainment Group (AEG), although the corporation let Goldenvoice keep its name as many viewed it as a brand. The deal allowed Goldenvoice to finally pay all of the bands and vendors back, just over a year later. It was at this time when Tollett, Ford, and Page decided to try the Coachella Festival again in 2001, where the event took off and became the enormous success that it is today (Flanagan, 2012).

Although overall, very little public information on the economic impact of the Coachella Festival on Indio, CA exists, there is a bulk of data from 2012. 2012 is also the year that Goldenvoice expanded the festival to two weekends, as well as when Indio began to truly take advantage of the event. In 2012, the Coachella Festival was the highest earning music festival in the world, with general admission tickets averaging around \$368 (Bergman, 2013). Previous to this, the city of Indio, California saw very little of this money. Sam Torres, an Indio city councilman, says “for 12 years, we collected nearly nothing except reimbursement for costs, so we helped grow the music festival” (Bergman, 2013). However, in 2012, the city of Indio decided to put a tax on the fees to

stay on the campgrounds within the festival's perimeter, as well as on the admission tickets for the event.

The City of Indio received \$330,000 from the campgrounds tax, and after collecting \$2.33 on every admission ticket sold, the city obtained roughly half a million dollars (Bergman, 2013). In total, the Coachella Valley Music and Arts Festival brought \$254.4 million to the Coachella Valley region, with \$89.2 million being spent in Indio and the city receiving \$1.4 million in tax revenue (Stutz, 2012). The festival created roughly 3,000 temporary jobs, as restaurants, hotels, and convenience stores hired part-time employees, extended business hours, and raised prices in preparation for the big event. Those types of businesses experienced a 20-30 percent increase in profits during the festival weekends that year (Clark, 2015). With the new partnership formed between the city of Indio and the Coachella Music Festival in 2012 and the resulting huge influx of funds for the city, it was able to build a new hotel in 2013. Although this may not sound like a big deal, it definitely was at the time. The Holiday Inn Express was the first hotel to be built in Indio, California in over 25 years (First New Hotel in Over 25 Set to Break Ground this Week).

According to an economic and demographic trends and conditions report on the city of Indio in 2014, the Coachella music festival has perhaps grown too large and too fast for the city to keep up. Indio's limited range of lodging, resort, and restaurant options has restricted its ability to fully capture its potential revenue from festival and entertainment visitors (City of Indio Economic and Demographic Trends and Conditions). Because of this, many of the event-goers will stay in nearby communities, such as Palm Springs or Indian Wells and be shuttled to the festival during the day (Bergman, 2013). In order for Indio to reach its full potential, it will need to create more hospitality and dining businesses.

### **Festival Websites Make Trip-Planning Simple**

When scrolling through any event's website, it will almost always include the basics – what the event is, when the event will take place, where the event will take place, where and how to buy tickets, etc. Both the Jazz and Heritage Festival's and Coachella's website include all of this information, as well as much, much more. Just about any question relating to either festival can be answered on their websites, and entire trips can be completely planned by using information and links on the sites. This allows festival-goers to simply go to one website when planning for what airport they'll fly into, what hotel they'll stay in, how they're going to get to that hotel, how they will travel throughout their trip, who they will see perform at the festival, what they will do at the festival, as well as where and what they will eat (whether it be at the festival or at a local restaurant). These are just some of the services that the websites provide. This last

section of this paper will discuss why these extensive websites are good for attracting people to the festivals, as well as how the sites promote economic development in the areas where the festivals are held.

The New Orleans Jazz and Heritage Festival provides a massive amount of information and links on their website. Besides the basic information listed above, the site provides great information on what food will be served at the event, nearby hotel locations and prices, shuttle services, travel packages, as well as discount codes for people traveling on specific airlines. In the hotels section, 70 hotels are listed, complete with pricing and buttons to reserve rooms directly from the festival's site. All 70 hotels have a "Jazz Fest Rate", which the website encourages you to ask them about ([nojazzfest.com](http://nojazzfest.com)). The shuttle services link on the website gives information about where and when to be picked up, where the shuttle drops off, as well as fees (Jazz Fest Express). Travel packages are also available to be purchased directly from the website, those including hotel accommodations, a choice of tickets, and shuttle transportation (CID Entertainment). Lastly, the website provides a link to Delta Airlines and also provides a discount code to be used when purchasing flight tickets ([nojazzfest.com](http://nojazzfest.com)). Based on the website, it is clear that the jazz festival has worked with local businesses and other organizations in order to best accommodate festivalgoers. This advertises and brings customers to those businesses and organizations, as well as brings more people to the festival because of the simplicity of the do-it-all, one stop website.

The Coachella Valley Music and Arts Festivals' website is perhaps even more impressive. One can easily book a hotel through the site, and it also provides travel information such as bus services from the hotels, shuttle services from an airport to a hotel or the on-site campground, local taxi services, parking information, festival pick up and drop off zones, nearby train and limo services, airport information, and places to rent cars. Without a doubt, all of these services receive more business because of the advertising on the site, and this brings more money to the local economy and nearby economies. The website also offers information about on and off-site camping. For the on-site campground, it lists amenities, rules, as well as frequently asked questions. For off-site camping, it gives extensive information about 11 nearby campgrounds, thus advertising for these places as well as drawing more people to the area and festival ([Coachella.com](http://Coachella.com)).

## **Conclusion**

Although both the New Orleans Jazz and Heritage Festival and the Coachella Valley Music and Arts Festival are mega-music festivals that attract hundreds of thousands of people each year, the two events are quite different. The jazz festival is concerned with providing a well-rounded experience of music, art, food, and parades that draws in a

large diverse group of attendees. It is also run by a non-profit organization with a mission to invest in the community and nurture local artists and organizations. The jazz festival's true purpose is to promote music, art, and culture in the state of Louisiana. The Coachella Festival, on the other hand, is concerned with a completely different agenda. This southern California music festival looks to attract millennials, and promotes pop culture specifically through two mediums: music and modern visual art displays. Although the event does promote some culture in Indio, its main purpose is to make money for Goldenvoice and the city, which it has done quite well at. Both approaches have worked very well for what each festival is trying to accomplish in New Orleans and Indio, and today, the festivals are still considered two of the best in the world.

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# Marketing the East Lansing Summer Solstice Jazz Festival

By Sarah Wallace

What defines jazz as jazz? Jazz is partially planned and partially spontaneous music. Jazz music is performed and recorded across the world and in many different styles; ragtime, classic jazz, swing, bebop, mainstream, bossa nova, etc. Musicians of jazz and lovers of jazz have come together across the world to create jazz events where people can watch performances and celebrate the history of jazz as a community. Here in the state of Michigan we host a variety of jazz festivals, including the Lansing Jazz Fest, the Michigan Jazz Festival at Schoolcraft College, the Alexander Zonjic's Shoreline Jazz Festival in Muskegon, the Grand Jazz Fest in Grand Rapids, and the Summer Solstice Jazz Festival in East Lansing. We will look into how the East Lansing Summer Solstice Jazz Festival compares to other festivals in Michigan and also across the nation in categories such as advertising, festival amenities, and festival programming.

## **Festivals as a Tool for Economic Development and Community Engagement**

The American Planning Association published a report titled *Economic Vitality: How the arts and culture sector catalyzes economic vitality* in 2011. The Economic Vitality report states that arts and culture can make a community more competitive, create a stronger sense of place, attract new people, integrate community visions and local business leaders, as well as increase the skilled workforce within a festival region (American Planning Association, 2011). East Lansing is always competing with the City of Lansing and Michigan State University to have well attended events and substantial sponsorship.

Competitive Community: We can create a competitive community by offering amenities that other communities don't have. What can the East Lansing Summer Solstice Jazz Festival offer that other Jazz Festivals can't? Is it the phenomenal student musicians, highly functional festival space, the pet friendly environment, etc.?

Sense of Place: How do we brand our event so people know it as our own? Are we offering something that people will remember? Is the location somewhere that has significance for the community? Maybe it's a fleet of food trucks at the event, an interactive performance, or an entertaining children's area.

Attracting People: Hosting festivals in a community can attract tourists to spend money in the area but it can also make a community attractive as a place to buy a home.

People like to live and visit places where there is cultural diversity and was to experience culture and arts.

Integrating Community Vision and Local Businesses: How do we make sure the festival is in line with the vision for the community? Are festivals addressed as a key role in community in the East Lansing master plan? How will the festival help the community evolve and how can we promote investment from local businesses in the festival?

### **What is a Jazz Community?**

The jazz community consists of everyone who plays jazz, listens to jazz, or enjoys jazz performances. This community can grow and shrink as a community changes its interests and people move in and out. The most important thing about a community is its strength and awareness of people that the community exists.

### Three Ways to Create Stronger Cultural Communities

1. Communities are formed from a shared interest. Jazz communities should continue to reiterate their purpose for coming together, and set goals for the future community (Krash Stories, 2014)
2. Establishing consistency year to year within the community brings a sense of closeness among the community including consistency in events and organization involvement (Krash Stories, 2014)
3. Keeping a constant dialogue with all members of the East Lansing jazz community to help adapt and evolve the management community as our community members interests change (Krash Stories, 2014)

### **East Lansing Summer Solstice Jazz Festival**

East Lansing Summer Solstice Jazz Festival is typically held on the third weekend in June every year in downtown East Lansing. Its largest donors include MSU University Outreach and Engagement, Michigan State University Federal Credit Union, Liquid Web, and Ingham County Hotel Motel Fund for Arts and Tourism. East Lansing is also home to MSU's incredible Jazz Studies program, a large stakeholder in the Jazz Festival.

*"The jazz studies area is committed to the highest level of performance, mentoring, education, and community outreach. This unique curriculum features nationally and internationally renowned faculty members drawn from the highest ranks of the jazz community. All faculty members have experience performing with top recording and*

*performing artists in the jazz music industry.”* (Michigan State University College of Music, 2015)

The East Lansing Summer Solstice Jazz Festival recently added a stage specifically designated for young people, to highlight the talent of the MSU Jazz Studies students, as well as the high school, and middle school students of the area. The Festival has struggled with another festival that is held in Old Town Lansing Festival called the Festival of the Moon and Sun. This a festival held the same weekend themed around gourmet food and drink. East Lansing Summer Solstice Jazz Festival as a website, Facebook, Twitter, YouTube, and Spotify. The website could use some updates and provide more information about where to stay, how to get to downtown East Lansing, where to park, and what will be offered at the festival. It was hard to determine much about the festival because all the previous year's information was deleted and was not yet updated for 2016.

### **Case Studies:**

Communities across the country are all approaching their jazz festivals in a variety of ways, let's look into some of the local and national festival of jazz and what they are doing to attract economic activity through their local jazz festival.

Detroit Jazz Festival- Detroit, Michigan: Detroit Jazz Festival is usually held during Labor Day weekend in September, it's the world's largest free Jazz Festival (Detroit Jazz Festival, 2014). The 2014 jazz festival was the 35<sup>th</sup> annual festival of jazz for Detroit. The Detroit Jazz festival specifically focuses to include education in the festival activities by inviting colleges and high school ensembles from across the state to perform (Detroit Jazz Festival, 2014). They also host a program called Jazz Infusion, a joint initiative between the Jazz Fest and Detroit Public schools to promote young musicians. Jazz Infusion includes a jazz mentorship program through Wayne State, a Youth Jazz Vocalist Competition, and an All-City Jazz Combo assembled by the Detroit Public Schools Director of Fine Arts, Willie McAllister (Detroit Jazz Festival, 2014). In 2014 the festival received \$708,406 from corporate sponsors and \$32,453 from in-kind donations. 350 people volunteered to give time and labor to the festival. In 2014, 560 VIPs attended the festival which was a 39% increase from the previous year (Detroit Jazz Festival, 2014). VIP attendees had access to reserved seating, gourmet dinners, private jam sessions, and private artist meet and greet receptions (Detroit Jazz Festival, 2014).

Lansing Jazz Fest- Lansing, Michigan: A little bit closer to home is Lansing Jazz Fest, typically held in early August in Old Town Lansing (Michigan Institute for Contemporary Art (MICA), n.d.). The Lansing Jazz Festival is free, unless you choose to purchase souvenirs, food, or drink. The festival offers 20 hours of free music, children's activities, and food (Michigan Institute for Contemporary Art (MICA), n.d.). Attendance is typically between 5,000 and 7,000 and the Festival has been around since 1995 (Michigan Institute for Contemporary Art (MICA), n.d.).

Jazz Aspen Snowmass- Snowmass/ Aspen, Colorado: The Jazz Aspen Snowmass was founded in 1991. Jazz Aspen Snowmass refers to multi-day jazz festivals held in Snowmass and Aspen, Colorado (Jazz Aspen Snowmass, 2015). The Jazz Aspen Snowmass organization also hosts music education programs and put on another Jazz Festival in Sonoma, California in addition to the two in Colorado. The two different festivals held each summer are, The June Experience and the Labor Day Experience. The June Experience is a two-week event that hosts both public and private performances of jazz and The Labor Day Experience hosts as many as 10,000 people daily over a three-day period with a variety of music such as R&B, rock, funk, blues, world, and soul music. The setting for these events are described as intimate, high-end, and having impeccable hospitality (Jazz Aspen Snowmass, 2015).

## **Conclusion and Recommendations**

While there are many astounding jazz festivals across the country, I think East Lansing is something distinct. The East Lansing Summer Solstice Festival is given some unique opportunities by partnering with Michigan State University, City of East Lansing, and the Wharton Center for Performing Arts. All of these entities contribute essential things to the festival including funding, talent, and logistics. Here are some of the strengths, weakness, opportunities, and threats for the festival and how the East Lansing Summer Solstice Jazz Festival could be stronger competition for the other Jazz festivals locally and across the nation.

### Strengths

- Michigan State University had one of the top Jazz Studies programs in the country (Start Class, 2015).
- Having large support from Michigan State University and the Wharton Center for Performing Arts

### Weaknesses

- The Summer Solstice Jazz Festival is held one block from the Michigan State University campus, but it not held while students are in town
- Lack of local business involvement and sponsorship

- East Lansing is known for Michigan State University and not for being an art hub
- The greater Lansing area does not have an arts foundation
- Reliance on Michigan State University
- Lack of variety of sponsorship
- Inadequate information on the website

### Opportunities

- Gain of student attendance if the event was hosted during the end of the summer when students were back in town
- Providing educational programs surrounding the jazz program
- Creating an easy access website as well as a smartphone application

### Threats

- Franchise businesses are less likely to give back to the community, and we have many franchises in downtown
- Competition with other events and organizations for donors and sponsorship
- Lack of cooperation from local legislation and local media to promote the event and make the event successful

Overall the East Lansing Festival seems to have exceptional musicians, but there may need to be improvement in other areas to make the entire experience fulfilling. The Board of Trustees could greatly benefit for sitting down and conducting their own SWOT analysis to develop the strengths, weakness, opportunities, and threats of the East Lansing Jazz Festival.

### Recommendations

- More local food vendors including food trucks, greater Lansing area restaurants
- Improved brand marketing and website/ smartphone app
- A chance for community feedback at the festival
- Considering multiple jazz events and more jazz education related to the jazz festival

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# **Jazz Festival Economic Planning: Incentives for Sustainable Partnerships**

By Ernie Hsieh

This research consists of my previous research done on 12 states in United States. Compare the significant funding method and sources, in respect to the scale and success of events; this research will address the fundamental elements to construct a model to arts/ music/ culture festival events, from the following perspectives, to an efficient and effective local festive economic planning;

## **1. Capital Funding & Source(s) of Support:**

Sources of support is critical to the success of event. It indicates the local businesses and government support directly toward the event.

Government supports are exerted in different level, as the research result will be showing, from local government department/ funded organizations, to National Endowment for the Arts. The level of government support can greatly reflect the cultural value of event.

Local business supports are observed in several ways from monetary support to festival technical services/ equipment sponsors. It is crucial to this research paper due to the potential benefits that event sponsorship carries in this two ways relationship.

## **2. Sponsorship Acquiring Method:**

Approaches to acquire support and funding shows the level of incentives event organizers will to offer in relation to what sponsors/donors can provide.

## **3. Event Context:**

Event context in this study is uniform (local music festival), yet characteristics are varied by location or event history. Exploring a city the event context as an input to self-branding that will enhance attractiveness of event.

12 comparable events of each state will be analyzed and summarized following an emphasis within the 3 perspectives, in reach to pool the greatest approaches to strive for a sustainable monetary supporting partnership.

## **Method To Acquire Funding - The Common Event Organizers Approaches**



There are different approaches to carry out my proposed goal that follows my researched results. Arts and culture event driven economic contribution is crucial to identify the actual impact of hosting the particular events. **Therefore**, the event supporting initiative from businesses reveal event impact and branding for both hosting community and supporting merchants. In addition, festival human resources will be noted since it's commonly less aware in the context of economic planning. The information based on sponsorship and community impact to the 12 researched states and local music events are as follow:

### **Montana - Montana's Urban Music Festival- Magic City Blues (MCB)**

The MCB claims to be a nationally recognized annual music festival. Which attracts followers to visit Billings, MT every summer. It is a community wide 4-days music festival. Based on my research, 21 sponsors are enlisted by the organization and 13 out of all are local businesses. Local private donors also contributed, yet very little portion of the event fund.

### **Nevada - Jazz and Beyond – Carson City Music Festival**

A week of different musical events throughout the Carson City at various venues, this event is proactively supported by local and state government support. It is well recognized by the Carson City, the local government seized the event to enrich the city cultural texture through music festival. Carson City Redevelopment Authority, Cultural Commission, Visitor Bureau and Arts Council are all committed to support this local event. Nonetheless, state government shown an active involvement as well, Nevada Commission on Tourism and Nevada Arts Council are both granting support to Carson City. Donors are the second factor that lowered the demand on excessive capital sponsors. Guitar Center at Reno, a neighboring city contributes with a donation on equipment. A couple of local lodging businesses provide support on accommodation.

### **New Hampshire - New Hampshire Music Festival**

The NHMF has a rich history of over 60 years. Professionally organized under these years of experience, the NHMF has a secured Board of Directors, great connection from local musicians to their own group of orchestra. The festival is a month long event, provide continuous excitement and enjoyable music experiences for the visitors and local communities.

All commercial sponsors are local businesses. Other sources of support are from local foundation and Government support (New Hampshire State Council on Arts). Very interestingly, instead on National Endowment For the Arts, National Endowment For The Humanities supports the NHMF.

### **New Jersey - Jersey Shore Jazz & Blues Festival**

The award winning music festival is a non-profit event. The Jersey Shore Jazz Blues Foundation that anticipates raising the awareness to their foundation outreach programs and local education scholarships organizes it.

Most of the sponsors are local business, The rest are heavily depend upon government entities. (Both state and local gov. department)

### **New Mexico - New Mexico Jazz Festival – Albuquerque & Santa Fe**

The 2 weeks festival collaborates the two major cities in NM – Albuquerque and Santa Fe. The event is mainly supported by sponsors and partnering organizations. Active local business engagement is found during the New Mexico Jazz Festival. Thus, in significant, the NM Jazz Festival highlighted the support from government officials as well as local and national government entities.

### **New York – Syracuse Jazz Fest**

This annual event has vast interested artists to help trademark the event as the largest Free Jazz event in Northeastern U.S. Also as the recipient of many different awards, extremely diverse group of sponsors is actively engaging to acquire exposure through this event. The research was done within New York state under one circumstance, it eliminates the similar festival and events locate in New York City due to the commercial oriented nature of NYC.

### **North Carolina - North Carolina Jazz Festival @ Wilmington**

The NC Jazz Fest aims to preserve the American culture. The festival offers free workshop and professionally led classes to educate and inspire the next generation. The NC Jazz Festival has a rather short list of sponsors but surprisingly having a great local residents support.

### **North Dakota - Integrity Jazz Festival**

Organized by the Minot Area Council of Arts, the annual music festival has started since 2008. The festival is a full day free musical event that aims to carry education value to the community. No government support is founded, however, as a local education oriented event it motivated a great count of local businesses to engage and support in return for commercial advertising exposure.

### **Oklahoma – Jazz in June**

Jazz in June is a relatively small-scale event that host in a 3 days duration. 2 events per day, the event is chiefly creating opportunity for artist grouping and a rather “festive”

entertainment to Oklahoma City. All commercial sponsors are from local businesses. On top of that, 11 private donors showed great support in comparison to other researched states. Oklahoma City Community Foundation, Art Council and Film & Music Office are also participated in organizing this event.

### **Oregon – Portland Jazz Festival**

Having over 10 years of experiences in organizing the Portland Jazz Festival. PDX Jazz has the very same mission just like the other festival; To educate, to inspire and to develop jazz music audiences and potential performers. Categorized the sponsors' purposes is enlisted to public which enhanced the accessibility and transparency of event organization and motivation. The Portland Jazz Festival organizer assigns their sponsors to their desiring contribution in respect to education sector, musical concert sector and the overall festival sponsors as well as grants. Local foundation and government entities also support for the event.

### **Differentiate The Event Context - To intensify Business and Public Interest**

Bringing in different elements to the event will stimulate the public interest toward their participation to the event. Such approach makes opportunities for a boarder range of stakeholders. Creating exposure to different social group is another incentives for the potential sponsors.

### **Nebraska - Nebraska Wine and Jazz Festival**

Winery and jazz as a combo, it attracts the wider group of participants from local area to get involved. The event is highlighted with the participation of 17 local Nebraska's Vineyards and Microbreweries enhanced the community engagement and directly benefits the local winery market and business development. This event also extends to the promotion of Nebraska Agri-tourism industry. The Nebraska Wine and Jazz Festival has a huge list of minor sponsors are enlisted. And 14 out of 15 major sponsors are Nebraska founded local businesses; in sum over 50 local business supports are recorded for this particular event. Besides, local area foundation and donors are as well noted. In specific to promote Nebraska Agri-tourism industry, Kearny Visitors Bureau also granted support to the event.

### **Ohio - Jazz & Ribs Festival**

The combination of food and music has a major impact on the visiting population. The more diverse exhibition attracts a vast visiting population based on different purpose.

This event is well celebrated throughout Columbus, Ohio. Therefore attracted supports from national enterprises like Bud Light and Coca-Cola. None of the festival organizers replied any of the email; it constrained the depth of research. From the limited resource and my study to the organizations publications, I recognize all of the organizers feature advertisements on individual brand(s) and companies on event brochure and other social media as the general approach. The amount of sponsorship is crucial to the rate of brand's exposure throughout the event.

#### **Additional –**

##### **Pros to build a reputation for the event**

For the less aware topic on festival human resource, an addition of study over the Toronto Film Festival (TIFF) was performed. Despite the fact that Bell (Canadian Telecom Company) possesses the arts & cultural event organization (TIFF), funding process is limited to anonymous donation. Regardless of funding sources, TIFF demonstrates a great application on human resources management. Organizing party TIFF has been hosting this annual international film festival for 40 years, yet it has a very small fixed working body; actively engaging in college and local school board volunteer recruitment. TIFF annually invites over 3000 volunteers to assist with this 11 days event that take place in Toronto downtown. While creating opportunities to meet celebrities and providing a creditable working experience, it successfully utilizes the volunteers to facilitate the basic roles of duty (promotion, media publication, festival information assistants) throughout the Greater Toronto Area. Which eventually expanded the market of visitors and event exposure, as well as minimizing event expenses.

#### **Conclusion**

In comparison to other music festival, the Carson City Music Festival, NV has a more efficient approach instead of capital support. Services and equipment are provided by a blend of national and local brands. These *brands provided direct services* on: event facilities construction, musical instrument and constructional equipment and discounted lodging services. It improved the efficiency of event organization.

New Hampshire researched object has shown the *reputation and history of event can endorse the event* with relatively motivated sponsors; regardless of supporting sources (government support, private donors or local foundation). This successful event proves the branding of event is beneficial in long run, on top of that, professionally organized under a fixed board of director and staff is a secondary factor that allure sponsors to earn a positive image or business return *securely*. Oregon Portland Music Festival also demonstrated great incentives for potential sponsors from categorizing sponsors into

professional fields (education, musical, culinary. Etc.) of contribution that strengthen the image of each sponsors.

Ohio Jazz & Ribs Festival clearly stated the importance of culinary as an attraction that enrich the character of events. It is also a sign as a successful self-branding from earning sponsorship from some of the dominant international brands. Also, shaping the community as a tourism destination. Therefore creating a character to stand out from similar event will also be beneficial to account within the economic planning process as a secondary investment (with a higher and more direct return).

These approaches exemplified the detailing switches on economic planning can enhance the efficiency of event. The different approaches also come in sight without conflict of purpose. Therefore facilitating future events from:

- Acquiring direct services or equipment support
- Mandate a fixed & experienced executive board to ensure the work quality
- Categorizing the sponsors for brand imaging
- Intensify the characteristics of events as the emphasizing elements of economic planning, that will promote community from the success local arts/ music/ cultural event. Which ultimately creates the branding of community and bringing positive image for the supporting businesses.

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# **Food for Thought: Inclusion of Local Cuisine at Festivals**

By Andrew Netter

## **Setting the Scene**

Festivals are a common occurrence across the United States in cities of all sizes and geographic locations. These public fairs are focused around everything and anything, from arts and crafts to jazz and blues the list goes on and on. With this diverse characteristic in festival options the few things that remain true amongst them all is the community pride aspect and the importance of food availability at these events. Festivals play a pivotal role at bringing residents out into the community to be together and interact with each other in a common space. When you have such a large amount of people out in a local gathering area for these craft shows, jazz festivals, or film festivals attendees are likely to turn to local restaurants or food installations for sustenance. This creates an optimal setting for local restaurants to introduce themselves to the local clientele and interact with the public. Instead of resorting to the chain food options are present in almost every city across the U.S. restaurants have the opportunity to increase the accessibility of their product to the public, increase the accessibility of the public to them, and increase overall interaction.

Each year East Lansing holds a number of community events of which include art, food, music, holiday, culture, film themes and more. At these events there is always the occasional food vendor and the access to the local store fronts. However, these community settings offer a great opportunity to local restaurants to set up stalls to offer their food to the public. Taste of East Lansing, the annual Art Festival, the Great Lakes Folk Festival, and the Summer Solstice Jazz festival are all East Lansing based community events that draw in large crowds to the downtown East Lansing area each year. With a strong draw of the community at each of these festivals it is important that local businesses take advantage of the crowds and introduce their business to the community and create a relation between them and the attendees. On the other hand it is important to offer the opportunity to local restaurants to participate and enhance the offerings of the community event.

## **Methodology**

This report will examine the role of festivals in introducing the public to businesses in the local area and how these events can be used to create successful relationship between residents and the local businesses. There will also be an evaluation of the current state of several of the larger East Lansing community events and how they perform in establishing a connection between residents and local restaurants. This

section will then be followed by recommendations and opportunities report that are available to the city through development of the events.

## **Festivals**

Festivals offer a wide range of economic and social opportunities to a community. One of the most noticeable effects of community festivals is the influx of tourists to the area. Festivals have the ability to attract visitors from the local region that are looking to come into the community to participate in the event. This attraction of regional citizens to the city center creates a sense of community pride and the opportunity for businesses to interact and reach out to people that, under normal circumstances, would be outside of the business's area of reach. When tourists and visitors come into a city, they inherently spend money because they are away from the amenities of their house.

Businesses on and off site of festivals and events benefit from the influx of tourists and activity around the downtown area; costs directly related to the festival include parking, admissions fees, merchandise sales, and food and beverages purchases. Indirect spending at festivals takes place through-out the festival community in the form of stops at gas stations, dining expenses, public transportation, local souvenir and boutique shops, and much more (Grames & Vitcenda, 2012). One of the after benefits is the massive amount of free marketing and advertising for the local businesses and the community itself that is produced by the attendees to the event. With the widespread use of social media sites it is inevitable that a certain proportion of the attendees and visitors to the community will post a comment or photo in regards to the festival (Grames & Vitcenda, 2012). This has the ability to directly address popular local businesses and increase reputation and recognition of the business name inside the immediate community and extending it out into the regional community as well.

With this large inflow of visitors to the community and celebration of local heritage and history there is a strong sense of community pride. These events encourage residents to celebrate and support the local amenities that the city/town have to offer; whether that be local artisans and craftspeople, local restaurants and chefs, local musicians and bands, the heritage of the city, or the overall culture that is embodied in the city. These events offer the opportunities for locals to rediscover what their city has to offer and for visitors to the area to discover new businesses and amenities offered outside of their own city.

Finally, there is also the building of relationships that are often times created in the process of festival goings-on. The interaction that occurs between businesses and the municipality offers relations building that will be beneficial for each entity in future events and business/economic development for the city (Grames & Vitcenda, 2012). There is



also the formation of appreciation of local businesses by residents and visitors. These events offer the opportunity for citizens to (re)discover small businesses within the local area/region. Businesses also have the chance at receiving direct feedback from customers on their products/services so that there is a better understanding of strengths and weaknesses.

## **East Lansing Community Events**

Each year East Lansing hosts a number of events ranging in a characteristics and sizes. For this report four main festivals that take place in the city were chosen for analysis of incorporation of local restaurants: Taste of East Lansing, the annual Art Festival, the Great Lakes Folk Festival, and the Summer Solstice Jazz festival.

Taste of East Lansing is a Community Relations Coalition hosted event in which local East Lansing restaurants set up stalls along Albert Avenue between Grove Street and M.A.C. Avenue. In this small street section the entire event crams in food from: the former What Up Dawg, Jonna's 2 Go, Espresso Royal, Black Cat Bistro, Dublin Square, Michigan State University Culinary Services, Sweet Lorraine's Fabulous Mac n' Cheese, Hop Cat, Harper's Restaurant and Brewpub, Noodles and Co., and Swagath Indian Cuisine (Community Relations Coalition, 2015). With eleven restaurants represented at the event, the Community Relations Coalition, with support from the City of East Lansing and Michigan State University, does a thorough job in incorporating local food business and resident interaction. The funds of the event go towards the funding of CRC activity and Capital Area Housing Partnership; however, 25 percent goes towards beautification efforts in the East Lansing area (Moser, 2015) which accounted for \$4,000 of revenue in 2015 (Community Relations Coalition, 2015). Despite the fact the revenues are not going to the restaurants there is still return being made to the community in the form of the 25 percent to city beautification efforts. Plus this increases exposure of businesses to residents and visitors to the city. This allows businesses to establish themselves with citizens with less awareness of local restaurants in the downtown area and is a chance of cheap marketing of their products by offering samples of signature items from their menus that have the potential to draw returners back to their places of business.

The East Lansing Art Festival draws huge crowds each May into the downtown area and onto the Michigan State University campus. The festival was originally thought up by a Michigan State University advertising club as a way to encourage activity in the downtown area and to spark interest in East Lansing downtown businesses (City of East Lansing, 2015). It has now been shaped into a venue where hundreds of local and non-local artists set up on the streets of East Lansing to display their work. The event is ranked in the top 100 of best annual art shows by Sunshine Artist Magazine and attracts

over 70,000 attendees into the area to view the artists' work (City of East Lansing, 2015). The booths line down Abbot Rd., Albert Ave., and M.A.C. Ave. With tens of thousands of residents and visitors to the area walking through the streets this is great free advertising for the local restaurants on these street and Grand River. However, there are limited options for quick food options that can be carried through the streets while viewing the artwork. In fact regulations for the festival prohibit the sale of food items all together (City of East Lansing, 2015). In one sense this creates opportunity for the businesses on that block but completely shuts down the possibility of small stalls for local restaurants located elsewhere in the community like Taste of East Lansing offers.

The Great Lakes Folk Festival is put on by the Michigan State University Museum and is held in the downtown East Lansing streets in mid-August. The festival showcases traditional culture from the upper Midwest, across the county, and around the world. The community event is an effort to foster cross culture understanding and present the diverse society of the area through musical performances, dances, storytelling, and craft (Michigan State University Museum, 2015). This festival is set up similarly to the Art Festival with a craft market place stretching up Abbot Rd., performance areas on Albert Ave., in the Albert Ave. parking lot, and in the Dublin Square parking lot, and a Taste of Traditions Food Court on the corner of M.A.C. and Albert behind the Riv. The food court is an attempt at including local cuisine into the festivities and includes: Native American Foods by Anishnabe Meejim from Lansing, Amist Concessions, Grand Grillin, Melting Moments, Kathy's Kettle Korn, and the Michigan Donut Company (Michigan State University Museum, 2015). There are also the immediate restaurants that are located on the streets of the fair that receive boost from activity in front of the stores. However, the line-up of restaurants incorporated into the event is underperforming considering the high amount of foreign cuisine in the East Lansing and Lansing area.

Finally, the Summer Solstice Jazz Festival is one of the crown jewels of set of East Lansing hosted events. This festival, steeped in tradition, draws on thousands from the residential population and from the tourist population who come to town to hear local musicians as well and nationally and internationally renowned jazz performers (City of East Lansing, 2015). This event is put on each year in the late June in co-production by the City of East Lansing, the Wharton Center for Performing Arts, and the Michigan State University College of Music. For the two night performances carry on until around 12:30 a.m. from the Eli and Edythe Broad Art Museum all the way across the downtown area to Abbot Rd. behind Beggar's Banquet (Gartee, 2014). Like the previously diagnosed community events the main food incorporation of this festival is the restaurants in the immediate vicinity of the performance locations. However, unlike the previous festival this gives access to an increased amount of downtown food locations because the festival spans across a larger region of the downtown area. The Art

Festival, Taste of East Lansing, and Great Lakes Folk Festival are all generally contained to the western portion of downtown East Lansing, while the Jazz Festival increases activity of store fronts past M.A.C. and all the way down to Farm Ln. because of the art museum performance location.

## **Recommendations**

All of the listed community events were designed to bring people into the downtown East Lansing area, whether it is resident or visitor. The goals of these events are to increase the duration of the stay in the area, increase consumption and expenditure in the downtown, improve/increase awareness of local amenities, and increase community pride and solidarity (Janeczko, Mules, & Ritchie, 2002). Based on reports of these events it can be concluded that these festivities do a successful job at casting a wide catchment area for the local and regional community and are able to bring in large quantities of people, residents as well as visitors, at various times throughout the spring and summer months in East Lansing.

With the exception of the Community Relations Coalition's Taste of East Lansing, these community activity boosting events largely fail to address the immense amount of local cuisine in the East Lansing and Lansing area. These settings are great ways to give smaller non-chain restaurants to increase public accessibility of their dishes. By offering areas for local restaurants to set up booths to offer samples of their popular menu items it allows the residents and tourists to the area to discover businesses that they had little previous knowledge of. Also, with the widespread use of social media in modern culture this is a chance at free/ low cost advertising of their business or menu to a wider, previously unreachable audience. This is not to say invite every local restaurant to the local event, but rather have a set amount of space designated to advocating local, popular cuisine. Reach outside of the East Lansing downtown area; every college student and local resident knows about the local bars, chain restaurants, breweries, and drunk food hangouts. By bringing in places that are outside the immediate downtown East Lansing area there is opportunity for business owners to market their business to a previously untapped/unknowing population in the local area or region. Bottom line, these types of events offer cheap marketing and advertising opportunities to get a business's name out into the public eye through direct interaction and/or social media buzz and has the potential to boost popularity/notoriety and bring back new customers to their permanent restaurant.

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# **Festivals in Chicago, Illinois and Their Economic Relevance to the City**

By Donald Whipp

Chicago is home to 2.7 million people, making it the largest metropolitan area in Illinois as well as the Midwest. The high density of the metropolitan area makes Chicago an incredible hub for culture and economic opportunities, for both the city and the people visiting from around the country and around the world who come to enjoy a beautiful city on the shore of Lake Michigan. I wanted to write about Chicago and the festivals that are housed inside the city because I was raised in La Grange, which is about 30 minutes west of Chicago. It is hard not to fall in love with a city as beautiful as Chicago.

Festivals provide economic support for the city of Chicago in the way people from all over the country come to Chicago for their live music festivals in the summer and the grandiosity of Chicago's skyscrapers and architectural masterpieces. The Chicago Jazz Festival in Millennium Park, Lollapalooza in Grant Park and Pitchfork Music Festival in Union Park, all offer completely different experiences and contribute to different environments in the local Chicago area. All three festivals and different corporations working with these festivals are all different puzzle pieces to the same larger puzzle, and understanding how those same pieces move is important to realize how Chicago has become the music festival capital of the Midwest.

## **Chicago Jazz Festival in Millennium Park**

The Chicago Jazz Festival that dates the first Thursday, Friday, and Saturday in September in Millennium Park which had brought in about 135,000 people in 2015. The Festival is hosted by the Department of Cultural Affairs and Special Events, which is dedicated to enriching and providing for the economic and cultural future of Chicago, in ways of providing for the independent artists, the city's non-profit arts sector, as well as "presenting high-quality, free and affordable and cultural programs for residents and visitors" (City of Chicago). The festival brings in about \$9.8 million dollars and most of the people that are in attendance are mostly Chicagoans at 53% for the year 2015. So unlike Lollapalooza or Pitchfork, The Chicago Jazz Festival brings in mostly Chicagoans and not nearly the international crowd that Lollapalooza and Pitchfork generate.

One of the architectural beauties of the Chicago Jazz Festival is the Jay Pritzker Pavilion right in Millennium Park, with its recognizable steel beams hanging overhead and crisscrossing in multiple directions. Underneath the Jay Pritzker Pavilion is the entire green space dedicated to Millennium Park called the Great Lawn, which is

incredibly child-friendly which is an important aspect when designing the festival experience for Chicagoans and other residents from surrounding areas. Another aspect of Millennium Park and its economic relevance to the city is the Crown Fountain, which also provides child-friendly experiences walking through the waterfalls that are triggered periodically for the enjoyment of the little kids and adults alike. Providing experiences for the entire family, not just for the adults, to enjoy is an important aspect when designing festivals for economic activity. Even though the Chicago Jazz Festival is free to the public, families will come and spend money on the local vendors that are usually housed inside the surrounding parks, not just inside Millennium Park. When money is generated throughout local businesses, hopefully it comes back to the Department of Cultural Affairs and Events in order for the Chicago Jazz Festival to bring in more artists and performers with high quality. As well as keeping the festival free to the public so people that don't have the money to experience world-class musicians, can experience great musicians at no cost except for travelling to Millennium Park in the first place.

### **Lollapalooza and its Branding of Chicago**

Lollapalooza celebrates its 11<sup>th</sup> year in Grant Park in 2016, but its 25<sup>th</sup> year in the United States, which has garnered worldwide attention. Lollapalooza has been newly established in many other cities such as Berlin in Germany, Bogota in Colombia, Sao Paulo in Brazil, Buenos Aires in Argentina, and Santiago in Chile. Berlin's Lollapalooza was the first Lollapalooza in Europe and was celebrated last year in 2015. Chicago has been branded by Lollapalooza as a summer music capital of the United States, like Tennessee's Bonnaroo and California's Coachella and continues to live with that brand extending well into the future as a Midwest powerhouse. The number of attendees to this economic powerhouse of a summer festival has brought in 100,000 people per day during the 3-day weekend in 2015, with the most attendees in the course of the 25-year period. During the time of Lollapalooza, which normally falls during the last weekend of July and sometimes falling into August, hotels are completely sold out or have incredibly high rates because hotels understand the supply and demand of rooms during Lollapalooza weekend.

According to [chicagobusiness.com](http://chicagobusiness.com), the data usage of festivalgoers has had an enormous impact with Lollapalooza in comparing other major events in the Chicago area. Over the course of the Lollapalooza weekend, data usage is about 158.0 terabytes as compared to the second highest event in terabyte usage, Taste of Chicago, with 7.0 terabytes (Crain's). Lollapalooza has an enormous impact on the city and its usage of wireless data, mostly because the festivalgoers are recording every musician that they can.

According to [worldbusinesschicago.com](http://worldbusinesschicago.com), “Lollapalooza was responsible for generating more than \$143 million in economic activity locally and \$61 million in labor income”. Understanding how much of an economic powerhouse that Lollapalooza has become over the course of its 10-year stay in Grant Park is important in terms of understanding the business cycle and how economic activity skyrockets during Lollapalooza weekend. When looking at the history of attendance of Lollapalooza of the past 5-10 years, there has been a positive trend of attendees both young and old with 60,000 people over the course of the festival in 2005, when it was only a two-day festival and increased dramatically to 167,356 people over the course of the festival in 2006. Jumping forward to the year 2010, there were about 240,000 attendees over the course of the three-day festival, and the record breaking 300,000 plus attendees in the year 2015.

Besides obvious economic impact for the city of Chicago itself like beautification projects and other projects scattered throughout the city, the ticket sales and part of the \$143 million Lollapalooza brings in, a lot of that money goes to fund scholarships for students to go to summer camp. So not only is Lollapalooza a great festival to spur economic activity for the city, but it also helps its residents to be able to enrich their lives in many ways.

### **ThinkChicago: Chicago Ideas Week 2015**

In 2011, Mayor Rahm Emanuel had created a program in collaboration with Chicago Ideas, the University of Illinois, World Business Chicago and 1871 called ThinkChicago that has invited 125 top-university students from around the country in order for them to gain an understanding of Chicago’s growing technology scene, which a large portion of that tour involves the newly applied technology to standards to Lollapalooza in Chicago. As well as understanding what kind of technology and economic standards are included in promoting and hosting Lollapalooza, ThinkChicago students are also given free attendance to the festival for the entire weekend. Students are surprised by the enormous amount of investment that local companies provide back to the city and how there is a loyalty of Chicago-born companies to stay in Chicago. From ThinkChicago, students learn all about the in-demand tech jobs and how important it is to retain the talented workforce in the Chicago area. ThinkChicago is an important and useful program in order for the future workforce to understand what drives major cities and what kind of talent is required to shape a city as a competitive one in the 21<sup>st</sup> century.

### **Pitchfork Music Festival**

While Pitchfork Music Festival doesn’t have the same grandiosity of Lollapalooza, Pitchfork still has created a sturdy stronghold in Union Park on West Randolph Street about 15 minutes West of Grant Park. I wanted to include Pitchfork because Pitchfork is incorporated into the neighborhoods of Chicago, whereas Grant Park is situated farther



away from neighborhoods and closer to where businesses are incorporated. I was interested in looking at the two different sites and how Grant Park's Lollapalooza generates a majority of its attendees outside of Chicago, whereas Pitchfork brings in a larger majority of its Chicago residents and yet still bringing in a wide array of attendees out of state and international, while still keeping the urban feel of Chicago. While Grant Park's Lollapalooza is a beautiful and high-in demand summer festival, Union Park's Pitchfork is a true heart-of-Chicago where there is a more urban community feel than Lollapalooza has.

While attempting to traverse the crowds during either Lollapalooza weekend or Pitchfork Festival weekend, the ticket prices are not cheap for the experience you will have at either of these festivals. While tickets for last year's Lollapalooza even was a price of \$275 for the entire 3-day festival, Pitchfork's Festival is only about \$180 for the 3-day event. The price factor for both of these events are something to be considered when experiencing Chicago in the summertime and its branded image of being a festival city in the summertime.

### **Jane Addams Resource Corporation and Its Importance for the Pitchfork Festival Community**

During the Pitchfork Music Festival weekend in mid-July, The Jane Addams Resource Corporation has a volunteer stall where people can learn more about volunteering and how the Resource Corporation helps Chicago communities especially the people living in poverty inside those same neighborhoods. They have been helping Chicago communities for the past 30 years and been helping continue set up Pitchfork Festival for the past 2 years. The relationship between community resource programs and neighborhood festivals, especially Pitchfork, is incredibly important because it not only brings in economic development to the area around Union Park, but it also helps the people that call the surrounding Union Park area their home.

The vision for the Jane Addams Resource Corporation is as follows: "JARC promotes strong communities, businesses and households to ensure that people who work do not live in poverty"(JARC). For corporations that serve the needy and help people who can't help themselves is an incredibly important aspect of why festivals are held in the first place: to provide entertainment for the people and at the same time for people and businesses to grow and thrive. And in turn, businesses put money back into the community in the same way that started. Money should be used to better the lives of everyone, not just the incredibly affluent. When economics serves to the betterment of people, people will live healthier and happier lives. JARC's vision is a noble one and is directly related to how it attempts to help the neighborhoods surrounding Union Park and how Pitchfork is a great catalyst for change in the neighborhood level as well as

bringing in new experiences and opportunities to surrounding neighborhoods and communities.

## **Conclusion**

Chicago has created a brand that people from all over the world travel to this Midwestern city for the music scene and all the cultural events that Chicago has to offer. Chicago's growing technology scene is important for the 21<sup>st</sup> century to retain the newly graduated millennial generation as festivals like Lollapalooza and Pitchfork clearly understand what needs to be done in order to make that happen. The economic powerhouses that are Lollapalooza and Pitchfork are important for the growing cultural scene of Chicago and will continue to grow for many years to come as long as people continue to enjoy summer festivals and enjoy Chicago's urban environment. Depending on what type of festival you want, Lollapalooza, Pitchfork, and the Chicago Jazz Festival all deliver different experiences, and to enjoy Chicago as a cultural center of the Midwest, looking at the three festivals described is important to generate a sense of place that is different from home. It is all in the experience of festivals that people come from so far away to enjoy and to understand how these festivals drive businesses and drive the local economy is the key to understand what it means to be a consumer of experience based activity.

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## **A “Cherry” Good Time: the Effects of Festivals on Local Economies**

By Lauren McGuire

There are many factors at play when it examining the level of economic impact festivals have on their communities. From nonresident visitors and big name sponsorships to local attitudes towards the event and programming choices, it can all make a difference. When thinking of the success of a festival, the appropriate planning must take place. Whether or not the event is located in a rural or urban setting is pertinent to understanding how the impacts will be felt throughout the community. The ability of festival creators to estimate with accuracy the attendance, expenditures and revenues is also pertinent. Lastly, by developing a positive social capital, the festival can be engaging and enjoyable for all involved, not just tourists.

### **Rural vs. Urban Festival Locations (Irshad)**

Perhaps an often-overlooked factor of festivals is their location relative to urban centers. It may seem obvious, but it is important to examine the benefits and potential issues associated with the geographic location in which a festival is held. Benefits of festivals are experienced and distributed differently in urban and rural settings. The availability of resources in urban and rural settings also varies greatly, causing different experiences to become commonplace between the two arenas (Irshad, 4). Both settings however, use festivals and the culture they highlight to differentiate themselves from other areas in a region. Attitudes towards tourists can also play a part in creating the different experiences present in rural and urban communities.

The first aspect of location to contemplate is the availability and variety of resources. Rural areas can be full of unique resources including locally made foods, a variety of leisure activities and large amounts of open space. Urban areas, contrastingly, have their own treasure trove of more concentrated resources. This allows for a range of cuisine and cultural practices, a diversity not widely present in rural areas simply as a result of low population rates. As a result of these differences, the festival is very different both in and outside of the

The benefits of festivals may also be largely affected by the location of the event. With a festival come many opportunities for job growth, skill development, and volunteering, environmental and cultural development. Many of these opportunities are felt more acutely in rural communities (Irshad, 1). From infrastructure improvements necessary to the event to new jobs, a smaller population, often times with less money than urban

areas, feels the effects in a greater way. That is not to say urban settings do not benefit as well.

Festivals act as a catalyst for economic development and also as an opportunity to differentiate one community from others that may seem similar to outside visitors in size and culture. By embracing its culture in the form of an event, a community can build a brand that will promote economic development. Though many nearby areas may very well have the same culture, groups of people, agriculture, music and more, laying claim to such factors in form of an event often times garners public attention. For example, many communities in western Michigan partake in blueberry farming, but only South Haven, Michigan is home to the National Blueberry Festival ("National Blueberry").

The welcoming nature and compliance of locals can also be a large factor in whether or not guests of festivals feel welcomed and enjoy an event, all of which contribute to their willingness to spend money and benefit the local economy. Successful festivals have accommodating, understanding local community members that identify closely with the cultural facet that the festival centers upon. Some argue that those in rural communities are amiable and always happy to assist others, for example. Others say rural residents may not support outside vendors, corporate sponsors and unfamiliar faces. Stereotypes aside, this highlights the need for thoughtful consideration pertaining to the groups that will be surrounding the event.

### **Estimated Visitor Expenditures & Revenues**

While examining factors that contribute to the economic success or failure of festivals, estimated visitor expenditures and revenues cannot be forgotten. Whether or not visitors originate from the area or are tourists is another factor to consider. Estimates of the average amount to be spent per visitor should be calculated. The effect of visitors whom both intentionally and unintentionally partake in the festival is also an aspect to contemplate.

By estimating the amount of visitors to attend any event, one is able to more aptly plan an appropriate event. It is important not only to project possible revenues per visitor, but also to decide how much money for expenditures can be realistically afforded. As with any event, it is imperative to success to plan and budget for as close to the actual number of guests as possible. Without this expertise in this area many festivals often lose money on over supplying or having low customer satisfaction when the needs of those attending the festival cannot be met.

The classification of visitors can be a helpful step in determining their impact on an event. There are many varieties of visitors. *Nonresidents* do not have permanent

addresses in the area. *Time Switchers* are those already interesting in the area that have adjusted their visit schedule to accommodate the festival. *Casuals* are in there are on other business and attend the festival in lieu of another activity for entertainment. Information about these visitors should be collected at the festival so surveys can be sent to them in the future. Surveys are one viable way of of accurately estimating visitor revenue (Frechtling, 7).

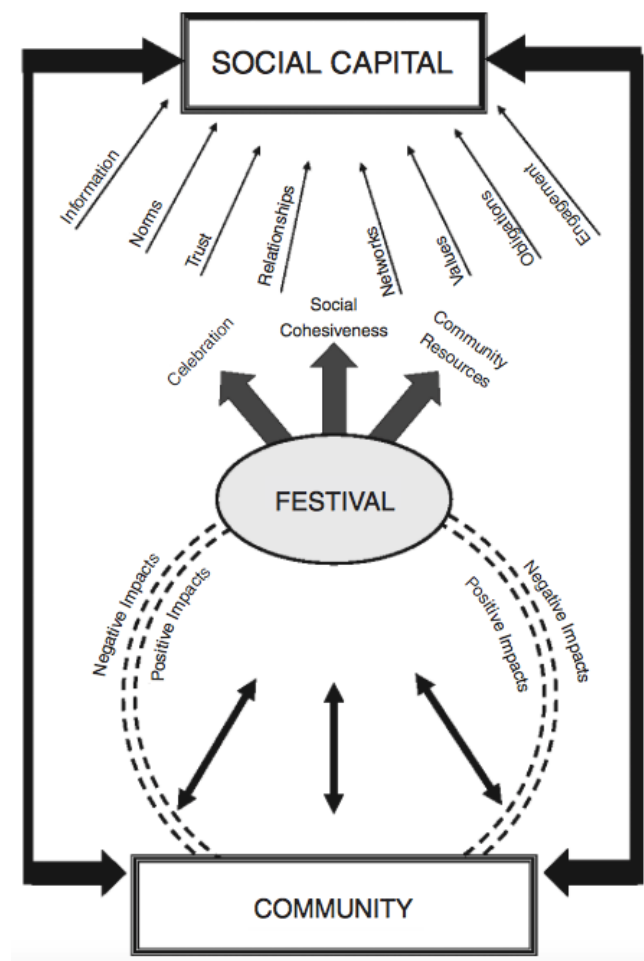
Also to be included in the numbers reflecting potential revenues should the accessibility to the public. If the event is to be public, the impact of passersby that did not intend to visit the festival should be considered. However, if the event is meant to be exclusive only to those who paid for admission, the amount of extra revenue should not be added (Frechtling, 7).

A large component affecting the success of festivals is whether or not local entities were actually supported in the event. Many communities begin with the idea of regional pride and support in mind, but the sentiment sometimes gets lost in the process. If non-local sponsors acted as the main vendors or entertainers for example, revenues from visitors are likely to leave the area when the festival concludes. On the contrarily, “Local vendors, artisans, craftspeople, restaurateurs, hoteliers and innkeepers may make a large portion of their annual income during the course of an event,” (Irshad, 15).

### Importance of Social Capital

The value of camaraderie in the community cannot be underestimated when coordinating a festival. The social interactions amongst various groups involved can sometimes define an event.

Social capital is defined as, "The processes between people which allow the establishment of a sense of cooperation, goodwill, reciprocity, belonging, and fellowship," (Arcodia, 2). Social capital can enhance or detract from the festival and its highlight of local culture. Locals not in attendance at festivals are often forgotten, but



Above is an illustration by Arcodia (2008) showing the relationship of social capital to a festival.

their actions are large contributors to the success or failure of a festival. Additionally, the use of both regional flavor and well-known sponsorships and a globalized market can be a precarious balance that can risk over-commercialization of an event.

The socio-cultural environment is a very important factor in the success of a festival. The purpose of festival-goers' presence, their overall mood, interactions with locals, a sense of celebration are just a few factors that play into the fabric of the socio-cultural environment (Arcodia, 7). In addition to the proper resources, attendees also want to feel a sense of pride and community vitality, which is part of a positive socio-cultural environment.

A third issue relating to social capital is the threat of over-commercialization. Many corporations see festivals as large gatherings of consumers, sometimes forgetting about local culture. According to research however, the greater the level of involvement of local people and suppliers, the greater the economic benefit in the region (Irshad, 15). This shows that local involvement is both good for the local community and contributes to the social capital of the event.

### **Case Study: National Cherry Festival**

A relevant example showcasing some of the economic factors that affect a festival discussed here is the National Cherry Festival that takes place annually every July in Traverse City, Michigan. The mission of the Cherry Festival is to, "Celebrate and promote cherries, community involvement and the Grand Traverse Region." In 2014, the Cherry Festival attracted over 500,000 visitors and generated \$2.3 million in revenue ("Grading"). The festival showcases the regional culture of northern Michigan through health events, baking competitions, concerts and more. Some factors discussed here that are also influential in the success of the festival each year are varying benefits of local versus non-local revenues, the socio-cultural environment and the threat of over-commercialization.

Local revenues versus non-local revenues is a large issue at the Cherry Festival. While there is the ever-present struggle of attempting to keep regional heritage and culture intact, there is also a considerable demand from consumers. In a city of a mere 15,000, an eight-day festival with over 500,000 visitors can place a strain on supply. Local cherries, for example, are not well enough into the harvest season to satisfy demand, which often leads to the controversial import of cherries from secondary locations ("Cool Weather"). While many say this sacrifices the integrity of the Cherry Festival, coordinators argue it allows a cherished tradition to continue. Regardless of sentiment, the revenue is lost on the local fruit farmers whose cherries will arrive about a month late.

The socio-cultural environment is also a precious arrangement at the Festival. With resources stretched to accommodate visitors, everyday life is disrupted in the small city. From overcrowded grocery stores to abnormal traffic jams lasting what seems like hours, locals often find themselves unable to avoid the bustle of the Cherry Festival ("Grading"). However, the City and the Festival play an active role in mediating the sometimes nuisance-like tourist and local relationship. With active security, traffic enforcement and general organization, conflicts are usually minimized. A survey measuring local satisfaction is also circulated yearly to improve the naturally strained relationship. Overall, organizers are proactive and their actions are reflected in the positive socio-cultural atmosphere present at the Cherry Festival.

The temptation to emphasize non-local brands and the global market is also an issue the Festival struggles with. When so many consumers are gathered in one place, many big name companies like PepsiCo are eager to invest. "I would like to see the festival... focused on the cherry industry, really showcasing the region...not all the big national, commercial enterprises," said Barbara Budros, 2014 National Cherry Festival Commissioner ("Grading").

## **Conclusion**

There are many factors, like the Public celebration opportunity (Arcodia). These opportunities contribute to not only the brand of a community but they help create a sense of place for its residence. It instills pride amongst locals and that is one of the best selling economic stimulus a community can hope for.

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## **Lessons from Minnesota's Economic Development Strategy: Art's Contributions to Resilient Economies**

By Rohit Menon

There is renewed interest in the built environment as a factor that improves economies. Community vitality is seen as a medium to nurture spending, which lead to growth and jobs. Both large and small businesses are piggy backing off this understanding by choosing to locate their centers around vibrant downtowns. Not only do downtowns appeal to their young workforce, but spending in local economies benefit their role within neighborhood, city and in some cases regional planning decision-making. Since the economy contains mainly two components - demand and supply, and people, cities play a noticeable role in hosting spending activity. Supply refers to any goods, service or stock that is a person's consumption. Demand refers to debt/credit or cash that said person is willing to spend for that consumption. A market, industry or sector is related to the same type of consumption.

People's outlook change with time which in turn, change behaviors. At a macro level, what seems interesting to one generation, may seem uninteresting to another. This outlook is starkly visible in economic spending between generations of our time. The 'New Economy' describes the difference in spending behavior between millennials and baby boomers- giving insight to concerned initiators, planners and decision makers about economic strategies to accommodate for these differences. A key characteristic of the millennial generation is people's tendency to spend on experiences. Cities such as Portland, Oregon and the Twin Cities, Minnesota have transformed their economies from that of aging post-industrial wastelands to vibrant, more livable places by accommodating this tendency in their growth. Ann Markusen and Anne Gadwa (2010) find an effective strategy to transform cities into places that appeal to both younger and older people, therefore sustaining a robust economy, is to nurture a strong artist community.

Previous studies have shown the return on investment in the art and culture sector, and the jobs and growth it generates is often overlooked. In an economic impact study, William Beyers (2008) found that music created 20,193 jobs in the Seattle region, with \$2.2 billion in sales and \$148 million in tax revenues in King County. Ann Markusen and Anne Gadwa (2010), based on census data in 2010, find that selected cultural industries (publishing, motion picture and sound recording, broadcasting and telecommunications, performing arts, museums, spectral sports, amusements,

gambling, recreation, professional, scientific and technical services) has an output of \$4,108 billion, accounting for 18% of gross national product in private industry.

This paper reviews economic development strategies by investing in the art and culture sector, using the case of the twin cities as a medium to document successes and challenges in implementing these strategies. The paper learns from this case and points to approaches the Jazz festival in East Lansing, MI can adopt in the future.

### **Minnesota, U.S.A.**

Traditionally, classic industries such as mining, farming, manufacturing and financial services are seen as being central to Minnesota's economy while the art and cultural sector is used to demonstrate "quality of life". An alternate approach is one that Minnesota adopted by investing in the art and cultural sector to improve the state's economy. Since art and culture are experiences enjoyed by most people, they are valued as being a sector that generates increased economic activity at the local level. This section of the paper investigates the ripple effects of spending related to art and culture documented in Minnesota.

Arts and culture in Minnesota generates \$838.5 million in local economies statewide and, since the economy is essentially the activity of spending money between people in different markets, returns nearly \$11 for every dollar spent on the sector (MCA & FRACM 1, 2006). From this total spending, \$485.8 million is spent by non-profit arts and cultural organizations and \$352.7 million in event-related spending by their audiences. This supports 22,095 full-time jobs, generates \$631.1 million in household income to local residences and delivers \$94.1 million in local and state government revenue (MCA & FRACM 1, 2006, pp. 3).

Meanwhile, St Paul reports that the nonprofit arts and cultural industry is a driving force in the economy. The industry supports 8,205 jobs and generates \$35 millions, making the industry worth \$310 million (MCA & FRACM 2, 2006, pp. 9). Nonprofit arts and cultural organisations together spend \$184 million annually, leveraging \$126 million in additional spending by arts and cultural audiences. This additional spending brings revenue to local restaurants, hotels, retail stores, parking garages and other businesses.

Due to the nature of measuring success in the economy- based on the activity of spending by people, impact is reflected through recessions or expansions in the activity. While the input-output model to measure impact is the basis for two Nobel laureate's award winning work, the social sciences have evolved several methods of more rigorous tests to evaluate success and impact. The summer solstice Jazz Festival offers

opportunity to measure impacts on people and their quality of life as well as document economic activity surrounding the event.

## **Key Challenges and Solutions**

Markusen and Gadwa (2010) posit seven key challenges to keep in mind while nurturing growth in the arts and cultural sector. The whitepaper addresses challenges such as forging sustainable partnerships, countering community skepticism, assembling adequate financing, clearing regulatory hurdles, ensuring maintenance and sustainability, avoiding displacement and gentrification, and developing metrics and performance evaluation. The authors then analyze qualities that successful cases collectively demonstrate. These include *creative initiators, designing around distinctiveness, mobilizing public will, garnering private sector support, securing arts community engagement*.

### *Creative Initiators*

Initiators in all successful cases of art and economic development come from surprisingly varied backgrounds. Some are individuals, a collection of artists, or people from public and private sectors. A commonality between all creative initiators, is a passion to see their own communities evolve and improve. That driving force is evident in cases such as the Seattle City of Music initiative, 01SJ Biennial and Fond du Lac's Ojibwe reservation (Markusen and Gadwa, 2010, pp. 18).

### *Designing Around Distinctiveness*

Qualities reflected in successful cases of creative placemaking also includes of a city's unique character and history. The literature has several studies that show place identity is a key factor for people's preferences while choosing to move or live in a city. From a marketing perspective, identifying and building upon the unique identity of a place benefits a city's branding and the visibility it gets from people living elsewhere. Cities such as Buffalo, Cleveland, Providence and Paducah have revived their economies around the character of their water-based industrial heritage. Similarly, Arnaudville embraced its Cajun heritage, Hollywood Boulevard restored its historic downtown of the movie industry and Fond du Lac increased visibility of Ojibwe artists. Some cities have done the reverse by crafting initiative around problems. Phoenix, one of the largest auto dependent cities, created large visual art projects along its highways, and Philadelphia's Mural Arts transformed graffiti ridden areas by encouraging young people create beautiful neighborhoods (Markusen and Gadwa, 2010, pp. 19).

### *Mobilizing Public Will*

Public will plays a crucial role in overcoming challenges related to regulatory hurdles and avoiding gentrification. In addition, it serves as a stepping stone for the two

remaining attributes of successful initiatives that nurture the role of arts and culture in the economy. Initiatives such as Seattle City of Music and Providence's revival as an arts and cultural city have been championed by their respective Mayors. These cases show that mobilized citizens can work towards inserting art and cultural agendas into electoral politics. Another instance is when a City Councilman negotiated \$3 million in public financing to incubate the Gordon Square Arts District in Cleveland. To summarize, gaining public will builds momentum to not only garner private sector support and encourage arts community engagement, it also inspires officials elected into office to question the beaten path and engage in new directions to build community vitality (Markusen and Gadwa, 2010, pp. 19-20).

### *Garnering Private Sector Support*

Stakeholders for art based economic development include but are not limited to banks and local developers, cultural industry firms and local businesses, private sector philanthropists, commercial art galleries, theatres, music presenters and venues. Banks and local developers possess extensive knowledge about the neighborhood market and neighborhood economy. Paducah's Artist Relocation program and Cleveland's Gordon Square Arts District are example of art and culture initiative that have received support from banks and local developers. Cultural industry often contribute to city wide initiatives to improve workforce retention and productivity. Silicon Valley provides 30% of ZERO 1's fusion of art with technology. Private sector philanthropists include corporates, family foundations and individuals. Artspace Buffalo Lofts artist finance package relied on corporate philanthropists (Markusen and Gadwa, 2010, pp. 20).

### *Securing Arts Community Engagement*

The Artist community is a central stakeholder to economic development through investment in the arts and cultural sector. In some cases, what the community contributes to the initiative forms its backbone. For example, two theatre groups in Cleveland designed and raised funds for the Gordon Squares Project. Artspace Projects operates as a nonprofit developer that build loft apartments for artists to live and work, having completed over twenty buildings in the country. College of Art and Design commissioned reports on the Arts and Cultural Economy of Los Angeles. Contributions from these and many other organizations include sponsorships, staff time and in some cases portions of their revenue (Markusen and Gadwa, 2010, pp. 21).

### **The Twin Cities Jazz Festival, St. Paul**

The Twin Cities Jazz Festival has been an annual event at St. Paul, Minnesota since 1999. What was meant to be an audience of 300 people turned into a gathering of 3000, which eventually evolved into an annual event attracting over 30,000 people to the city<sup>1</sup>.

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<sup>1</sup> See: <http://www.hotsummerjazz.com/>

The festival is primarily supported by the Knight Foundation, but have various stakeholders that contribute. Steve Heckler, one of the founders and now executive director of the Twin Cities Jazz Festival nonprofit organization, is a musician himself. The organization has a loose committee of people that scout for talent within Minnesota and make recommendations to the executive director for the event. Heckler's thumb rule to maintain quality of performances is to use his skill as a musician to gauge the committee's recommendations. Some partners include Jazz88FM, who were largely responsible for turning the gathering of 300 into ten times that number, the city of St. Paul and the Minnesota State Arts Board.

## **Conclusion**

To reiterate, the economy is in essence the activity of people exchanging debt/credit or cash for goods and services. This implies that the economy has two components- one is the circulation of goods, services, debt/ credit or cash, and the other is people. The built environment is an important host for consumption, which segues back to the core topic this paper hopes to address.

Creative initiators that are interested in reviving an economy through art and culture have to be mindful of three key points. First, while economic measures of success mentioned in this paper are widely accepted, they do have shortcomings. Some of these shortcomings can be overcome by using more rigorous statistical methods like correlation or regression analysis. This author recommends that numbers presented in the body of text above and other similar reports be investigated more closely before inferring causal relationships. Second, creative initiators have to keep in mind that the economy is the activity of spending between people. In order to make an economy more robust, interventions must add to the already existing local money supply from an external source and enable circulation of the money supply through as many cycles as possible before it leaks out. Finally, an often underappreciated component of the economy is people. Creative initiators have to be mindful of interventions that appeal to both local and non-local people. In addition to these three points, creative initiators must strive for an intervention that lets a wide spectrum of industries and demographics thrive for a robust economy. While making the case to invest in the arts and cultural sector in East Lansing, Michigan, creative initiators need craft their interventions in line with the points mentioned above for an optimal outcome.

### *Recommendations for Summer Solstice Jazz Festival, East Lansing, Michigan*

There are broad two types of interventions that improve economies. One is an intervention that sustains growth incrementally over a long period of time, the other is to introduce short bursts of high economic activity that have long term ripple effects. The Summer Solstice Jazz Festival fall under the second type of economic intervention.

However, if it is planned to grow thoughtfully, it could be a catalyst to nurture a strong artist community in East Lansing encouraging the arts and culture sector to grow in the city. In order to plan for sustenance, the festival has to recognize this role in East Lansing's local economy.

A strong first step towards contributing to the city's local economy is to identify stakeholders that are affected by the festival and garner their interest and support. Support could include sponsorships, staff time and portions revenue. Once stakeholders have been identified, a mission statement as well as goals and objectives can be crafted to meet the agendas of all the partners and collaborators. An example for a goal can be to 'support the growth of local businesses and improve the lives of the people of East Lansing'. With a mission statement and a set of goals and objectives in place, appeals can be made to external funding agencies that would be interested in supporting and maintaining the event. One effective approach is to offset input costs through collaborations and external funding, and hire locally. This decreases the potential of money supply between local businesses and people leaking out into external entities. Places where potential audiences would be attracted to East Lansing for the event can be identified and a market survey can be carried out to learn their preferences. Public support can be harnessed to improve conditions for artists and attract them to move into the city. This would lead to similar events on a smaller scale that would encourage economic activity in local businesses and venues. Finally, and most importantly, impact evaluations must be carried out in order to document the effects the event has had on the local economy and its people. Researchers within the School of Planning, Design and Construction with knowledge and expertise on the subject include Mark Wilson, PhD and Pat Crawford, PhD. Impact evaluations encourage funding agencies and collaborators to continue their relationship with the Summer Solstice Jazz Festival.

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# **Analysis Tools for Economic Research and Recommendations for their Use in the Sponsorship Selection Methods of Cultural Events**

By Thomas Girdwood

Music Festivals are a source of entertainment, food, and social exchange. They create a space for a type of magic to happen, where people can let loose and enjoy themselves. However, the temporary nature of festivals carries with it concerns for the wellbeing of the places in which they are held. An analysis framed by sustainability offers many opportunities for inspection of these concerns and others. In order to advance the festival progenitor's aspirations, or to provide resources that will allow festival design to evolve, a review of foundational aspects of sustainability can provide an apt starting point. Once a groundwork is established, case study research will become more meaningful to the examiner.

Contemporary discussions of sustainability include four interconnected domains: ecology, economics, politics and culture (James 2015). These domains could all be applied in a study of festivals and a wealth of information would be generated on festival sustainability. However, since the global financial crisis of 2008, taking on a primarily economic focus has become a necessity for many communities, especially those hoping to grow. Therefore, this brief essay's objective will concentrate on the economic features that spring forth from a more general discourse on the sustainability of music festivals.

## **Alert Model**

Planning for shifts and cycles within an economic context begins with an understanding of basic concepts such as supply and demand relationships, but more sophisticated ways to interpret available data have emerged as more methods of evaluation have evolved. Investigators of economic regression will find that a close look at the trends shown by the graphical displays made possible by the calculation of shift-share statistics will lead to a heightened level of awareness of an economy's behavior. This type of awareness is exemplified in a model that epitomizes an approach to economic projects and/or issues with its acronym "ALERT" (Wilson 2015). The ALERT model leads this decisive approach by encouraging planners to develop their awareness of existing assets and strengths as well as potential opportunities of those economies subject to strategic analysis. The first precept manifest within the model's acronym is "awareness" (Wilson 2015). This precept calls for the maintenance of the adherent's body of knowledge with the most accurate and up-to-date information. Although a complete survey of the model would befit an exhaustive discussion of economic

development, this brief proem emphasizing awareness should be sufficient to catalyze an appreciation for the web-based tools discussed in the next section.

### **Location Quotients**

Much to the delight of the modern economic planner, the United States Bureau of Labor Statistics has provided a web-based tool that can be used to legitimize forecasts concerning economic growth. This convenient tool can provide a measure of various sectors of the economy. The measure is called a location quotient. Location quotient (LQ) compares regional and sub-regional growth rates of the same industry to one another and can be used to classify local industries as basic or non basic. Basic industries, as identified by an LQ, are those that stimulate the economy because of the inward flow of capital and outward flow of goods or services. An LQ is sometimes referred to as a multiplier. This is because LQ's are theoretically consistent with the number of jobs that one job in the target sector can support. For example, in an LQ table for selected industries in Ingham County, the educational services industry LQ is 1.22. This means that for every 1 job in the educational services industry, the location quotient asserts that 1.22 jobs exist. One economic development strategy derived from this forecasting method is to invest in jobs that have LQ's that are greater than 1. This strategy is predicated by the belief that investment in these basic jobs is likely to result in the subsequent materialization of new jobs.

Industry	Ingham County, Michigan
Accommodation	0.44
Administrative and support services	0.9
Broadcasting, except Internet	1.53
Crop production	0.24
Educational services	1.22
Electronic markets and agents and brokers	0.58
Food services and drinking places	1.1
Furniture and related product manufacturing	0.07
General merchandise stores	1.07
Insurance carriers and related activities	1.61
Miscellaneous store retailers	1.01
Museums, historical sites, zoos, and parks	1.12
Publishing industries, except Internet	1.19
Social assistance	1.52
Specialty trade contractors	0.51
Sports, hobby, music instrument, book stores	2.18
Transportation equipment manufacturing	4.62
Utilities	0.05

## LQ and Public Finance

What the public dollar is spent on will always be a matter of debate, but the authority of a selection process legitimized by analysis is not easily contended with. Of the industries displayed in the LQ table of Ingham County, eight have an LQ of 1.01 or higher. These eight, if engaged in public sector development strategies, are in position to incorporate economic development into their corporate brand. This is not only attractive to the businesses within that industry. Because partnering with public programs has a built-in incentive, businesses with high LQ's are potentially more likely to invest.

## Case study: Moonlight Sun Festival, Fairbanks AL

Just off the Chena River in Fairbanks Alaska, there is an annual event known as the Moonlight Sun Festival. Alaska.org identifies it as the state's "largest single-day event," boasting over 30,000 attendees (Midnight 2015). On the same website, visitors can find information about the event including attractions such as: live music performances, food vendors, gold panning, BBQ cook-off, sled dog puppies, crafts, official festival t-shirts, and even a skate park. As a cultural event, it wears the vestments of success and shows no signs of disrobing. This success makes it an excellent candidate for research

aimed at maximizing effectiveness of similar events by identifying proven planning practices.

Because planning for the continued success of reoccurring events includes the acknowledgement of substantial funding requirements, noting funding concerns for the Moonlight Sun Festival can be helpful in developing future strategies. In response to an email that asked Downtown Association of Fairbanks Communications Coordinator, Jeremia Schrock, about difficulties he experienced when seeking financial support from local businesses, Schrock replied:

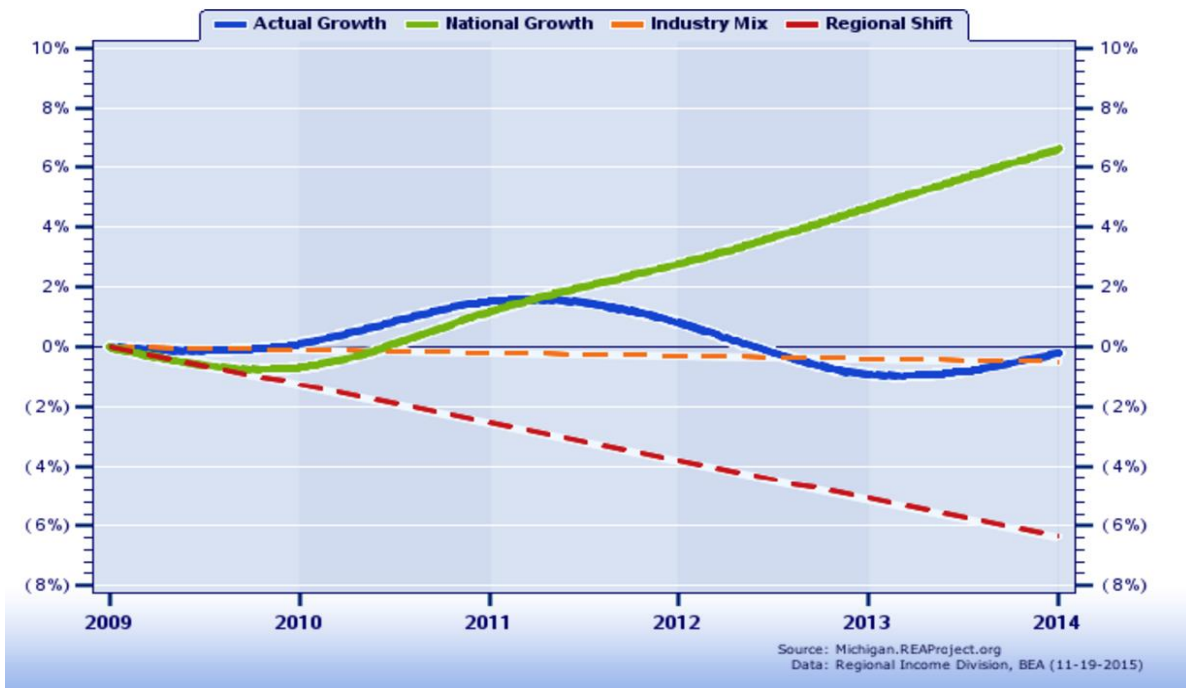
“Small businesses where we operate tend to be turfy and rather frugal, if not cheap. They tend to want *something* for *nothing*. That said, many large businesses do support our event. They enjoy taking advantage of the excellent marketing and branding opportunity that it offers. Especially considering that while our event is a single day, our marketing campaign takes place for months in advance.”

Without this flow of sponsorship funding into the festival, it may not be possible for organizers to provide the same level of infrastructural capacity. This, in turn, would put it at risk for becoming less desirable to other investment. The imminent downward spiral of capital deficiency observed here is something no one would benefit from.

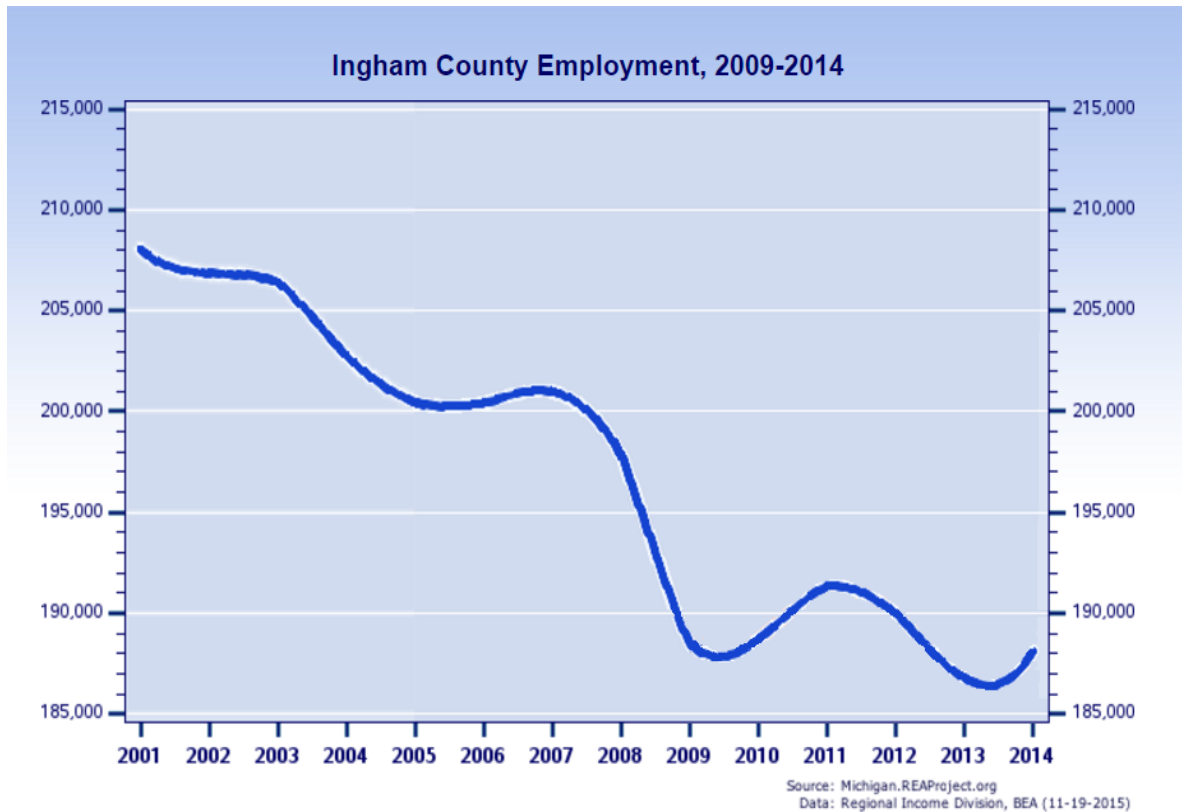
### **Shift Share Analysis**

To put the gravity of a successful economic development strategy in perspective, a researcher can utilize additional forms of analysis. One such type, called “shift-share,” compares regional growth in a given sector of the economy to the national growth in the same sector. This allows those who study it to forecast expected changes and competitive effects. Thanks to a web-based tool provided by PNREAP, the Pacific Northwest Regional Economic Analysis Project, performing a shift-share analysis is much less difficult than it has been in years past. Consider the following graph, created by the PNREAP tool that shows actual growth, regional growth, industry mix, and regional shift for the employment sector in Ingham County, Michigan.

### A Graphical Summary of Shift-Share Analysis Results Ingham County Employment Change Over 2009-2014



As evidenced by the graph, the actual growth of Ingham County is significantly less than that of the Nation, but the most recent data reveals an interesting characteristic. The final trajectories of the actual growth curve and the national growth curve are almost parallel and in a positive direction. When compared to a broader view of employment patterns shown in the next graph, we see that the swing in trajectory in the middle of 2013 marks only a sliver of hope for the otherwise unfortunate downward trend since the turn of the century. However, the outlook of these graphs may not be quite as bleak as the picture they seem to paint. If paired with good strategic planning, the job market swing in 2013 could persist and gain momentum and climb to even greater rates of growth than those seen in 2001. This would mean a more vibrant economic future.



## Applications

The recent necessity for Ingham County firms to concentrate their focus largely on the economy is undoubtedly on the minds of the municipalities within its borders. In City of East Lansing Michigan, a city of 48,648 (East Lansing 2015), a lesson in economic planning could help to encourage future development and make existing strategy more sustainable. East Lansing is the host of the Summer Solstice Jazz Festival, an event that depends on financial support to provide an important cultural resource to its community. The festival's sensitivity to macro-economic flows on its ability to facilitate fine arts is not dissimilar to those in even Fairbanks, AL. Given what is known about these flows, an approach to targeting the ideal benefactor emerges.

Many entities, understandably, will seek funding wherever it may be, potentially exhausting seed funds that were once readily available but are now in short supply. When the demand for a planned effort to capture financial support arises, some sponsors must be higher priority than others. One method, to be described in the next section, revisits principals described earlier in this essay. Those faithful to the doctrines from which these economic principals are derived, will find that this method is quite sound.

### **Suggested Target Sponsor Selection Method**

It is important to recognize that the local economy and the firms operating within it are interrelated. With this in mind, the multiplier effect of firms with LQ's greater than 1 should not be taken lightly. These are the firms that should be sought for sponsorship of community events. Not only are these firms likely to be generators of revenue for themselves, they are also driving local economic growth by creating new auxiliary forms of employment. The stimulation of the economy through the creation of new jobs is a net gain and should be encouraged. To identify industries with the greatest LQ is to identify industries in which sponsor seekers should look to first to find support.

### **Selection Method Applied**

In the case of the Summer Solstice Jazz Festival, the Ingham County LQ tables made available by United States Bureau of Labor Statistics identify 3 industry subsectors with LQ's above 3. NAICS 451 (Sports, hobby, music instrument, book stores) has an LQ of 2.18, NAICS 813 (Membership associations and organizations) has an LQ of 2.75, and NAICS 336 (Transportation equipment manufacturing) has an LQ of a whopping 4.62 (U.S. 2015). These three subsectors should be the primary sources of sponsorships sought by a festival held within Ingham County. With a strong fundraising campaign, the attraction of the branding and marketing opportunities that a festival provides could provide a substantial impact. To provide further detail, the Bureau of Labor Statistics breaks subsectors into more specific industry groups. Groups for the subsectors mentioned above are provided in this essay's appendix.

### **Criticism and Retort**

Although the method of target sponsor selection recommended in this essay does not need to provide justification for the encouragement of exporting firms to expand, justification is readily available. Simply stated, a mathematical description of LQ is the concentration of an economic sector in a sub-region divided by the concentration of the same sector in the region which the sub-region is located. To further expand on the earlier explanation, the more an LQ extends beyond 1, the greater the regional concentration for that sector in the grand scheme. Advocating for the encouragement of these sectors to expand may give the appearance of ignoring the importance of diversity in the economy. One counter argument here could be that a prosperous heterogeneous economy is preferable to a diverse one that is deficient. Another is that the diversity enjoyed in the economy is due to needs that arise only with its stratification. As a final remark on that note, an economy is as diverse as that of the sum of its layers.

### **Final Remarks**

Every year in the U.S., there are 32 million people that attend a music festival (Ulloa 2015). The influence they have on local economies is both affected by and affects

regional, state, federal and even global economies. Furthermore, it is the opinion of this essayist's author that music festivals are a jolly great time and they will be around for longer than those who attend them if their manager take their stewardship role seriously. Although some things can be debated about the best way to finance a festival, there is one thing that can be said for sure, the next time the local paper says there's some free jazz within my humble reach, I'll be there, somewhere near the front, not caring as much about who paid for the stage as I am about the hard-hitting, earthy, be-boppin' trips that are gonna sound sweeter than grandma's homemade apple pie coming at you from the kitchen on Thanksgiving Day.

"If you have to ask what Jazz is, you'll never know." –Louis Armstrong (Bultman 1981)

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## **Appendix**

<http://www.bls.gov/tus/census07/icode.pdf>

### Membership Associations and Organizations

- Religious organizations
- Civic, social, advocacy organizations, and grantmaking and giving services
- Labor unions
- Business, professional, political, and similar organizations
- Private households

<http://www.bls.gov/iag/tgs/iag336.htm>

### Transportation Equipment Manufacturing

- Motor Vehicle Manufacturing
- Motor Vehicle Body and Trailer Manufacturing
- Motor Vehicle Parts Manufacturing
- Aerospace Product and Parts Manufacturing
- Railroad Rolling Stock Manufacturing
- Ship and Boat Building
- Other Transportation Equipment Manufacturing

<http://www.bls.gov/iag/tgs/iag451.htm>

### Sporting Goods, Hobby, Book, and Music Stores

- Sporting Goods, Hobby, and Musical Instrument Stores:
- Book, Periodical, and Music Stores

## **Cultural Values and Local Economic Development**

By Hanqing Hong

With an increase in modernization and globalization, the local economy is undergoing drastic changes. Capital transfer across regions has fastened growth and development of the local economy due to the liberalization of markets. For instance, money for investment can be instantly pulled from one region to another to respond to a particular business opportunity. Hence, economic growth is within the grasp of any region across the globe. In this regard, it is important to take note that an economy should have an investor-friendly climate for it to attract investment. The hitch is that many countries do not have investor-friendly climates and the governments of those countries are held responsible; there are other factors that shy away investors leading to lost investment opportunities. Thus, this essay seeks to address the effects of cultural values on local economic developments.

The variation in the economic growth of different regions cannot be used to explain the importance of culture to particular economic growth. Notably, this is due to the difference in economic fluctuations of various economies in growth and development as a result of different short-term economic variables that interact with the current regional economic situations to foster the type of experienced economic changes. These short term variables may include variation in technological advancement, and other unforeseen states of affairs that may affect the output of the region (Yin, 2012). Admittedly, sometimes the cultures of different regions may be similar; the economic performance for such may altogether differ. Similarly, comparable economic performance does not entail a resemblance in culture. However, it should be noted that specific cultures have particular influence on the economic performance of a given region; hence, the variance in regional growth and development.

On the contrary, studies have also proven that there is an undeniable relationship between culture and economic performances (Abdulai, 2015). These cultural values relate to religious beliefs and changes slowly in preindustrial regions, but drastically with industrialization and modernization as the world's views become more secular, the rationality of consumer and producer as well as openness to change. Cultures of preindustrial regions are restrictive in taking opportunities in business activities unlike other modernized regions where markets are liberal and buyers are cautioned to be aware of market conditions to avoid being cheated. Conclusively, culture has the following effects on the economic performance of a particular region.

1. It forms a link for social integration, which leads to market liberalization and eventual establishment of contractual terms to carry out business transactions between regions.
2. It forms a link of the bigger national identity attracting different investors from various regions and countries and improving the general perception of the region; hence, increasing investments in the region.
3. Culture establishes all sorts of equality and translation of such to the economy, giving the business environment a diverse workforce that can tackle different sorts of trade challenges that come up with a variety of solutions, which in turn help in the satisfaction of the human wants and tailoring of goods as well as services to meet a specific market; hence, enhancing sales and profits. Continued improvement in business activities and profits earned leads to reinvestment in the economy; thus, enhancing growth and development in such a region.
4. Cultures comprise of social advancement dimensions that can only be identified when interacting with persons and the environment of such dimensions.
5. The norms of communication and bonding help business individuals foster strong relationships in the industry environments through strong communication skills deep rooted in the culture.

### **Cultural Discrimination**

At times, cultural and other social factors of a particular region may either hold back the people of such a region or improve the economic welfare. Discrimination may rise in of the following situations. When an area discriminates against a certain group of people in the region, the result could be catastrophic since such people may be denied work opportunities and other vital roles to contribute to the growth and development of the economy (Blakely, 2012). For instance, a tribe or a group of persons perceived to be the minority. Such discrimination leads to the exclusion of the discriminated individuals from the economic activities. The result is that the minority would have poorer economic standards than the expected levels, which may drag behind the economic performance of the region regarding Gross Domestic Product and per capita income. Discrimination may also arise in cultures that do not allow women to take part in economic activities. In cases where there are strict religious policies, especially in the Islamic religion, women may be denied a chance to take part in economic activities. As a result, the working population is almost reduced to half of the population to contribute to the growth and development.

### **Population**

If the culture supports that women stay at home and involve themselves with the activities such as bringing up children as their basic roles, they may end up having

many people to feed with little income. The importance of having both partners working to facilitate their families cannot be over emphasized. Again, a working family tends to have lesser children that they can support concerning health, education, nutrition, and providing acceptable living standards. The doubling or tripling of the economy could be as a result of women considered only to have the responsibility of contributing to family matter rather than encompassing them to play a larger role in improving the economic performance and lessen the burden of feeding many persons in the family without enough resources.

### **Cultural Practices and Sense of Self Sufficient**

The importance of having the whole region participate in economic practices for development of the region cannot be over-emphasized. However, some regions due to previous success may feel self-sufficient and close their borders preventing other trade partners from carrying out transactions with the region. Such move has the following negative effects.

1. Reduced supply of labor force, which may reduce competition and professionalism; hence, decreasing the output of labor that contributes to the overall reduction in the total output of the production process.
2. Reduced outsourcing for expertise services and technical employee; hence, slowing down the growth and development.
3. Slow technological growth as the region lacks behind regarding available technology that is employed in production activities; hence, low output, lack of relevant technical know-how to carry out new methods of trade activities.
4. Overall slow economic growth attributed to the minimum performance of the economic variables that determine the extent of economic growth and development.
5. Reduced variety of goods and services that a consumer has to choose.
6. Retaining the small regional circular flow of income without the intervention of external forces, which could have stimulated economic growth by establishing competition in the region.
7. Little or no diversification through private investment and the government of such a region highly depends on the small revenues obtained from the basic economic activities.
8. The stagflation of the economy.

In essence, other cultures that believes in the greater good, the rule of law, and unity enhancement leading to optimism and ambition to put together puzzles of production and economic activities and stimulate economic growth. Such a region is always growing in the diverse nature of economic activities and production as well as GDP and per capita income. On the contrary, other cultures tend to be paranoid and uncertain of

their contribution to the greater economic growth. Such culture may tend to be resistant to change, and exhibit overconfidence in carrying out their transactions, which may not necessarily lead to increased productivity of the region.

*Culture and Political Preference.* Culture affects political preference causing an impact on the economic performance. Income redistribution greatly depends on political preference from the regions that the support emanates. Many political leaders would distribute more resources to areas that they receive the most sympathy and support. Unlike culture, politics may involve tactics that are aggressive and objective winning elections. Some of the policies employed in political arenas may not be supported by the culture of a particular region as most of the culture is tied to the religion of such a region. The result is that many cultures avoid from political relationships in a move to maintain their ethos.

However, cultures that have embraced politics as a vital economic factor have all to celebrate. The more support offered from a certain region; the more willing political leaders are to allocating resources to such regions and investing in developing projects. It is more of a payback game where the culture has first to invest in the politician and in return they receive economic advantages from such allies. Other cultures may even have a negative attitude towards participation in voting exercises terming such as a secular practice. This leads to the marginalization of the region with few or no political presentation hence less likelihood of resources being channeled back to the region.

*Culture and Economic Preference.* Cultural practices may affect economic performance due to the difference in economic policies adopted by such culture. Individual's ethnic origin may affect economic variables like savings as some cultures do not support the ideas of accumulating wealth rather than sharing the available resources to needy persons in the community. The act of giving in Christianity is considered greater than receiving hence individuals believing in such teaching may be more thrift and transmit the same understanding to their younger generation. Characteristically, saving is a basic economic factor in stimulating economic growth as such savings forms securities for future business activities and a backbone of investment leading to economic growth. On the other hand, individuals who have embraced economic policies irrespective of cultural beliefs have better chances of contributing to the increase in growth and development of the economy. This is due to practices that support the investment of resources obtained from employment, savings with financial institutions who in turn invest in other parts of the economy leading to economic growth.

*Prior Cultural Believes and Economic Growth.* It may be the case that prior cultural practices that are related to the region, for example, believe about trust that may have a

significant effect on the level of trust exhibited. The process of entrepreneurship requires trust and confidence in the execution of ideas and business transactions. Evidently, the success of a business greatly depends on bonds forged in the business environment with the suppliers, customers, creditors as well as government agencies and other involved in the transaction process. It is vital that entrepreneurs establish themselves as trustworthy to creditors, customers and the general public to attract more business clients and increase the public image of their business.

With an increase in trustworthy issues, there has been a development in the business and cooperate world of bodies that access the trustworthy of a business and the businesses likelihood of paying for their debts. Such ratings help differentiate between businesses that deserve credits and can pay from risky entrepreneurs who may fail to pay their debts leading to increased losses. Therefore, culture plays an important role in building up the characteristics of a person as the environmental factors shape the perception of individuals towards certain economic variables. It is undeniably evident that culture closely tied to regions practices that encourage trust among individuals lead more trustworthy persons as the trait is even transmitted to the way such persons carry out their business transactions. Again, such features are also instilled in the young generation hence increasing the chances of high credit ratings in business and possible business success.

Conclusively, there exists a close relationship between culture and local economic development. Culture, as an important determinant of a local economic development, culture affects economic activities through the choices that people make on how to allocate the limited available resources. This is to say that culture being a fundamental determinant of economic activities acts through factors such as accumulation of capital, labor market participation decisions, as well as the adoption of technology. Admittedly, many religious believers and their practices may play a part in the poverty levels of the persons in such a region. This may be categorized as a cultural factor. When it comes to empowering persons, religious beliefs are fundamental in supporting one's cause of action and may cause human suffering.

Some cultures may believe that the religion requires them to live a basic life and avoid taking part in trade activities. Such person may even donate their property to the needy in the society for the sake of feeling self-worth and elevating others living standards. While other cultures tolerate women employment, some simply do not. On the contrary, this has a negative effect on the economic performance of the region based on the reduced participation in economic activities and productivity. Finally, when the cultural practice prevents taking part in the global economic activities and trade liberalization, the effects may be catastrophic ranging from slow economic growth, low quality

products, reduced industrial competition, reduced manpower outsourcing hence reduce competence and labor output, minimal choice of products for consumers to choose from, little inflow of capital investment hence reduced sources of revenue for the government in place.

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# **Contribution of Arts/Music/Culture to Local Economic Development**

By Zhangjingyan Liu

The arts, culture, and music sector, is constantly developing and changing. The overall Contribution of arts, music and culture to local economic development is in many cases understated. The reality, however, is that arts, music and culture counts. Today more than ever, it counts for local economic developments, the powerhouses of the many contemporary societies. Arts, culture and music activities and local economic developments are connected in various ways. By the use of a multiplier, direct expenditure on arts, music and culture lead to spending in various sectors of the local economy, which in the long run enhanced wealth as well as job creation, and make localities appear more attractive to investing companies. Every day, it is approximated that more than 100,000 culture organizations and nonprofit arts act as local economic drivers - developing an industry that promote jobs and is the cornerstone of the local tourism industry (Ginsburgh et al, 98). The paper identifies key ways in which arts, music, and culture can boost local economies includes attracting new and visiting visitors, revitalization, creating jobs and developing skills and improve the competitive edge of a community.

## **Contribution of arts, music and culture to local economic development**

One contribution of arts, music and culture to local economic development is seen in the new and visiting population attracted to a locality. Arts, cultural and music activities are known to draw new and visiting crowds from around and within the locality. In this regard, whenever there are some visitors to a locality, there is an enhancement of resident participation that assist in building the economy (Dungey, 411). The arts and culture field alone encompasses various aspects such as the performing, visual, as well as fine arts, and applied arts such as graphic design and architecture; crafts; film, video and digital media; and other creative activities that all form a center of attraction for various visitors. With their visitation, there is a guarantee of local economy vibrancy through increased consumption and direct investment. In totality, the presence of arts, culture, and music in a given neighborhood or locality location normally increase foot traffic and attention, bringing in more visitors thus attracting more economic development in the locality. Looking at this differently, the visitors are drawn to arts venues, music concerts and cultural events are sources of economic benefits for local businesses. A thriving art and cultural scene assist attract visitors who not only spend their currency on the events but likewise adds to local economies through lodging in hotels, dining in restaurants and purchasing gifts as well as services in the locality.



The other contribution of arts, music and culture are the creation of jobs and development skills that are key to local economic development. The concentration of art, culture and music sector firms encourage highly skilled workers. Such enables the creation of jobs and development skills that are key to local economic development through partnerships as well as cooperative projects to locally develop. In this regard, the art, culture, and music are a significant complement to local economy development. The skilled workers individuals and firms have become progressively important to a locality. The arts, culture, and music within a locality play a significant role in attracting these new professionals concentration that facilitates the marketing of skills. Also, are seen to art, culture and music provide an enhanced quality of life with is an ingredient to local economic development and play a significant role in attracting new professionals to an area. Attracting and retaining highly.

Despite the little research regarding global economic development due to arts, music and culture their contribution to the local economies can never be ignored. The other contribution of arts, music and culture improves the competitive edge of a community that is key to local economic development. Arts, culture, and music, can be perceived as a set of products as well as services that have both economic and social value in a locality. When art, culture and music are in considerable in a place, it acts as a boost to the competitiveness of the area. Investors would appreciate operating in a place that has more cultural and art heritage. Investment in art, cultural and music precincts, along with various support for diverse and vibrant arts programming locally, are two ways of improving the attractiveness and reputation of a geographical area as an area in which to stay, work as well as invest. In other words, various factors, ranging from good economic climate and infrastructure to urban amenities and human capital, influence local competitiveness necessary for economic development. The availability of art and cultural amenities appears to play a key role in attracting human capital that is critical to economic development in a locality in recent days (Snowball, 67).

Community Revitalization, as well as Urban Redevelopment, is one contribution to arts, culture, and music that combining contributes to local economic development. More specifically, arts, culture, and music contribute to the urban quality of life using the instrument of regeneration. A Large pool of research in recent past have indicated that arts, culture, and music can be linked to locality redevelopment, building pride as well as engaging all ethnic minorities in various civic endeavors. Likewise, artists, entertainers, designers as well as entertainment and cultural activities can create significant anchors in neighborhoods or locality, normally assist in reviving them. Also, the presence of these activities as well and creative talent normally draws other players, for instance, researchers, entrepreneurs, software developers in the local innovation economy who seek to stay and work in a creative area. In this regard, a strong arts,

culture, and music presence can be correlated with lowered poverty rates as well as population growth in many localities, while other localities with poor arts, culture, and music presence or development experience lower incomes and declining populations. By creating bonds among locality neighbors, strong arts, culture, and music presence promote social reconstruction thus contribute to local economic revitalization.

The other contribution of arts, music and culture is support of individual businesses that is key to local economic development. A thriving business sector in arts, culture, and music presence can be significant to local economies, predominantly in rural localities. Localities are known to support business development in the arts, culture, and music presence by utilizing existing networks and supporting entrepreneurial collaborations. The goals of these programs are to help entrepreneurs as well as growing enterprises are more economically viable and grow. Where appropriate, to the next stage of market and business maturation For a fact the needs, as well as concerns of various cultural activities and artist-entrepreneurs, are same to those of regular businesses, and this is where the correlation exists. Understanding these unique needs and serve and markets are critical to translating comprehensive entrepreneurship practices that are key to local economic development. Individual cultural activities and artists are significant producers of goods as well as services in every locality (Cherbo et al., 44). It is by the work of person artists that small businesses are initiated, cultural goods in a locality are produced as well as innovative design ideas get into the market. To support such role, many localities use small grants to promote entrepreneurship, career advancement and new product development among creative individuals and artists. In totality, the contribution of arts, music and culture is support of individual businesses that act as a spill over to local economic development.

Through economic analysis, the contribution of arts, music and culture is Incorporate the arts into community development planning that is key to local economic development. Arts, culture, and music, can play a key role in locality development as well as redevelopment. Operative community development planning in a locality takes a comprehensive path to meeting local needs—an approach that distinguishes the interrelationship of physical, social development. Community development is associated with empowerment as well as to valuing the diversity of cultures. States assist localities that eventually incorporate arts, music and culture into their community development plans by grants to communities, financial or tax incentives and technical assistance (Dungey, 412). No matter which strategies chosen, incorporating arts, culture and music into community development plans is key to ensuring the long-term sustainability of such local efforts and economic boost.

The contribution of arts, music and culture is also seen in creative strategies for improving economic vitality. More specifically, clusters of culturally oriented organizations and workers breed innovation as well as new specializations. Localities, where innovation is prized, are same places where arts, music, and culture thrive and are naturally attractive to various innovators in addition to conducive to the creativity of all kinds, as the regularity of exchange encourages creative activity. Planners can thus develop projects that calculatigly locate creative professionals creative facilities can happen on a broader scales, from a one building to a streetscape neighborhood, or localities. Creative art, music and cultural industries are seen to act as a source of creative input that adds supports or value other industries within the locality. In other words, Local economic development is promoted by concentrating creativity art and cultural activities through both human capital and physical density. By locating companies, artists, as well and cultural facilities together, a multiplier impact may result. Such are practical with creative strategies for improving economic vitality.

The final contribution of arts, music and culture, is the contribution of these activities to the direct revenue of the localities they are located. The revenue in money and taxes received by a local government directly contributes to developments in local economies. Revenues from arts, music and culture are a significant tool of the fiscal policy of the local government as well as is the opposite local government factor spending. Revenues earned by the localities are received from sources including but not limited to taxes levied on the incomes of arts, music and culture activities. This is a massive contribution to the incomes of local economy development. Through critical economic analysis, impact analyzes characteristically employ a form of Keynesian multiplier theoretical framework to explore the system-wide impact of various local economic development initiatives. Such are demand driven theoretical models that examine the knock-on effects of raised local expenditure. In this regard, arts, music and culture activities directly grow local economies through revenues for various economic projects.

### **Implications of the contributing factors**

These benefits or contributions of the above factors are 'instrumental' since art, culture and music can be an avenue to achieve ends far beyond the immediate and current intrinsic value and experience of the art, culture and music itself. The outputs of this work will assist in better articulation the value of art, culture and music as well as reinforce the contribution it plays in the society. It will contribute or continue building the holistic case for art, culture and music. It is worth noting that art, culture, and music sector have faced challenges considered most significant in many decades but have remained critical to local economy development. In all of this it is important to be reminded that states have a great opportunity for investing in art, culture and music sector to not only improve livability but also boost local economies.

## **Conclusion**

The local economic development has changed significantly in the last decade partly due to the massive contribution of arts, music, and cultural activities. As exemplified in the paper, the activities in arts, music and culture activities sector and local economic development are connected in various ways. In this regard, the value or contribution of arts and culture and music to local economic development has long been debated. The contribution cannot be underestimated in any way. Arts, music, and cultural activities draw crowds or population from within and around the locality. The creation of jobs and development skills is likewise a major contribution of this sector. Revenues from arts, music and culture are a significant tool of the fiscal policy of the local government as well. Also, the sector improves the competitive edge of a community that is key to local economic development. Combine with other factors that are majorly related to a combination of factors in the local economy, arts, music and cultural activities importance can never be overlooked.

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# **Role of Arts/Music/Culture in the Education System**

By Dequan Allen

"Art does not solve problems, but makes us aware of their existence." (Magdalena Abakanowicz) Arts edification, is a problem solver. Past studies have shown that art is meticulously related to practically all of what we would want our schools to have for our children in America. Educational accomplishment, community inclusion, expressive expansion, and a rightful chance to go to college and become a success to society. When one associates themselves with arts, they tend to associate themselves with an opportunity to advance in mathematics, analysis, intellectual capability, thinking rationally, and speaking abilities. Allowing arts into the educational system may also develop enthusiasm, attentiveness, self-assurance, and cooperation. The core desires and inspiration of actually feeling the art may unite individuals extra profoundly to the world and expose them to innovative techniques of viewing. This type of growth in an individual allows the creation of the groundwork to copy common ties and unrestricted unity.

These days, we have programs in schools such as making sure no child is left behind: From taking our children to the arts museum to turning on Mozart for babies. History and studies have shown that children of wealthy and ambitious parents usually have the opportunity to be exposed to the arts even if their schools do not provide them. However, poor children, regularly do not have this type of opportunity. Having an arts department in the schools allows low income children to have a more equal experience with children who have had those upgrading involvements. Learners who educate themselves in fine arts are four times more probable to be acknowledged for educational accomplishments and three times more likely to be awarded for being present in school. Fine art and music training curriculums are required in countries that rank progressively amongst the peak for math and science test scores, similar to other countries such as Hungary, Netherlands, and Japan. Music courses are always at risk of being amended from dwindling school funds even though they're proven to increase academics. One study group presented 3rd, 4th, and 5th grade students who were taught a foreign language every day in school outclassed those who were not exposed to a foreign language on their Standard Skills Test.

Learning a second language is vital to the learning advancement process, imaginative inquiry process, and critical thinking. Foreign language studies have proven to increase problem-solving skills and overall cognitive development. Another form of language that may be vital to children and their educational process is music. When one observes a

child between the ages two and nine, one would notice that one of the developments is music.

Music's advantage for language development is essential at those ages. Although kids derive into the world equipped to decipher noises and lyrics, music edification aids in increasing individuals normal capabilities. Growing up in a highly musical atmosphere is often helpful for a child's verbal growth. The effect of music education on language development can be seen in the brain. (Children's Music Workshop) Studies have evidently shown that musical teaching actually grows the portion of the left side of the brain. This part of the brain is known to be involved with processing language, and can essentially lead the brain's circuits in detailed techniques. This will eventually link familiar songs to new info while helping stamp material on the brains of the young children.

Music can expand children's capabilities in education and other nonmusical responsibilities, but it's imperative to recognize that music in itself does not make a person smarter. The many key paybacks to learning music contain having self-control, being skillful, existing in a world of music, organization, presentation and being honored to be a part of something great. Although music does not make a child smart, it may however aid in making a child fascinating and joyful, and perhaps being a genius will arise far ahead. Music develops a child's hunger for things that carry a desire.

Federal funding for the arts and humanities rolls in around \$250 million a year, while the National Science Foundation is funded around the \$5 billion mark. Scientists have found that sustained education in music and theater associates powerfully with greater success in both math and reading. In a study of a high-poverty schools in Chicago, the schools that were participating in the Chicago Arts Partnerships in Education made huge strides in closing the gap between high and low income students' academic achievement. Numerous studies have established that curricular and additional art studies and accomplishments, assist in keeping high risk failing students to stay in school. Not only does music develop abilities in math and reading, but it encourages originality, social development, personality change, and self-esteem.

The Flint School of Performing Arts is located in Flint, Michigan and is considered one of the largest community schools of the arts in the United States of America. More than 3,500 students from 21 counties across mid-Michigan attends this program and is able to learn an incredible realm of music and dance. The Flint School of Performing Arts is known for having the type of environment that helps others be able to change their way of living, through the influence of the actual music and arts that they will be learning, and being an active part of. The level of opportunities at this facility is so large, the Flint

School of Performing Arts offers music, dance, drama, and symphony Orchestra. Students that happen to be a part of this program tend to have a familiarity of achievement and feeling of fitting in. Nevertheless, parents may well have the expectation that registering their children in a musical school will create an improved learner. The main whys and wherefores to offer your children a musical education ought to be to support them in becoming more musical, to escalate in all traits of music, and to have a high opinion of the development of the musical culture. It is such a huge advantage in learning how to play an instrument, reading musical notes, or having singing abilities, those gifts are respected on so many levels. Music may sometimes give a person a healthier acceptance of themselves. The possibilities are greater once a child is able to be involved in music.

Cultural trends influence the way a child partake in his or her schooling. Teachers that do not have the proper understanding of culture, may influence the performance of a child. When there is a difference between a child and their educator, the actual differences between them may be the reason why that particular teacher judges the students incorrectly. Teachers may view children from different cultures as behaving badly or being a disrespectful child when that is not the case at all. Cultural dissimilarities are very common and unfortunately not easy to distinguish. When a student is dealing with a teacher and vice versa, it may cause quite a bit of confusion. Students may be scolded without even knowing what they did to even upset the teacher or be punished.

The Webster dictionary defines culture as the integrated system of socially acquired values, beliefs, and rules of conduct which delimit the range of accepted behaviors in any given society. Cultural differences distinguish societies from one another. The encouragement of culture on principles about learning, the importance of education, and the way a child involve themselves are different. A lot of Asian schoolchildren, for instance, have a tendency to be silent while in the classroom. In comparison, most American children tend to be more energetic in class, talking to one another is allowed, and it may even be okay to have a friendly debate with the teacher. Many American educators would view this type of involvement from a child as a way to keep the student or students engaged and to challenge their capability. While in the Asian culture, this exact behavior could be viewed as disrespectful.

A determination of incompatible explanations originates from identifying that education and growth are obviously a cultural thing. Children are naturally familiar with involving themselves socially with others, and to create logic of their environments by partaking with each other without much judgement which helps them to have a commonality with the other child and collaboration. These developments are powerfully designed by the

cultural ways of relatives and societies, as well as in some day-care centers and educational facilities.

One very important problem rears additional questions that influence the programs on early childhood development, containing verbal dissimilarities (mother tongue education as a vehicle for cultural identity). The place of working and contributing as well as playing and learning in the daily lives of young children, and cultural diversity, as well as economic inequalities, sometimes resulting in rapid social change and migration. The message is that education for all children will be the goal and it is not possible to apply it to the learners all together. One would have to understand that these children are individuals and will need different approaches. At the same time, valuing the children and their cultural differences. Empowering situations for growth and education contain individuals that also touch the teachers involved with the young learners. For instance, having admittance to healthcare, uncontaminated nutrition and water, housing, and overall cleanliness.

There is a role of arts, music, and culture in the education system. All three topics have their own individual role that is very important to society and to the learners in the different educational systems. Allowing our children to learn in a controlled musical environment, such as a class room setting, may allow them to improve their individual achievement in mathematics, verbal achievements and early reading ability. Educational institutions that incorporate arts thru the core curriculum in America have displayed steadily developed evaluation and math scores in comparison to other schools that chose not to or do not have those programs readily available to their children.

Involvement in organized arts events upturns intellectual skills. Schoolchildren from low pay families who joins the arts events at school are three times more likely to graduate from high school and receive a degree than teenagers from low pay families that do not involve themselves in the arts activities at their schools. It is quite unfortunate but true that those students who are most dynamically involved with the art and culture courses have a tendency to be from the utmost advantaged portion of the general public, commitment is greatly swayed by stages of learning, by socio-economic upbringing, and by where those particular individuals are living.

There are so many benefits of incorporating art into our children's lives. From a very young age, art may help with overall development of an individual. When a young child is able to draw in class and discuss that drawing with their teacher that is one of the first steps of language development. Being able to hold on to a crayon or cut a fairly straight line through a piece of construction paper with scissors could be viewed as enhancing



motor skills. Allowing children to be able to express themselves both verbally and creatively would be viewed as resourcefulness, which later plays a huge part in the adult work setting. Being able to distinguish different shapes and maybe even draw some of them could help with a child's visual learning abilities. Encouraging a young child to explore new ideas helps them with being great decision makers. Lastly, encouraging a child to play with dolls that do not look like them or even reading books with different children from all different ethnicities all helps with cultural awareness.

Art in itself is meticulously related to practically all of what we would want our schools to have for our children in America. Educational accomplishment, community inclusion, expressive expansion, and a rightful chance to go to college and become a success to society. The opportunity to embrace different aspects of art, whether it be music, drama, culture explorations etc., it has to be given to the children and constantly encouraged because, children will be able to take that with them for the rest of their lives and even be able to pass what they have learned, on to the next generation.

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## **International Festivals**

# **The Role of Multicultural Festivals: The Busan Film Festival**

By Jae Heo

There are numerous festivals that appears in specific types. What are festivals? According to Jago and Shaw (1998), festivals are interpreted as events. They are divided to five:

- 1) Special Event: A one-time or infrequently occurring event of limited duration that provides the consumer with a leisure and social opportunity beyond everyday experience. Such events, which attract, or have the potential to attract, tourists, are often held to raise the profile, image, or awareness of a region.
- 2) Major Event: A large-scale event that is high in status or prestige and attracts a large crowd and wide media attention. Such events often have a tradition and incorporate festivals and other types of events. They are expensive to stage, attract funds to the region, lead to demand for associated services, and leave behind legacies.
- 3) Hallmark Event: An infrequently occurring major event that is tied to a specific place whereby the destination and the event become synonymous. Although such events are generally on a national or international scale, they can be events that dominate a particular region.
- 4) Mega-Event: A onetime major event that is generally of an international scale.
- 5) Festival: A special event that is a public themed celebration.

However, Wilson and Udall (1982) contended that festival can be interpreted by theme: Sacred festival (Seasonal, Music, Annual rites and Miracles recalled), Harvest and food festival(Vegetables and cooking), and Special activity festivals(music, local tradition and contest).

It is not easy to put festivals in a single category, since, most festivals hold various characteristics that consist of several categories. Moreover, events are as dynamic as the host culture that responds to a large spectrum of changes in society. Thus, it is difficult to define a universal interpretation, since the terms take different forms from criteria perspective. Thus, it is possible to take different criteria that depends on purposes and characteristics. Because it is difficult to accept general classification of festivals.

Many cities in developed and developing hold a variety of characteristic festivals that can be large-scale or small-scale. Even if the classification of festivals can be different, no one deny that festival is, nowadays, regarded as one of the tools to develop or sustain the local economy, and becomes one of the most active segments of local economy. It is also a good way to show the culture that is another attractive element to attract people. As long as cities make the best use of festival, festivals can be used as a means of neighborhood development and social harmony, etc.

The importance of reaching well-integrated multicultural societies is increasing in South Korea as decrease in birth rates and increase in immigrants are combined. National government started to provide incentives with immigrants to fill the lack of population to fuel to labor force that is based economy. As a result, conflicts between native Korean and minority groups including international marriage couples (one of couples coming from countries) become issues increasingly. With this backdrop, this paper explores multicultural events. And benefits and the role of multicultural events are drawn.

### **Multicultural Festival**

According to Lee et al (2012), multicultural festivals normally provide various programs that can contain such activities as traditional folk dance, ethnic music, and the preparation and consumption of ethnic food. Such traditions remain of great importance to immigrants as positive tools for profiling themselves to the general public while simultaneously providing opportunities for mobilisation into the in-group.

In fact, performative genres such as folk dance and ethnic music have become the important format for presenting ethnic culture given traditional song and music usually have a strong sentimental value and can cross cultural boundaries to some extent. Along with ethnic cooking and special food-items, such multicultural festival programs offer opportunities for expressing minority cultures to the general public.

As a result, they can serve not only to celebrate and preserve culture, but promote cultural acceptance within the mainstream community, generate community acceptance of cultural diversity, and reinforce the community and wider society as a multicultural one in the collective mindset. By doing so, multicultural events encourage minority groups to have the opportunity to reveal their culture. In addition, the dominant residents have the opportunity to experience the other culture.

### **Case Study**

The Busan International Film Festival (BIFF) was launched in 1996 in the ship building center of Busan, South Korea's second largest city, with an ambitious first edition that screened 169 films from 31 countries. In a short period of time, Busan (originally Pusan)

grew into a focal point of international attention and a destination of choice for the new filmmaking then beginning to thrive across the Asian continent. A large number of articles and even a monograph were published about it. For the past decade or so, the festival screened some 300 films from over 70 countries every year and continued to consolidate its reputation as the largest and most respected film festival in Asia (Darae Kim et al. 2015).

As BIFF has thrived, it started to expand its role on seeking social harmony. For example, it offers the outdoor places that tourists, dominant population, and minority groups see a broad spectrum of cultural displays, try traditional food of different countries, and participate in traditional games. By doing so, native Korean can experience diverse culture, whereas many other migrants can have opportunities to convey their tradition, beliefs and practices related to the cultural heritage to the next generations by showing their traditional cultures during the festival.

These opportunities BIFF provides work as interactions among migrants that are from the same culture in that it is not easy for migrants to have conversation as much as Korean who meet their friends on a daily basis. Moreover, BIFF encourages migrants and native Koreans to interact with one another. This is in particular significant for migrants, since a large number of foreign employees are isolated socially. Promoting interaction between migrants and dominant population (native Korean) cannot only decrease prejudice towards each other but also foster social harmony. An organization committee for BIFF has multicultural center that supplies workshops and seminars which help minority groups (multicultural families) on immigration and other problems associated with multiculturalism.

The Busan Multicultural International School (BMIS) for children from multicultural families opened several year ago. BMIS was founded to meet the growing need for customized education on the back of an increasing number of multicultural families in the Busan. This is the only place where parents and children in multicultural families can receive an education simultaneously. BIFF does not only provide the students from BMIS with Korean and other movies after BIFF ends but also a wide range of classes and diverse experiential programs such as Korean language classes to taekwondo lessons and diverse experiential programs during the festival.

Finally, screening several movies from their own countries which are difficult to watch except for the film festival encourage ethnic minorities to remove daily stress and to relieve their nostalgia for their home countries by experiencing their cultures and meeting with their friends from the same culture. In a sense, migrant festival-goers experienced more positive benefits than Korean festival-goers.

According to Lee et al (2012), four key elements were identified as visitor benefits gained from participating in a multicultural event: transformational, cognitive, social, and affective benefits. Transformational benefit was known as the greatest single benefit visitors gained obtained from participating in a multicultural event. Transformational experiences result from discarding old ways of thinking, and providing new opportunities for individuals to invent knowledge and explore new ideas and concepts.

The transformational benefit Korean visitors who participated in a multicultural event obtained especially is remarkable. Considering Lee et al's research, the main purpose of organizing a multicultural festival in Korea is to enhance social harmony and integration, and improve mutual understanding between migrants and native Koreans in particular. As a result, Lee strongly suggests multicultural festivals play a role in affecting attitudinal change, image and perception, when it comes to migrants and multiculturalism. By doing so such festivals also contribute to building a multicultural society through enhancing the dominant population's understanding of diverse cultures.

Through BIFF, visitors can be encouraged to understand migrants more and to respect migrants more. Changed visitors' view of multiculturalism and encouragement to integrate with migrants or Koreans, and desire to promote social harmony (integration) can also be expected. Thus, BIFF contributes to transformational benefit.

Lee et al (2012) contends that cognitive benefit is the second greatest visitor benefit from a visit to a multicultural festival. Short of travelling to other countries, cognitive benefit can be especially meaningful for dominant population members to have diverse cultural experiences while many migrants look for opportunities to keep cultural heritage at the festival in order to preserve their original culture and ensure its continuation from generation to generation.

Regarding to BIFF, it begets cognitive benefit due to several reasons: 1) Understanding the issues of multiculturalism, 2) obtaining insight into the life of other people that are involved in multiculturalism, 3) understanding the significance of social harmony, 4) teaching the young and providing them with knowledge about other cultures including Korean culture.

Lee et al (2012) argues that the third benefit element is social benefit. Social benefits are akin to social bonding, family togetherness, meeting new people, group solidarity, and kinship with meaningful others. A multicultural event offers a place for family togetherness. BIFF provide social benefit in that visitors can have a good time with other people who enjoy the common things people share in terms of culture and background.



The fourth benefit factor is affective benefit that is known as the last and least important benefit visitors gained from participation in multicultural festivals. Affective benefit has generally been argued to include enjoyment, fun, relaxation, and stress release.

Moreover, the visitors at multicultural events can feel comfortable in sharing new cultural experiences with others. For example, among international marriage couples, and particularly couples of Korean men and women who come from other countries with a lower GDP per capita than Korea. This is important, since men from South Korea tend not to respect migrants from countries they consider less civilized and/or less developed. Such attitude related to prejudice and discrimination makes many international marriage couples feel uncomfortable in Korea. However, at multicultural festivals international marriage couples can meet others in similar situations and enjoy family time, with the recognition that their problems and difficulties are not unique (Lee et al, 2012).

During BIFF, visitors have opportunities to enjoy various movies made from their own countries, which are not easy for them to see usually, since theaters tend to screen popular movies. Watching movies and participating in other events BIFF provides such as conventional games, international food, places for having new friends from the same countries they cannot reduce the homesickness but also relieve stress. As a result, BIFF can play a role to produce the fourth benefit factor (affective benefit).

However, economic effect is underestimated by Lee et al (2012). Since many cities in South Korea have been suffering the decrease in birth rate for more than a couple of decades which in turn affect labor supply, national government started to create incentives when manufacturers hire immigrants that resulted in immigrants who have settled mainly in suburban areas. As time goes, there can be conflicts between native residents and immigrants.

These conflicts can play a role as hurdles for immigrants to come to South Korea in the near future. Therefore, multicultural events that provide social harmony create the economic environment to attract immigrants that fuel labor supply that South Korea lacks.

## **Conclusion**

South Korea is under the process of transforming from an ethnically homogeneous society to one which is multicultural, and has faced conflicts single-racial consciousness valued causes (Choi, I. C., 2008). In this paper, multicultural festivals is explored in terms of its functions through BIFF. Transformational benefit by participation in multicultural event festival begets change the visitors' attitude, thoughts and view of both emigrants and the dominant populations, and cognitive benefit enables visitors to

learn new knowledge on both different cultures and the mainstream cultures. In addition to these, affective benefit provides fun and relax, help people to feel comfortable in society. And the events encourage people to feel less homesick, and socialize with people in similar circumstances (social benefit). Given situation in South Korea, finally the events play a significant role to attract immigrants that become gradually important part of Korean economy.

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# **Effect of Music on Economic Development in Beijing**

By Xichi Chen

Beijing's music industry has displayed impressive breadth and depth throughout history. Not only does the city have a significant history of music, but it also has a varied and vital current musical scene that presents a growth opportunity. This opportunity is created by the current changes in the music industry that are meant to change how music is distributed and produced. It is possible that the restructuring of the industry will occur fast and will present an opportunity for Beijing to attract the technology and talent that is needed to establish the music industry at a high level.

For a long time, the industry has been dynamic, significant and diverse. While talent in the music industry continues to blossom, the industry is undergoing a massive restructuring that has been influenced by technological change. The industry has adopted a technological component affecting the distribution, production, and creation of music that several people believe will transform the industry forever.

In the last decade, Beijing has tried to capitalize on its music industry. In several ways, music is an engine that drives how Beijing positions itself to attract artists, young professionals, and business. The city has created many profit, non-profit and government entities to lay a foundation for increased growth in the arts and music business. The city has had robust government level incentives to incubate music projects and enable artists to have careers that are sustainable (Jin, Wang and Li).

Music exists in all parts of Beijing. The citizens in the city listen to their favorite music when relaxing, studying or driving. The music moves the people in several mysterious ways. Music a major industry in Beijing. The revenue in the industry comes from performance rights revenue and music industry sales. Currently, people are seeking different types of music to fit their taste. Also, because of the increased internet use, it is possible to create and spread new movement in music. The music industry in Beijing can gain more popularity and have a greater impact on the economy. Besides record sales of Beijing music, the industry draws other types of revenue such as tourists, concerts, and sales of band merchandise. The increasing growth in these sectors has created more jobs in Beijing (Jin, Wang and Li).

Besides the monetary effect that the music industry has had on the economy, the industry also has an effect on people's mindset. Music helps the people express themselves and share their thoughts. When people share their fears, opinions and challenges through music, people are more likely to reach their goals and overcome

challenges. Beijing has created labs so that people will have the equipment to produce their music and spread the music effect on other people. Because of low marketing cost, the music provides a steady revenue stream for the Beijing economy and represents the city globally.

### **2014 Strawberry Music Festival**

In 2014, the strawberry festival was hosted in the TongZhou Canal Park. The festival is organized by the Modern Sky record label. It is one of the major rock festivals in China and a favorite among art-rock and indie fans. The hundreds of acts and seven stages of the festival offers something for everyone. Performances at the festival range from hipster favorites to old-school rock bands. In 2014, the first day of the festival began with Metal Heros Suffocated and Carsick Cars, the Beijing Indie Kings. There were several performances of European beats in the electronic stage with Justice, the French dance legend bringing the exciting day to a close on the stage. The second day of the festival went from folk to punk with Re-Tros, Subs and Snapline sharing the stage with Taiwanese singer and songwriter Chen Qizhen and Mongolian folk rockers Hanggai. On the third day, the Strawberry Festivals ended with the great music from HIM and Explosions in the Sky. 2014 Strawberry Music Festival boasted over sixty Indie and other bands from different parts around the world. Modern Sky record label is the organizer of the Strawberry Festival in Beijing. Also, they organize festivals in the capital, Zhenjiang, Xi'an, and Wuhan. The event is probably the leading music festival in China. The 2014 festival included a mix of some folk, Chinese pop, rock and an electronic stage that featured familiar Shanghai artists and some international guests. The festival was meant to encourage the attendants to meet and connect via traditional channels by speaking face to face rather than on social media. That was achieved through social zones that promoted personal interaction.

### **2015 Strawberry Music Festival**

In April 2015, record label Modern Sky said that the Strawberry Music Festival would be delayed in Beijing because of venue problems. However, the three-day music festival would be held in other cities across China as scheduled. The announcement was made after several weeks of speculation as to whether the Strawberry and the Midi music festivals would proceed as scheduled, following cancelations in other areas. Midi had already announced that it would not hold a music festival in 2015 in Beijing because it was unable to obtain venue permits. According to the Ministry of Culture, there were safety concerns regarding large crowds and gatherings after the stampede during the New Year that resulted in the death of thirty-six people in Shanghai.

Music festivals across various genres held in Beijing have dropped because authorities have made it difficult for large crowds of people to gather. The cancelations are not

caused by paranoia from the government. They are caused by concerns that potential disasters at public gatherings can make people feel that the central government has failed to protect its people. After the New Year's event where thirty-six citizens died in a stampede, the government would not want a similar tragedy to happen again. President Xi Jinping ordered an investigation into causes of the tragedy. Now officials at the Beijing municipality are paranoid about going against President Xi and powerful officials, so they are not willing to take chances. Essentially, the possibility of a music festival or other major event taking place close to President Xi is low. The officials enforce their will by requiring promoters to file safety reports before the event. However, when that is done, the officials add further bureaucracy such as requiring planners of music concerts to send lyrics for all the acts that are performed during the event. It is unlikely that the central government is worried about anti-authority messages but instead it wants to provide hosts of events with almost impossible requirements in order to prevent the event from happening. This strategy by the central government has been working in some places. The Strawberry music festival has been held since 2009, but it was denied a permit in 2015. MIDI is another major event that had to move over seven hundred miles to Suzhou after it had been held in Beijing for seventeen years. Also, EDM festival INTRO chose to move outside Beijing. Currently, the twelve million residents of Beijing have to attend music festivals in other cities.

At the core of the Beijing music industry are composers and musicians whose music is played in various venues across the city. The music sector touches the daily lives of people in Beijing through media such as cable, television, radio, recordings, and street musicians and via live performances. There is a wide array of support services that are associated with the music industry and thousands of retail stores that distribute music-related products. The sector has a training and education component through private performing and teaching organizations as well as in the higher education system.

### **Economic Impacts**

The three parameters used to measure economic impact are employment, labor income and output. The output is taken as the business revenues and is the largest of the parameters. Labor income consists of proprietor's income and employee compensation. Employment is a combination of part-time and full-time employment. The music industry is important to the Beijing economy. The industry provides economic benefits to the city and the local communities. It stimulates the economy through consumer purchases and tourism, generates tax revenues, attracts investments and creates jobs. Also, the industry provides other benefits such as instilling other industries with insight for their services and products and preparing employees to play an active role in the contemporary workforce. Also, because it improves the quality of life, music

complements community development, attracts young professionals and enriches local amenities (Jin, Wang and Li).

The music industry offers several benefits to Beijing's economy, and the city has an opportunity to boost its economy by investing in music and improving livability. To help the city in realizing the economic benefits and the full potential of the music sector, the authorities should identify the pivotal creative music in the area. Then, they should formulate strategies that strengthen and support these industries. This can be done by offering incentives that target the music sector as well as public-private collaborations, marketing program, entrepreneurial training, developmental initiatives to enhance growth and invest in various music genres. Beijing has an incentive program that includes tax credits, meant to entice music projects to locate it the city. Beijing provides a marketing program that offers product and business development services to artists and helps in the marketing of their music both outside and inside the state (Tschmuck, Pearce and Campbell).

Beijing's music industry generates approximately nine thousand jobs in over three thousand businesses. The jobs provide an average wage of twenty-three thousand dollars each year and contribute approximately two hundred million dollars in labor income. The industry employs an additional two thousand people in three hundred music-related businesses with a labor income of nearly seventy million dollars. Studies in the industry have shown that independent artists have increased, and simultaneously the wages that are paid to performers have reduced. Consequently, several people working in the industry have many employers and income streams. The musicians are also involved in recording activities for games and films. Several people who train music students also sell recordings and engage in performance. The combined earnings from these several sources create higher earnings than the average wage amount of twenty-three thousand dollars. These figures are conservative estimates of the activity of businesses in the industry because there are many complexities associated with measurement of all the constituent parts. Besides the direct economic impacts, the Beijing music industry has indirect effect on the city's economy through multiplier effects. Proprietors in the industry anticipate that their employment status will change, but businesses in the industry continue to experience growth in employment.

Some communities rely on music and cultural organizations as drivers of economic development. Strong cultures are considered as important factors in the quality of life within the city. The notion of a music-based cluster or a cultural cluster creates an identity for Beijing and is a strategy that is used to draw more visitors to the city for musical or cultural experiences and to provide a dynamic society for the residents. This element of quality of life plays a crucial role in the ability of a company to attract the

brightest and best workforce to the city and has a strong influence on the location and expansion of corporations. As such, the music industry is an important strategic asset for Beijing.

The success of various musicians in Beijing has created an appreciation and visibility for music in the city. Artists in the city have raised interest in the Beijing music industry. Local musicians have innovated a selective use of indigenous instruments and forms, contemporary styles, use of jazz, blues, and a rock heritage. The result has been unique music that reaches to an international audience. The international audience has been developed through entrepreneurial and marketing enthusiasm (Tschmuck, Pearce and Campbell).

Good music requires an audience, be it people listening to music records, a live audience or the musicians in a band. The technologies used in reproduction and recording of music provide potential means to reach an international audience and make more money for a little outlay. Achieving such an end requires considerable skill and effort in terms of marketing, distribution, sales, recording, performing and writing music. Good music requires effective production and distribution to ensure it reaches the market. One of the factors that have resulted in the success of music is the effective industry that has been developed to enhance distribution and the fact that the target market can afford to devote a significant amount of income to music. For the music industry in Beijing, this creates opportunities. People with recording equipment can create music and distribute it to a world market by digital means. The challenge is that it is the international markets that have significant income, but they are controlled by a few powerful companies (Moore).

### **Education and Training**

Compulsory music education is not included in the school curriculum. There is no sufficient extra-curricula teaching of musical performance and appreciation. People who represent musicians recognize that there is a deficit in knowledge of producers and consumers about the control and regulation of intellectual property rights. Also, there is low professionalism among some current and potential players in the industry. It is recognized that the skills of people who manage bands and skills in negotiation of rights of band members, touring and recording rights have a serious deficit. There is a shortage of trained producers and recording engineers. This a problem that sometimes makes bands to record in foreign countries.

### **Conclusion**

This paper has explored the role of the Beijing music industry in economic development. Music makes a significant contribution to economic development in Beijing. However,

the current state of music production and related institutions should be improved. Overall, it is remarkable that the industry has achieved a lot. To enhance an appreciation of the music production system, there should be meaningful and insightful information that provides a robust base for policy development. The development and appreciation of critical thinking about making of policies that acknowledge an interface between profit and non-profit activities is important. The implementation of these notions will enable Beijing to experience greater sustainable economic development from its musical expertise.

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# **Water Splashing Festival in Yunnan Province in China**

By Yiran Chen

The Water Splashing Festival (or Water Sprinkling Festival) has had an unprecedented rise in the Xishuangbanna area, southeast Yunnan province, has had important merits for the land's utilization and economic development. The significance is perceived as instrumental for the economic development through tourism and re-imaging or re-branding of regions or cities as modern cultural centers. For this reason, it is crucial to comprehend the contextual framework in which festivals occur. The Water Sprinkling Festival in Yunnan Province in China has enhanced the marketing and popularity of ethnic tourism within the region, making it a major tourist attraction. The Water Splashing or Sprinkling Festival is held by the Dai minority group that resides in Yunnan Province. This festival has risen to become one of the most broadly known minority religious fêtes in China. Water is of utmost importance since it is associated with goodness, purity, and holiness. In contemporary setting, tourists are able to view and participate in the Festival each day of the year week at specially constructed festival parks located in Xishuangbanna area, southeast Yunnan. Given that Yunnan is among the country's three poorest provinces, characterized by millions of individuals living below the poverty line, the Festival's tourist appeal has contributed positively to the region's economic standing.

This paper begins with a short background of the Water Sprinkling Festival in Yunnan, which is subsequently followed by an analysis of the manner in which it affects the region economically.

## **Background**

Xishuangbanna gained recognition as the "green gem" in the 50's when Zhou Enlai, a former premier, participated in the Water Sprinkling Festival and organized functions to host his foreign guests. The appeal of the region's wild flora and fauna, and tropical rainforests, alongside varied minority cultures and lifestyles makes the area a treasured tourist attraction (Wen and Tisdell 211). However, one thing we need to note that the region did not become a cherished tourist destination until the 80s since the ultra-leftists serving in the Chinese Communist party worried that national security in border areas could be compromised, thereby limiting access into the area. However, when mass tourism began in Kunming in the late 70's, there were especially strong demands to visit Xishuangbanna, which led to the Yunnan government agreeing to facilitate the development of tourism in the Xishuangbanna area. The Dai nationality is among the significant attractions in Xishuangbanna. Given its status as Yunnan's major ethnic group, numbering around a million people (approximately one-third of the province's

total population), their culture, and lifestyle represent targets of tourist attraction. The Water Splashing Festival forms the most significant ceremonious traditional fete among the Dai community. This typically occurs in mid-April, going by the solar calendar, usually ten days prior to or after another ceremony, the Tomb-sweeping Day, lasting between three and seven days.

In the Dai calendar, the festival is the New Year, as well as the fete with the greatest influence and highest participation among many minorities in Yunnan. During the festival, the minorities, regardless of gender and age, get dressed up and carry clean water to Buddhist temples (Cultural China 1). First, the participants bathe the Buddha, after which they start splashing water on each other to symbolize health, happiness, and luck wishes. The more the water a single individual is sprinkled with, the more luck he or she will receive. The Dai minorities also invite people from other cultures and tourists emanating from afar to sprinkle or splash water in celebration of the festival. At the scenes of the water sprinkling, the mood is really jolly, and when individuals become excited, they burst into hurrahs like “shui (meaning water), shui, and shui” (Cultural China 2). Besides water spraying, there exist many other conventions within the festival. For instance, children cut off bamboos to construct squirt guns and engage in water games. Individuals without indication of gender and age are all dressed up. In groups, they then climb up the mountain to find wild flowers to construct flower houses. The Water Sprinkling Festival represents a ceremony that was once religious in Indian Brahmanism, then absorbed by Buddhism, before being passed on to Dais in Yunnan via Burma (Wen and Tisdell 212). It has since enjoyed seven centuries of history. Currently, the water splashing convention has become mutual form of wishing among one another. From the Dai perspective, water symbolizes beauty, brightness, and sanctity. Because only water is helpful in ensuring the successful growth of everything on earth, it is perceived as the god of life.

### **Analysis of the Festival's Significance**

The significance of the Dai minority group's Water plashing Festival is not only in the fun or wishing purposes; rather, it has also been identified as a crucial source of income for Yunnan government. The festival is typically organized by the local cultural affairs departments (Xiaodong 3). The local government is tasked with facilitating the festival to promote chances of economic benefit. Such festivals are giant commercial advertisements by local governments. The Department of Local Heritage's websites and informational circulars specifically carry the advertisements in order for them to be acclaimed. The festival commenced in the 1980s after the country had adopted reforms and an open policy. This was significant in developing the local community and assisting people to shake off poverty. Yunnan is among China's most poor provinces, characterized by millions of individuals surviving below the poverty line. Despite Yunnan

being ecologically and culturally diverse, the causes behind the diversity are attributed to its limited development. The geography of the region, though, has assisted in preserving the diverse cultures of the province's 25 minorities. Regrettably, the adverse consequence of Yunnan's isolation has impeded its industrial development, as compared to several other coastal regions in the country. The economic boom, which has been reflected across the rest of the country, is still vague among the Dai and other minority groups in the region. Poverty is pervasive, particularly in the countryside, with the lack of economic opportunity placing children in positions they lack access to respectable education essential to escape the poverty trap.

During the festival, a significant number of Dai community members, particularly the women, are hired to work in the park as water splashing participants and dancers. In addition, tourists are selected to don traditional clothing and sprinkle each other with water in the daily ritual. Commodification of the festival, as argued by Ma and Lew, has converted the fete into wholesome entertainment for the public, distorting the Dai culture and its sacred meaning (14). The Water Splashing Festival depicts a typical challenge for China's Local Heritage Festivals today because they struggle to preserve authenticity and a robust connection to the local cultural identity, whereas they simultaneously benefit from the tourism development process. In many ways, Yunnan and the entire country are perceiving the development of tourism and the re-branding and re-imaging of local festivals as successful. The big domestic touring population has especially made mass tourism an appealing development alternative form many communities. Regardless of whether the Water Splashing Festival is rooted in legend or derived from religion, minority ethnic groups like the Dai observe it as per their local customs. Through marketing of tourism, enhanced transportation access and an expanding Asian economy, the local population has commenced to share their customary celebrations with an increased number of tourist populations.

Regrettably, the trend in the country has been that such events are excessively commoditized, a process which converts the local events into pseudo-events that can contribute to dissatisfaction on the parts of locals and tourists alike. However, in spite of the issues of local identity and authenticity are relevant to festive tourism, and are especially significant and fundamental to Local Heritage Festivals since they exists within a robust context of history and geography (Ma and Lew 16). The matter of local identity pertains to whether the festival effectively relate to and bolsters their affiliation with the local communities. For a festival of the Water Splashing magnitude, its success in appealing to tourists lies in the extent to which they become one and the same with the place in which it occurs (Wall and Yang 157). This also calls for significant deliberation for the extent to which the festival addresses the aspirations and needs of local community members. When the event possesses a strong link to the local

community and place, tourists become motivated to spend both their money and time to collect symbols of local identity through participating in celebrations.

Since the popularity of the Water Splashing Festival in Yunnan has contributed to governments establishing many cultural sites to host the event. In the 90's, nearly every tourist site utilized this festival to gratify tourists' thirst for "real ethnic flavor" (Wall and Yang 158). Once the local government becomes conscious that challenges caused by the lack of variety in mass cultural fetes, tourist attractions, and quality, they bolstered formal control of the tourism sector, advancing high quality tourist activities and sites, while closing various small folk villages. The Dai Yuan was thus selected as the promotion focus for the local government's activities because of its well-maintained stilt houses, beautiful subtropical scenery, and the Dai traditional lifestyles. The local government has given the park the privilege as the sole situation that can host such water-splashing events. The more locally oriented an event is, the more it becomes a symbol of local identity, and becomes more appealing to everyone. The Water Sprinkling Festival hosted in Xishuangbanna, Yunnan, is embedded in the Dai local history, and offers significant income to the local residents. This is demonstrated by the reality that the highest daily arrivals occur during the April Water Splashing Festival in Yunnan.

Since the late 1980s, tourist arrivals have grown in Xishuangbanna at 20 percent per annum, which clearly demonstrates the economic benefits the Water Splashing Festival offers in Yunnan (Wen and Tisdell 212). In 1994, for example, income from tourism made up 26 percent of Xishuangbanna's gross product, as well as 50 percent of income from tertiary industries in the region. Similarly, the total number of Xishuangbanna's travel agencies increased from 22 to 44 between 1992 and 1993, as well as from 300 to 338 between 1996 and 1998. This growth in tourist numbers has led to the region becoming developed in terms of the hospitality management, which includes hotels and motels. More rooms are being supplied to overseas and domestic tourists, with some under the operation of non-tourist sectors. Further acts of development are planned for streets and squares of Yunnan province, since the Water Splashing Festival is the main tourist attraction in the region. A forum intended to "develop Dehong, Yunnan province into a southwestern bridgehead," was attended by officials and scholars who stressed the significance of treating neighboring nations with sincerity and eradicating suspicion in the province's efforts to cooperate with them and establish border trade.

In terms of land use, the climate of Yunnan province calls for implementation of paddy plants. However, though much of the land is utilized for food production, timber, and fiber, rice is the most favorable farming, despite it bringing in limited revenues for the province (Wen and Tisdell 36). In Yunnan's southern region, bordering Laos and

Myanmar is the area known as the Xishuangbanna Dai Autonomous region (Wall and Yang 245). The Thai nationals who inhabit this area grow pineapples and rice and are especially popular for raising China's last elephant population. They are also renowned for the yearly Water Splashing Festival, which is characterized by girls dancing in traditional clothing. This ritual of water splashing, at the epicenter of the entire festival, cleanses the participants of their inner demons and eliminates woes and sorrows of the past year.

## **Conclusion**

Without doubt, the annual Water Splashing Festival held by the Dai minority group in Yunnan Province, China, is an important factor in the region's tourism growth and subsequently, economic development. The festival is a centuries-long tradition that appeals to not only the locals, but also other domestic and foreign tourists. The ritual has seen the local government enforcing a more formal management of the tourism industry, establishing cultural sites, squares, and parks. Tourist arrivals have increased significantly every year, as well as the building of tourism infrastructure, including hotels, restaurants, and motels. Similarly, the local residents have gained employment during the festival, which helps to shake off the hard-biting poverty levels.

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## Economic Impacts of Music Tourism

By Guangruo Zuo

The Arts and Entertainment industry has been blooming like no other time, with a wide range from TV shows to live performances generating millions of dollars in revenue. Music Festivals is one of the bigger sectors, which contribute a sizable portion for such revenues to the economy. Every year there are thousands and thousands of people traveling around the world just to attend all these music festivals. The attendees coming to such festivals to express themselves, enjoy the music, beer and food, also most importantly to relax. In the Year of 2009, there were an estimated of 1.9 million people attended the top twenty global festival, which is already a large number. However, in the year of 2013, the attendees' number has reached 3.4 million (Kiendl, 2013).

Most articles and reviewers will mainly focus on which DJs or artists are performing, the live experiences, or even the scenery of all the decorations and light effects of these events.



Photo: Ross Silcocks

However, another very interesting point to look at these Music festivals is the impact on the local economics. When all these tourists coming from other places to where the festivals are being hosted, they will generate incomes for the businesses in such areas, for example, hotels, restaurants, as well as transportation. At the same time, music festivals not only just bring profits to the local business and the event itself, but can also create a considerable amount of jobs for the locals.

Compare to the rest of the world, the size of the United Kingdom would not be ranked on the top of the chart. However, among with other countries like the United States, and Australia, the United Kingdom music industry has been in the lead for the business for a very long time. One study recently done by the UK Music called *Wish You Were Here 2015* published how much economic benefit music tourism has brought to the United Kingdom economy. In 2014 alone, there were 9.5 million people traveling to the UK only

for music events, which was a 34% increase comparing to 3 years ago (UKMusic, 2015). From music tourism industry, there is a £3.1 billion contribution to the United Kingdom from direct and indirect spending (UKMusic, 2015). Attending music festivals, especially during the summer, has become one of the trendiest ways for all the young souls to spend their vacations. There were reported to be a 39% rise from people coming overseas to UK for all music related festivals between 2011 and 2014, and on average every single one of them would contribute £751 directly into the UK business industry (UKMusic, 2015). Beside all the economic revenue and contribution brought by the music tourism, the industry also created 38,238 full time jobs in the year 2014 (UKMusic, 2015), which is significantly different than the part-time volunteer jobs that only last while the festivals are performing. If the rate of demand for these music festivals continues to increase in vast amount, then this industrial could potentially bring the local and the country with considerable amount of benefits.

The same study done by UK Music, *Wish You Were Here*, shows in London area there were 3.3 million tourists merging in nationally or internationally for Music events in 2014. Majority of the population with a number of 2.9 million are in town for concerts, and a smaller number of 341,000 are in London for music related festivals (UKMusic, 2015). From this large population of tourists, they generated a total spending (direct and indirect) of £663 million within the year of 2014, which £479 million comes from concerts in the area, and £184 million from music festivals (UKMusic, 2015). However the direct economic impact from this entire event itself has a £511 million in amount being spent by all the tourists, which £369 million is generated from concerts, and £142 million from music festivals (UKMusic, 2015). When such a large population of tourism coming into a city, it will bloom the local economy, bring in opportunities for businesses also creates jobs. In 2014, full time jobs that are sustained by music tourist from concerts have a number of 3,502, and 1,345 from music festival, which together they sustained 4,847 full time jobs in London (UKMusic, 2015). On average individual international music tourist traveling into London spent £673 during the stay (UKMusic, 2015). For concerts related tourism, the average is £644, but for music festivals people tend to spend £860 in London including food, hotels, tickets and transportation (UKMusic, 2015).

Coachella Valley Music and Arts Festival shortened for Coachella is one of the world most famous music festivals, and it is being hosted every year in Coachella Valley in Indio, California, where is a desert area in the middle of nowhere. Because of the unique geographic location of the Coachella valley and the soil texture for Riverside County, the area is mainly residential neighborhoods. Coachella was first started in the year of 1999, and as been a yearly event ever since. From 2012, because of the large amount of demand, the event has become two weekends each lasting three days during April. In the year 2013, Coachella attracted close to 405,000 attendees from all over the

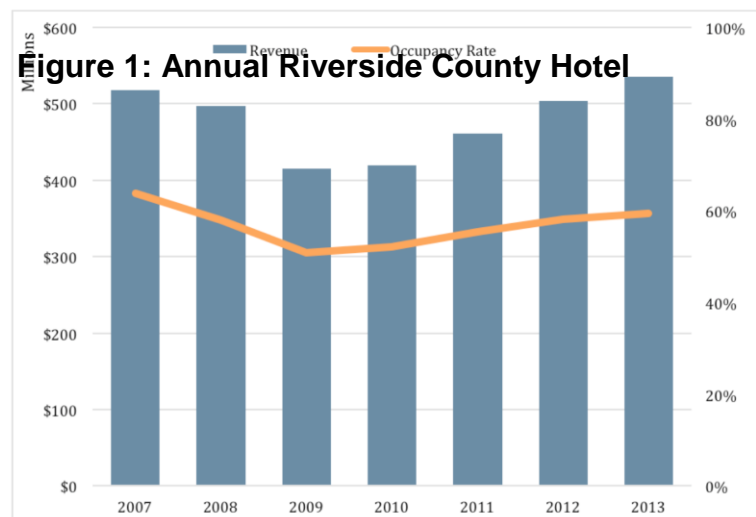
world, including many famous starts, it was more than ten times the total of attendance when it first started (Kiendl, 2013). Aside from the Festival own success, many the other industries that has directly or indirectly related to the event has received considerable amount of benefit economically as well.

**Table 1: Employment by Selected Sectors in Riverside County, CA**

	Accommodation and Food Services Sector	Arts, Entertainment, and Recreation Sector	Total Employment
2007	63,309	26,048	861,029
2008	66,073	28,264	887,214
2009	63,306	29,004	868,285
2010	64,685	27,302	865,369
2011	64,944	27,616	859,040
2012	67,194	30,256	866,110
Change	6.1%	16.2%	0.6%

Source: American Community Survey 5-year estimates, US Census Bureau

Table 1 above shows the employment count in two sectors in Riverside County, California where Coachella Valley is located. Between the 5-year range of the year 2007 to the year 2012, the Accommodation and Food Services Sector has an increase of 6.1% in employment, which Arts, Entertainment, and Recreation Sector has a more dramatic increase of 16.2%. At the same time, the Total Employment of Riverside County with other sectors being counted in has a total rise of 0.6% (TXP, 2014). At the same time Figure One below shows the Annual Riverside County Hotel Revenue in the six year range from the year of 2007 to the year of 2013 (TXP, 2014). Despite the



Source: Smith Travel Research, TXP

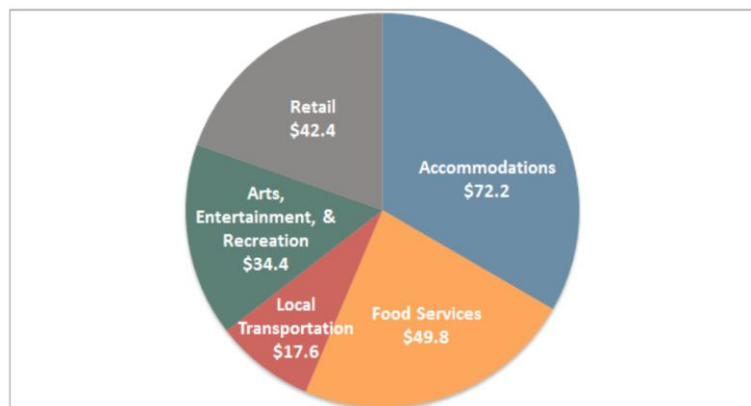
decline from 2007 to 2009, the total revenue has rebounded and even surpassed the previous high in 2007 reaching a total of \$535.3 million in the year of 2013 (TXP, 2014). In 2013, Coachella sold 158,000 tickets within 20 mins, which generated \$47.3 million in revenue (Bosse, 2015), making Coachella Valley Music and Arts Festival one of the most profitable festivals in 2013 in the industry. It is fair to say that every attendee would



need some type of shelter, food, and drinks for the time at the music festival.

The promoter of Coachella, Goldenvoice shows that this single event alone generates \$90 million to the local economy (Anson, 2013). In addition, the single ticket is around \$350, and the city earns \$2.33 from each ticket, even though it is only a small amount of how much the ticket cost, when there is close 300,000 people attending the number adds up to around \$500,000 (Anson, 2013). At the same time, one of the interview done to one of the attendees, who claimed that among his five other friends, they have spent more than \$150 on food and alcohol pre day, which would also be considered a large amount of income for the Indio city (Anson, 2013). When there are hundred thousands of people flowing into the city, and spending at least \$100 daily per person, it helps the city generate all of its tourism related industry, and keeps the market to be in a healthy relationship of supply and demand. Short-term rental housing is relatively favorable these days as well because of it potentially cheaper for larger families to travel and creates a homey feel when the tourist are away from home. Along with many other choices from camp on site, hotels, and stay at the VIP tents, renting a short term rental housing is also a popular

choice for many attendees at Coachella. An educated calculation done by TXP, Inc, showing in Figure 2 on the right reported in Coachella valley, for every \$100 short term renters spent on housing, it contribute “an additional \$69 on food, \$24 on local transportation, \$48 on arts, entertainment, and recreation activities, and \$59 on retail shopping” (TXP, 2014). And the total direct spending is accounted to be close to \$216.5 million in the year 2013 (TXP, 2014).



Source: Travel and Tourism Satellite Accounts; US Bureau of Economic Analysis

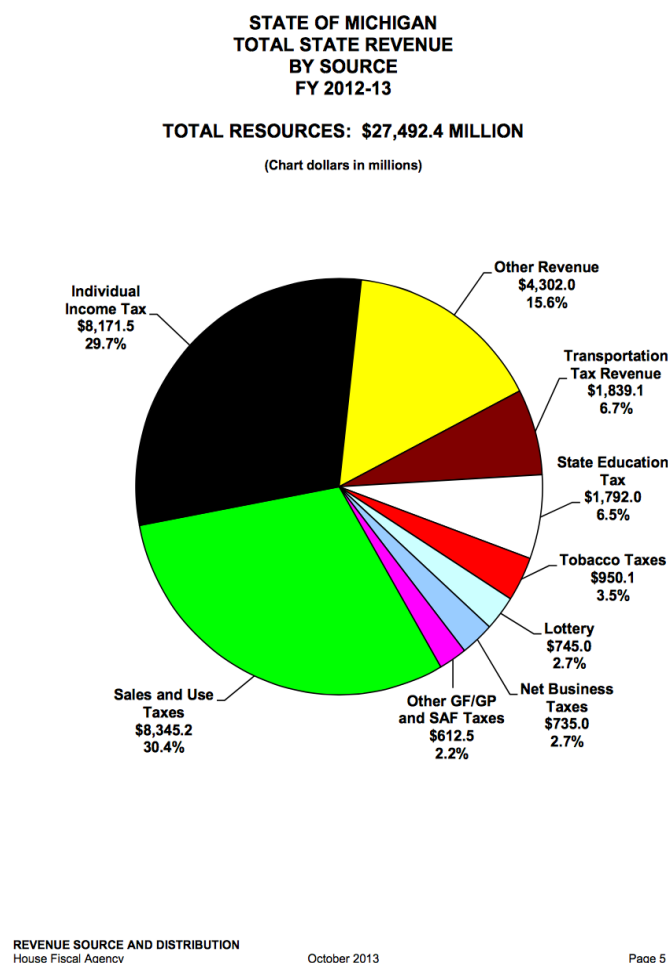
**Figure 2: Visitor Spending (\$millions)**

Lansing has been named the state capital of Michigan since the 1847, located in Ingham County in the center of Michigan. As the state capital, Lansing hosts many art related events every year. There are many economic impacts coming from all different sectors that is promoting the city with larger revenue income and creating a more livable place for its residents. A study done in 2004, in Michigan on average each household would spend \$30.72 every month for arts and cultural related activities, which would contribute \$3.3 million to Ingham County local economy each month (Art Council, 2015). And when the market is in a flow motion, there is a ripple effect that might potentially

generate large amount of capital for the city. In both Lansing and East Lansing, all the major festivals together attracted 450,000 people into these cities, which helps creating 80 direct jobs, and more than 400 indirect jobs, with a \$13.5 million in local economic impact (Art Council, 2015). More over on the employment sector, in the greater Lansing region, Art and Cultural related businesses are likely to employ 750 direct full-time jobs, which also create a positive influence of 1,700 indirect full-time jobs (Art Council, 2015).

People who likes Arts and Cultural would enjoy and appreciate them more, study done by the Travel Industry Association, resulted that cultural tourists tend to stay in the area for longer amount of time, spend greater amount of money, and also potentially would spend \$1,000 more than average tourists (Art Council, 2015). In the year of 2013, Michigan art related events like museums, art exhibits, musical festivals among others created close to \$2.5 billion in tourism, which is accounted for 18% of the state's tourism revenue (Lavey, 2015). Acquiring to Sarah Trilpett, director of public policy for Creative Many, has a confident that the there will be a continue gross in the future in this industry

(Lavey, 2015).. The same report has also provided an increase of 15 percent on arts-related jobs, and a 65% increase in such businesses from the year of 2007 to the year of 2012. By the time of 2012, there were more than 85,000 jobs and 28,000 businesses being created since 2009 (Lavey, 2015).. The chart on the left shows the total Michigan State revenue for fiscal year 2012-2013. And the total revenue comes up to be around \$27,492 million (Cleary, 2013), and the music tourism contributed a considerable amount of 18%. Another contribute from all the art events is that the quality of life has being improved in all the Michigan cites, because these cities have to be enticing, in order to attract more tourists or even new residents and have them willing to spend more time in the local area. From looking at the three cases studies from above, it is safe to say



that music tourism is great for bring in business opportunities and generate incomes for the city or region. Promoting market favorable music concerts and festivals will attracts people from other places traveling into the city and helps the city to generate its economic market. When there is a healthy flow in the market with enough supply to meet the demand, there is benefit for both the consumers and producers. At the same time, there are so many industries that would be positively influenced from all the music tourist like hotels, restaurant, and public transportation.

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# Case Study of Qingdao International Beer Festival

By Mu Ding

Beer festival is where a variety of beers from different brands will be exhibited for tasting. Beer festival is originated in Germany and now held in a number of countries such as America, England, and China. In this paper, I will specifically illustrate how Qingdao International Beer Festival influences the society in different aspects.

Qingdao is located in Shandong Province, and it is an important coastal city in eastern China with a total population of 9 million (Qingdao Profile). Qingdao is a national historical and cultural city, as well as a famous scenic tourist attraction. The city has abundant natural resources and cultural resources that provided a guarantee for the development of tourism industry.

Beer is one of the cultural resources in Qingdao. The leading beer industry “Tsingtao Brewery” was founded in the city by an English-German joint stock company in 1903 (Matzat, 2013), and is one of the oldest beer brands in China. The culture of beer has become part of the daily life of the residents in Qingdao. Known as “The City of Beer”, Qingdao hosts the largest beer festival in Asia with beer brands from all over the world. The Beer Festival was founded in 1991, it was first sponsored by Tsingtao Brewery, and later host by the specialized institution organized by the local government. The festival is made up of several activities such as opening ceremony, beer tasting, exhibition, and carnival (Jiang, 2009). According to the information provided by the official website, the ticket for the beer festival is about \$3 per person, and the ticket for the opening ceremony could range from \$15 to \$20. The price for the festival overall is very cheap and affordable, however, you need to purchase additional ticket in order to taste some beer.

As an important motivator of tourism, events figure prominently in the development and marketing plans of most destinations (Getz, 2008). With the rapid development of the living standard of the people, more and more Chinese families would like to go event tourism to celebrate a feast day. “The festival is a fast growing industry and plays an important role in contributing to the commercial and tourism industries (Zong&Zhao, 2013)”. In 2005, Qingdao International Beer Festival has been listed as one of the most potential tourism festivals in China (Jiang, 2009). After more than twenty years hosting, the beer festival has become the business card of this beautiful coastal city.

## **Economic Development**

The success of the Qingdao Beer Festival effectively promoted the growth of the city economy, and also played a positive role in boosting related industries such as tourism, catering, transportation, hotels, media and advertising. According to the news, the direct economic benefit of 2013 Qingdao Beer Festival was about 1.4 billion dollars (Chi, 2013). More than that, the tourists' number in the region's scenic spots also increased dramatically in the first week of the inaugural.

According to the official website of Qingdao Beer Festival, the number of tourists, the GDP, and the productivity of beer in the city has been risen rapidly after the hold of the first beer festival in 1991. More recently, the beer festival attracts over three million tourists each year; and in 2012, the number of tourists reached its maximum which were 3.96 million. The occupancy rate of hotels in the city during the festival also reached as high as 98%, which is 6.19% higher than normal days (Zong&Zhao, 2013). The influx of tourists not only brought economic growth to the hotels, but also set a higher requirement for the hotel facilities. With the development of the tourism industry in Qingdao, more and more international hotel giants like The Intercontinental Hotel, Hyatt, and Sheraton started to move into the city (Jiang, 2009). These hotels brought new business philosophy and management modes to the city which largely increased the overall level of the hotel industry.

The development of event tourism such as beer festival could also increasing the investment opportunities. The host of beer festival can provides a good showing opportunities for different beer brands, for example, 23th Qingdao beer festival hold in 2013 collected more than three hundreds varieties of beers from twenty seven well known brands in eighteen counties (ChinaNews, 2013) , On the other hand, the festival also offers a open stage for other tourism projects. Qingdao Beer Festival was hold in Laoshan district where is a famous tourism district that consists more than 20 tourism destinations. The beer festival combined with the abundant tourism resources in the city can not only satisfy the needs of the tourists, but can also promote local economic development.

## **City Image**

Qingdao Beer Festival as the primary festival brand in the city, the success of the beer festival created a huge economic and social benefits. As mentioned in the previous paragraph, the festival is a fast growing industry and plays an important role in contributing to the commercial and tourism industries. There are several essential conditions to become a sustainable and prosperous tourism city: unique natural or cultural landscape, the ability to receive visitors that adapt to urban resources, and a convenient traffic condition to maintain the urban health.

The image of a tourism city is made up of three factors: diversified activities, city popularity, and city reputation (Zong&Zhao, 2013). The beer festival each year will includes a series of activities such as carnival, parade, drinking competition, and art exhibition. These activities turn Qingdao Beer Festival into a tourism product and promote other tourism destinations in the city as well. People started to pay more attention to the travel information in the city, that is, we can say the beer festival gradually became an important component of the city image.

Promotion is the primary means of improving the popularity of a tourism city, and beer festival is effective way to advertising the city. The theme slogan of the Beer Festival is “Toasts with the World”. Internationalization of the beer festival opens a window to the world. Many foreign merchants, tourists and new agency got the chance to know the city better through beer festival.

City reputation can not be improved through festival itself, however, festival can attracts more tourists and creates the reputation for the city. As the most influential festival in Qingdao, the beer festival can attracts many tourists from all over the world. From 1998 to 2013, the number of tourists increased by six times during fifteen years; and the total income from tourism increased by more than thirteen times from 1998 to 2013 (Jiang, 2009). The beer festival plays an important role in enhancing the features of the city, Qingdao has been awarded with the names of “Brand of China”, “Best Exhibition City”, and “Most Influential Festival City” (Huyan&Qiu, 2013).

City image is an immeasurable property to the city. Good local image can attracts more people come to the city for tourism, shopping, and investment. In addition to that, city image can also promotes the integrated development and upgrades status of the city.

### **Improvement of City Infrastructure**

At the time when Qingdao hosted the first beer festival, the basic tourism infrastructures in the city were very backward, and there has no well developed attractions. However, with the rapid increasing number of tourists each year, local government started to introduced projects to improve the tourism infrastructures.

Government spent great efforts on improving the transportation facilities after hosting the beer festival. In 1995, passengers throughout in Qingdao Airport first break one million; and in 2006, the passengers throughout was more than six million (Jiang, 2009). Due to the large amount of throughout, Qingdao Airport added more domestic and international airlines to accommodate the large needed. That is, during the recent years, the capacity of Qingdao Airport keep increasing, and the basic facilities were improved

as well. During the time when Qingdao hosted the first beer festival 1991, there had very few bus lines in the city. However, in 2009, the total bus lines in the city reached 144, with a total number of 3919 buses (Huyan&Qiu, 2013). Using of buses accounted for more than thirty percent of total use of the public transportation in Qingdao, and buses started to form a effective and reasonable public transportation network.

With the push of the beer festival, the public infrastructure in Qingdao is keep improving. In 2013, Qingdao built a total number of 7 performing facilities, and also planned to reconstruct and expand some public cultural facilities such as library, museum, theater, and activity center (Jiang, 2009). The improvement of city facilities make Qingdao has more ability to host international activities. Due to the huge efforts Qingdao made, the city won its bid in 2009 to become the city to host the 2014 World Horticultural Exposition.

### **Negative Effects**

At the time when Qingdao Beer Festival brought a huge economic and social benefits to the city, it also brought some negative effects on social culture and environment. During the time of the festival, there always build a lot of temporary buildings in the site, for example, tent for exhibition and carnival. However, most of the building materials are not recyclable, that is, these buildings will eventually produce large amount of construction rubbish and solid wastes after demolition. Garbage produced by the visitors also increase the pressure on the environment, as well as the cleaning workers. According to the China National Tourism Administration. the seventeenth Qingdao beer festival called a total number of 400 cleaning workers, 10 cleaning cars, and cleaned a total number of 18 thousands cubic meters garbage. The beer festival usually last about two weeks, and residents also complained about the noise pollution produced by the crowds. Beer festival usually has high risk of safety problems such as conflicts and drunk drinking.

Influx of tourists could also create high pressure on transportation system. On the one hand, it will inconvenience tourists' travel, on the other hand, it can also create negative effects on local residents' life. For instance, more frequent use of cars would increase the emission of carbon dioxide, which can have a negative impact on people's health.

A festival in the city is like a two-edged sword: as it brings benefits to the local economy, it can also creates adverse impacts. It's impossible to avoid all the negative effects caused by the beer festival. However, scientific planning can effectively minimizes the conflicts of interests. In order to achieve a low-carbon beer festival, 2011 beer festival replaced all disposable tablewares into porcelain for recycling use; many stalls were using eatable napkins which use starch as filler and natural soybean oil as stripper



(Qingdao Beer Festival Official Website). More than that, many battery cars were used for transporting garbage cans, therefore, it can achieve zero carbon emission while cleaning the city.

## **Conclusion**

This paper analysis the benefits and some disadvantages the beer festival brought. Overall, Qingdao International Beer Festival plays an important role in stimulating the local economic development, enhancing the city image, and improving capacities of sustainable development in the city. Although beer festival could also bring some negative effects to local residents and the environment, the positive effects the festival brings are far outweigh the negative effects.

Along with the process of the society and the rapid development of economy, culture will pass to the next generation as time goes by. Qingdao is an example of perfect combination of beer culture and city culture. Over a long time, beer in Qingdao has always acted as the business card of the city.

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# **Contribution of Music festival to Local Economy: Shanghai Music Festival Analysis**

By Zhuoyang Li

With the concept and practice of cultural industry being widely aware, many art performing styles have been recognized to benefit economic develop for a city (Tohmo, 2005). Among them, the music festival is popular and well accepted by young people. The activity could integrate a diversity of resources and funds, provide more chances for commercial organizations, like fashion firms, travel agencies to publicize their products and services; the cultural bureau and government could add glories to their political performance (Sharpe, 2008); art education would be granted to cultivate more talents, who would contribute to the economy development. As the most dynamic and developed city in China, Shanghai is regarded as the center of music festivals (Wu, 2004). This essay mainly bases on the Shanghai music festivals to analyze their advantages to the local economic development. Then, a comparison will be made between Shanghai and other international cities. At last, the essay will give some suggestions on how to avoid negative impacts of cultural activities on economy.

Music festival is one of the most popular art activities in modern life. It usually consists of a series of live performances, for several days, weeks or even months. It involves various musical elements, like folk music, modern music or classic music. Some are held for showing artworks of several musicians, some for memorizing master musicians, while the others are supported by commercial organizations and the government, with a purpose to promote development of local economy (Sharpe, 2008).

## **Shanghai Music Festivals**

Shanghai is well known for its multicultural environment, open economic market and large audience for art activities. Influenced by international cultural festivals, Shanghai greatly encourages various music festivals held, and in the meanwhile it aims to promote the economy through these feasts (Wu, 2004).

For the public, the motivations of attending music festivals may be due to these activities could enrich their daily life, get them cultivated in respect of music, and help strengthening their personal relationship (Bowen and Daniels, 2005). For Shanghai, the music festivals could increase the positive exposure of Shanghai to people around the whole country and the foreign countries, stimulate the use of a variety of social and economic resources, and absorb more investment on city construction and industry development from home and abroad.

First, positive exposure refers to the Shanghai music festivals would leave good impression on the audiences through full interaction among advertising, marketing and media reports during the activities. As is well known, large event would have shocking effects for the city, posting up many adverts on television, website, social media and main streets many days before the opening ceremony. Take Shanghai Strawberry Music Festival as example. It stepped on Shanghai in 2012, immediately stirring enthusiasm among young people. Independent music label “Modern Sky” cooperated with SMG New Entertainment to start new career. The festival chooses Shanghai Expo Park of 29 hectares, and increased five stages. Meanwhile, the festival has Beijing site, totally hundreds of groups working on the performance.

As the icon in Chinese new music time, the Shanghai Strawberry festival absorbs many eyes and participation of top stars (Groenewegen, 2014). In 2014 it invited the international movie star Maggie Cheung, who showed her music debut in front of Shanghai fans. Strawberry is trying to expand its influence in other cities of China. On one hand, the strategy of advertising is used to publicize the music festival, and tell the audiences the exact time and site; on the other hand, it serves attracting more chances of business cooperation. Some fashion companies, performers firms, travel agency and tourist bureau would like to be the sponsors of the music festivals, so that they could realize their purposes of increasing the exposure rates and then increase order quantity. For example, fashion companies could take responsibility of making clothes for the artists; the local travel agency could gain more profits by persuading their customers to pay extra money for the excellent performance; tourism bureau can acquire more support from the government because of their efforts and achievement for holding cultural activities. These organizations would feel happy to see their names printed on the posters and handouts near the activity site. Thus, these partners would absorb more attention and gain more possibilities of promoting their own reputation and businesses.

Second, holding music festivals could help taking better use of various resources. Music festival is not limited to entertainment, behind which there is a complex chain of interest. If there were regular art and cultural activities held annually or monthly in a city, the local government and the related organizations would consider providing more funds building the facilities and amicable environment to support the festivals. There will be more stadiums, cultural and art centers, such as Mercedes-Benz of Shanghai. Besides, the music festivals could absorb more performer companies from all around the country. They could promote local economy development and activate local art market. In addition, regular festivals would become spiritual ballast for the students, especially of local universities. They are the most dynamic groups and main consuming targets for the music festivals (Bowen and Margaret, 2005). In such group, people would easily

develop crowd psychology, the influence of which could not be ignored. For example, if a girl want to celebrate her stars in the festival, she might ask her roommates, friends or family members to accompany her, and thus there would be more people paying for the tickets. For art schools and universities of Shanghai, they can take the advantages of the widespread art and cultural environment, as to recruit more students and cultivate more talents in this respect. When the students graduate, many of them may become outstanding human resources, who would make a wish to contribute to economic development of Shanghai, as well as positively influence others around them. This could be regarded as a virtuous circle. Due to big impact of the music festivals, more volunteers with various jobs would be pleased to participate in providing warm-hearted services. This is helpful to create a harmonious city and leaving a nice impression.

Third, music festival could withdraw substantial funds and investment from home and abroad. The awareness of diversifying operation has been focused in business' marketing strategies, many of which are in the middle of carrying-out. As is well known, cultural industry could be divided into a series of chains and departments, with each forming a new branch industry (Zhao and Ma, 2006). Like the Hollywood movie industry, music industry and festivals could also exploit markets of toys, clothing, souvenir and so on. Based on large population of Shanghai, investors would sense a big potential of business and economic returns if they just funded a few of some above. These branch industries are mutually related and influenced, so investors would not easily give up once they make cooperation with others. Besides, cultural interaction and exchange has been attached much significance in international society. Since Shanghai has a long history of doing foreign trade and multicultural communication with foreigners. The music festival may be a window, from which they could see opportunities to make the business prosper here. There are several ways to invest in Shanghai: setting up an office, a foreign owned company, Sino-foreign joint venture, and short-term project investment. The capitals could help Shanghai increasing the employment rate, developing high-profitable creative economy, and updating technology and industrial structure.

### **Foreign Counterparts**

Supported by stronger economic capability and complete culture market, the western music festivals started more attractively (Taruskin, 2009). There are different kinds of music festivals. "Bach Festival", "Beethoven Festival" are held for memorizing the master musicians; some are for exhibition of musical artworks, some embrace various art forms, like opera, musicals and ballet. In England, the earliest music festival was 1784 Winsminster festival. Early in the 19<sup>th</sup> century, the United States held several hit according to Britain's style. American music protector, Elizabeth Sprague Coolidge (1864-1953) established an annual interior music festival, special for her performing

fiduciary work. In the 1930s, Conductor Serge Koussevitzky created Berkshire music festival in Tanglewood near Lenox. All the two festivals were recognized the big events for music circle at that time.

Compared to the China's music festivals, the west has more mature and professional models. Deeply influenced by free market economy, the individual musicians, bands and performing companies are very brand-conscious. Not only live perform music for the audience, but they also focus systematic market research, audience subdivision and appearance design. It is not surprising to imagine such strong sense of marketing could make the whole economy active and full of vigor.

With the widespread influence of cultural globalization, China is absorbing essence of music feast from the west. Before, there were many similar carnivals on television; after "Fans Economy" emerges, screen shows gradually get down from the "altar" and realize "zero" interaction with the audiences. Many fans are more enthusiastic about the music festivals. Some new stars and musicians could win more popularity from this platform, compared to their predecessors. The music feast is also seen as a "stage" for youngsters to display their personalities and vitality. Ticket fees are also large and they have already become the major part of local government's main revenues. With the advantage of Shanghai style culture, it is trying to take reference of the international models, integrating it into global community.

But it is still far from enough now. Throughout China, the festivals are still immature and lack of professional instructions. The attitude of the government may impede development of the music festivals, which just wants see how much the festivals would earn, but often ignores providing the free and open social environment for creation of form and content. In the west, no matter on form or creativity, the music festivals are even better. If just by imitating, Shanghai festivals would not hope to make genuine progress. It might be advisable to combine Chinese traditional culture with modern elements; encourage more creativity of musicians and accept various forms. The thinking mode of the government should be properly adjusted according to consciousness of free market economy. The revenues acquired from the music festivals should fully serve the social development, including facility construction, urban planning improvement, environment protection, effective use of resources and cultural education.

### **Other Concerns**

Although the music festivals could be beneficial to economy development of Shanghai, they may lead to negative effects if improperly handled. It would spend millions, or tens of millions for holding a festival each time. Sometimes, sponsors attached too much significance on the spectacle, which caused unnecessary waste of money. An

extravagant event would cost substantially on aspects of the government revenue and social resources. Besides, these activities will no doubt affect social security and traffic situation, as they would attract huge audience flow, cause big noises and disorder on the streets (Stone, 2009). Although this is just short-term, it could not guarantee no accident would happen. The most persuasive case is “New Year’s Eve Stampede in Shanghai”. Moreover, the music festivals could be taken use of for vulgar purposes, like exposing artists’ privacy, triggering vicious market competition between advertisers or sponsors. If this is the truth, the music festival would not be a positive entertaining medium, but just a plain or even worthless carnival. Let people think further, it would not play an appreciated role in promoting economic development and positively influence young people’s psychological well-being (Packer and Ballantyne, 2010).

In consideration of these potential problems or risks, more work would be done to regulate the music festival holding. The channel and system to get festival-related revenue should be as transparent as possible; security work needs to be strengthened, and Escape Route and Emergency Exit are going to be well laid out on the site; completing monitoring facilities as to sense any hidden risks in the first time, and try best to prevent anything bad from happening. In order to communicate the good side of the music festival, mainstream media should keep an eye on their value orientation. It would be appreciated reporting the activities through rich forms, but vulgar contents and illegal process are necessary to be refused (Rothschild, 2011).

## **Conclusion**

In conclusion, the music festival is an important of cultural industry, with great potential to promote economy development of Shanghai. Market body, including fashion companies, hotel and restaurants, travel agencies could increase their earning during the period of activity. The government of Shanghai, and other related sectors, like tourism bureau would get good chances to stimulate local cultural and creative industry. Since the industry could be divided into many branches, and mutually related, there would be more jobs created from them. It indirectly pulls the employment rate of Shanghai. Besides, the music festivals could help taking better use of social resources and realize comprehensive development. The charming nature of music could attract more investment home and abroad to Shanghai, supporting performing business, fashion design and so on. Compared to the foreign counterparts, Shanghai music festivals’ impact is still limited, and need to enrich its experience on holding music festivals. More importantly, the music festivals are complex, relating to different interest and appeals, so it should take good care of all-around aspects, such as security, orientation of advertising, and proper use of resources. It might be hard to say the music festivals would definitely give a huge surprise on the economic development, but they will add glory to economy if handled well.

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