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Basic Concepts and Definitions

Learning objectives

- ❑ Learn the meaning and nature of impacts and impact assessment (IA) applied to events and tourism, including categories and examples of evaluation and IA applied to events and tourism
- ❑ Know how impact assessment can be used for forecasting, post-event assessment, strategic policy decisions, and assessment of the impacts of conditions such as tourism in a given area
- ❑ Learn key definitions, including inputs, processes, outputs, outcomes, impacts and understand the variables affecting the definition and measurement of impacts
- ❑ Learn the nature and roles of mitigation, including prevention, reduction and compensation
- ❑ Be able to apply evaluation and impact assessment in many different event and tourism situations
- ❑ Recognize the importance of different value perspectives among the subjects and objects of impact assessment.

1.1 Introduction

It has never been more important to develop professionalism in the forecasting, measurement and evaluation of event and tourism impacts. While there has been widespread acceptance of the sustainability paradigm and principles of social responsibility, combined with serious public debate about the costs and benefits of events, venues and tourism, the problems seem to keep getting worse. The impacts of events and tourism have been studied extensively, yet evaluation and impact assessment have not been given the same attention, so theory and methods are relatively undeveloped (Brown et al., 2015). Hence the need for this book and its companion *Event Evaluation*.

There are generic principles and established methods available to guide professionals in Impact Assessment (IA) and evaluation, but in the realm of events and tourism we often witness poor methods and a deliberate lack of comprehensiveness, transparency and accountability for both political and selfish reasons.

As an introduction to some of the important issues, consider these scenarios relating to events and event tourism. There are four major types of IA discussed in this book and these scenarios introduce them.

- 1 Forecasting:** During the feasibility assessment stage for bidding on a major event and building new venues the question of costs versus benefits inevitably generates debate. Proponents have made an effort to publicly stress all the benefits, in the hope that governments will provide funding, but opponents are asking “what are the costs? who gains and who will pay? what else can we do with the investment?” The only way forward is to conduct a full, objective impact assessment and make reliable forecasts, then evaluate the options.
- 2 Post event:** Its over and the event organization is required to get its books audited and to evaluate its performance on a number of indicators pertaining to customer satisfaction, problems identified, and future prospects. However, this festival is designed and operated with social change as its primary goal. The organisers and supporters, including public culture and leisure agencies, believe they can be a powerful force in community development, fostering social integration and self-reliance through the creation of social capital. But have they articulated exactly what ‘social capital’ means, how events can play a role, and how the desired outcomes are to be measured? They need a Theory of Change expert and they have to integrate IA in their strategic planning. All stakeholders have to be involved.
- 3 Retrospective:** Citizens are unhappy about the state of events and tourism in their community. There are many perceived negative impacts and some think that investment of public funds is benefitting only the business community. Here is a situation involving maximum complexity, as an IA will have to look backwards through the years to determine what has happened and why it happened, draw conclusions, then make recommendations for the future. The principles of social responsibility and environmental sustainability will certainly be brought into focus by various community and lobby groups. Serious political discourse is needed.
- 4 Strategic:** The DMO (destination management or marketing organization) wants an aggressive strategy to employ events in marketing and economic development, but they realize they will have to collaborate with leisure, social and cultural agencies to cover all the interactions of goals and possible actions. Experts are brought in to work with the community and all the agencies to assess the potential impacts of various strategies. Politicians will eventually be asked to sort it all out and make an informed decision. Will they satisfy everyone?

This evolution of theory and method is a necessary accompaniment to the formalization of event and tourism studies at the university level, and to the professionalization of these sectors. It reflects the enormous resources invested in

events, and the many impacts they have on society and the environment. It also reflects the many debates and conflicts that occur over costs, negative impacts, and irrational planning.

The legitimization of events, being a global acceptance of their roles in various government policies and industry and corporate strategies, has also forced attention on establishing more reliable and acceptable forms of evaluation and impact assessment. The estimation of impacts should be part of the process of determining the success, value or worth of events, event portfolios, and event tourism policies and strategies – but it is not the only needed input.

Comprehensiveness is essential. It makes little sense to learn that an event (or events in general) create new income for an area without also considering social, cultural and environmental impacts – both positives and negatives, and how important they are to residents and other stakeholders. The emergence of Triple-Bottom Line thinking, the Balanced Scorecard, Corporate Social Responsibility (CSR), Green Practices and Sustainable Event Standards reflects this imperative to consider all costs and benefits, plus the often more important question of distribution: who gains and who pays?

The approach taken in this and the companion book on *Event Evaluation* (Getz, 2018) reflects a paradigm shift in thinking about the purpose, nature and impacts of events and tourism – consistent with broader societal value shifts (Getz, 2009). Sustainability and social responsibility in tourism and events planning and management is a theme running through this book and the companion on evaluation, and impact assessment has to fit into these value perspectives. This ‘sustainable and responsible’ paradigm is not new, having evolved over the past several decades, but it has yet to be completely reflected in political decisions, nor is it always found in evaluation and impact assessment (IA) practice.

CSR is widely discussed in the business community, where this *Financial Times* definition fits:

“Movement aimed at encouraging companies to be more aware of the impact of their business on the rest of society, including their own stakeholders and the environment. Corporate social responsibility (CSR) is a business approach that contributes to sustainable development by delivering economic, social and environmental benefits for all stakeholders.”

Source: [lexicon.ft.com/Term?term=corporate-social-responsibility--\(CSR\)](http://lexicon.ft.com/Term?term=corporate-social-responsibility--(CSR))

Other definitions readily found online include the notion of being ethical and producing overall benefits for society, and in this regard it is similar to normative stakeholder theory. Businesses are encouraged to adopt CSR as a core concept and not merely engage in philanthropy. Many CSR definitions also mention sustainability, and this is defined later.

More a philosophy and idealistic set of outcomes than a code of practice, responsible tourism or events should follow these principles, according to