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Analysis of the economic impact of cultural festivals in the local economy

ABSTRACT

Given fierce competitive pressures among destinations for seemingly the same piece of the pie, the organization and management of successful events is promoted by the literature as a means to achieve differentiation and competitive advantage. This is particularly true for cultural tourist festivals and events, given that they are attended by locals and visitors from nearby cities as well as visitors (native and foreign) from further afield. Thus, local festivals and events have developed yet another functionality, that of an engine of economic and business development.

The research was conducted through the collection of survey questionnaires from festival participants. The analysis considers the festival's contribution to the local area in economic (financial) terms. Specifically, we examined expenditure patterns during respondents' participation in the cultural event/festival. The primary research was based on 346 survey questionnaires that were collected during the festival by approaching festival-goers randomly at the gates. The analysis of the preliminary results provides some interesting feedback regarding consumers' expenditure patterns.

KEY WORDS

Festivals, Crete, expenditure, cultural marketing

Paper received: 16 November 2017 • Paper revised: 2 December 2017 • Paper accepted: 10 December 2017

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