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# An Economic Impact Analysis For The 2nd Annual Bluegrass, Old-Time Music And Dance Festival in the Village of Stone Mountain, Georgia.

Kevin A. Lane  
*East Tennessee State University*

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**An Economic Impact Analysis of the  
Second Annual Bluegrass, Old-Time Music, and Country Dance Festival  
In the Village of Stone Mountain, Georgia**

Kevin Anderson Lane

An Honors Thesis submitted in fulfillment of the  
Fine and Performing Art Scholars Program  
East Tennessee State University  
May 2011

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Dr. Andrew Dotterweich      Date

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Dr. T. Jason Davis              Date

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Dr. Marian H. Wooten         Date

**A Economic Impact Analysis of the Second Annual Bluegrass, Old-Time Music and Country Dance Festival in the Village of Stone Mountain, Georgia**

**Abstract**

Festivals in the Appalachian region may provide a substantial economic impact for host communities. Regionally unique themes like Bluegrass and Old-Time music are substantial draw factors for potential visitors. This paper uses information collected at a small Appalachian themed music festival to project what the economic impact of hosting such an event is. Demographic information and an analysis of the festival visitor drawing area will further project the economic activity affected by the event.

**Introduction**

Observe any region, state, area, city or community for an extended amount of time and chances are that some sort of festival, special event or “get-together” will occur. Reasons and themes for these events vary due to the variety of people, cultures and communities. Festivals are a reflection of the characteristics of a community, region, and city. Festivals are also tools for communities to bring about economic impact by attracting visitors and tourists. In the Appalachian region, which has a rich cultural heritage, festivals and tourism make up a significant part of the local economy. Abramson and Haskell write, “Without doubt, tourism looms large in Appalachia’s postindustrial economy” (2006, p. 611). This paper focuses on the economic impact of a small Appalachian themed festival in its second year of operation. The draw factors, or themes, for the festival are Bluegrass music, Old-Time music, and country dance. This festival represents the efforts of a small community to host an event that reaps economic benefit for local stores, artists, and restaurants.

Beyond being reflections of locality, culture and social interests/norms, festivals represent a growing staple for the tourism industry (Crompton & McKay, 1997, p. 429). Described as an “emerging giant” by Getz and Frisby (1988, p. 22), festivals continue to increase in number and popularity. This growth represents an increasing amount of competition among

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festivals and communities for potential visitors' discretionary time and money (Crompton & McKay, 1997, p. 426).

Festivals, offering the unique brand/variety of element/events, have the ability to draw visitors from outside the host community. These events can be a benefit to the local community in a host of ways including: attracting more/new potential customers, boosting a slow part of the economic year, providing an environment to showcase new business ventures or products, providing a stage or gallery for local talent and art, giving advocacy groups an instant audience, showcasing a particular area or civic district, increasing publicity for local government, or providing a direct opportunity for local service organizations to raise funds (Hackbert, 2009; Mitchell & Wall, 1986). Besides being social/community events, festivals can have concrete, measureable impacts.

Community festivals, being identified as a phenomena the whole world over within tourism events (Chacko & Schaffer 1993; Grant and Paliwoda 1998; Rolfe 1992), do not expressly originate inside the Appalachian region - though Abramson and Haskell (2006) contend that very thing. There are themes, events, and attractions that make festivals in the Appalachian region special and unique, like crafts, artwork, food, people, places, dance, towns and most commonly the homemade Bluegrass, Old-Time and Country music. All of these elements can present a complex decision when visitors choose to attend one specific festival. Crompton and McKay (2007) provide an explanation behind decision making when they state, "a decision to visit a festival is a directed action which is triggered by a desire to meet a need" (Crompton, McKay; 425). They go on to write, "by definition, a festival implies that visitors are

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likely to be seeking cultural enrichment, education, novelty and socialization” (Crompton, McKay, 1997, 429).

The impact that is most important for bodies that organize, develop, and run festival events is the economic impact. Saying that a festival brought “X” amount of dollars into the local economy can solidify the need for economically stimulating events, like festivals. When Hackbert (2009, p. 2) researched the economic impact of an Appalachian festival in Berea, Kentucky, he stated, “festival claims of economic significance give the tourism directors greater respect among the business community, public officials, and the public in general.”

Festivals present unique opportunities for visitors. About the uniqueness of festivals Getz (1991, p. 44) states, “a special event occurs infrequently or one a one time basis and such, it provides a unique opportunity for leisure social, or cultural experience outside the normal range of choices or beyond everyday activities.” One aspect concerning economic impact and decision making for the festival will be to identify visitors who came to the host community for the festival solely. These findings will be utilized in determining if the festival is able to draw outside visitors who may have not come to the host community for any other reason. The more outside visitors it can attract, the more economically successful its event may be.

Festival visitors are people engaging in tourism which, defined by McIntosh, Goeldner, and Ritchie (1995, p. 2), is, “The activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, or other purposes.” For the purpose of this study it is important to distinguish between those inside the community and out. Determining between visitors and locals aids in discovering two things:

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how much economic benefit is brought into a community and how much is spent by locals (or likely to be re-spent) in the community of the festival.

## Review of the Literature

### Festivals

Abramson and Haskell (2006, p. 1150) define festivals in this way, “a festival is a means by which culture can be celebrated, preserved, and represented in a public forum before an audience.” Festivals usually revolve around a few key ideas like entertainment, art, crafts, heritage, history, celebration, seasons, religious observance or music. A festival theme often denotes what types of activities will be offered. Activities are the main attractions for potential festival visitors. Attractions are elements which motivate an individual to leave his normal surroundings and pursue what is at a festival. To this end Hackbert (2009, p. 6) writes, “Festival tourism is activated by attraction.” The very fact that individuals attend a festival is evidence that individuals seek the attractions offered. Specifically, Crompton and McKay (1997, p. 429) state, “by definition, a festival implies that visitors are likely to be seeking cultural enrichment, education, novelty and socialization.”

Crompton and McKay (1997) affirm that all individuals possess needs. One of these needs is a desire for social interaction. Furthermore they state, “a decision to visit a festival is a directed action which is triggered by a desire to meet a need” (Crompton, McKay, 1997, p. 425). However, needs for social interaction, celebration, emotional release, entertainment, or familiar enrichment can all be satisfied in variety of different ways. These needs can be met in one’s own

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community. Festivals distinguish themselves in that they draw individuals outside the festival hosting community. It is for this reason that Hackbert (2009, p. 1) refers to festivals as a “phenomena” when he writes, “community-based festival tourism is defined here as a phenomenon in which people from outside a festival locale visit during the festival period.”

Part of Hackbert’s description (2009) of a festival includes a reference to visitors traveling to an event. This action of individuals seeking out and traveling to a specific event or festival outside their normal environment helps solidify festivals as phenomena. Most research on the subject of festivals as tourism events suggests that individuals possess, and meet, needs, as discussed in Crompton and McKay’s (1997) work. According to Iso-Ahola (1980) the drive to meet these needs motivates individuals towards specific actions. Individuals most likely possess more than one need (Crompton, 1979; Mansfield, 1992; Pearce, 1982). Another reason festivals may be considered a kind of “phenomena” is that they present many types of stimuli all in the same time and area. The ability to meet multiple needs all at once may add to the motivation of individuals to attend. Iso-Ahola (1980) defines this simple understanding of human activity as an internal feeling that guides an individual’s behavior or choices. The direct statement about participant motivation in the festival setting enters literature through Crompton and McKay (1997, p. 425).

Festivals have a significant impact on tourism. Tourism, is defined by Harrill and Potts (2003, p. 233) as, “an ‘invisible’ industry, encompassing transportation, lodging, and entertainment.” Tourism is an industry that appears to have been relevant for ages. Of tourism, Berghoff (2002, p. 160) concludes, “The origins of modern tourism are multifarious and reach back to the Renaissance, if not to antiquity.” Concerning the industry of tourism in Appalachia

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Abramson and Haskell (2006, p. 613) write, “Although Appalachian state governments rediscovered tourism in the 1980s and 1990s, tourism is one of Appalachia’s oldest industries.”

In describing who a festival visitor is, another look at motivation is necessary.

According to Crompton and McKay (1997), tourists are individuals who are “pushed” from normal everyday elements of life and “pulled” to special events where choices of offerings are different. Getz (1991, p. 44) agrees when he wrote, “A special event occurs infrequently or on a one time basis and such, it provides a unique opportunity for leisure social, or cultural experience outside the normal range of choices or beyond everyday activities.” However, it appears that little else is known about festival attendees other than stating that individuals attend festivals to meet needs. Lundberg (1990) also agreed when wrote that there was limited research on the reasons individuals take trips and engage in tourism activities like festivals.

While Getz may have been correct in 1991 when he chided researchers about the lack of research into festivals as leisure events, it appears more has been added. One of the most stalwart pieces written is by Crompton and McKay in 1997 as they define reasons people attend festival events with their “Motives of Visitors Attending Festivals” published in the *Annals of Tourism Research*. The reasons they listed for engaging in such a study are all tied to the idea that possessing a better understanding of participant motives can result in more beneficial experiences for visitors and event organizers. They begin by pointing out the need for understanding motives when they write, “it is a marketing truism that people do not buy products or services, they buy the expectation of benefits which satisfy a need” (Crompton, McKay, 1997, p. 426). They continue to say that if these needs can be recognized, then elements within the festival whether physical or ideological can be changed to procure a better experience for all



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parties involved (Crompton, McKay, 1997). Iso-Ahola (1980) agrees as he thinks that understanding the motivations of attendees should be a top aspiration of festival managers or organizers. Satisfying visitor motivations is important because success may be tied to whether or not people return for repeat visits. Crompton and McKay (1997, p. 426) explain this importance as they write, “most festivals draw from a relatively local area, so their continued viability is likely to be dependent on a high level of repeat visitation.”

### The Economic Impact of Festivals

Individuals who visit a festival will have opportunities to shop, eat, and travel at the festival site, or along the way, as they experience the activities the festival offers. Hackbert (2009, p. 5) defines this whole process best when he writes, “visitors use some mode of transportation (e.g., automobile) to leave their homes and travel to attractions, which are supported by various kinds of services (e.g., hotels/motels, restaurants, retailing).” Festivals, having the ability to draw visitors from outside a community, can deliver specific, measureable economic impacts. Abramson and Haskell (2006, p. 612) identify these impacts as they write, “throughout the decade of the 1990s, revenues generated from travel and tourism in the Appalachian states increased by 5 to 6 percent most years.” This fact has attracted much attention as Hackbert (2009, p. 5) continues, “tourism festival professionals and public policy officials are increasingly curious about economic impact studies.” One reason public policy officials are so interested in economic impact studies is because a festival has the potential to generate higher tax revenue. When tourists or visitors travel to a festival site, they bring outside money into the region. Abramson and Haskell (2006, p. 611) suggest that local governments

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have a vested interest in tourism events when they write, “by the 1990s, state tourism bureaus throughout Appalachia not only provided visitor information, but also played key roles in developing long-term strategies for economic revitalization through job creation, tourist spending, and tax revenues gleaned from out-of-state visitors.” The local population also stands to receive economic benefit when monies spent at a particular local event are re-spent again in the local area. Harrill and Potts (2003, p. 233) agree when they write, “as one of the world’s largest industries, tourism has the capacity to improve the material life of communities that have lost traditional industries as trade barriers have fallen.” For an example of the economic impact of travel and tourism in the Appalachian region the United States Travel Association states, “domestic and international travelers to Georgia spent \$20.9 billion in 2008 and generated \$4.2 billion to federal, state, and local governments”

([http://www.poweroftravel.org/statistics/files/Georgia\\_PowerofTravel2010.pdf](http://www.poweroftravel.org/statistics/files/Georgia_PowerofTravel2010.pdf), 4-22-11, 3:48 p.m.). When speaking about the effect of advertising and the importance of effectively reaching this kind of market, Crompton and McKay (1997, p. 426) affirm growth when they write, “there is increasing competition, since almost every community now has at least one festival a year.”

Abramson and Haskell (2006, p. 611) agree when they state, “the growing popularity of tourism as an economic-development strategy and the proliferation of destinations and attractions make for increasingly intense interstate competition to win visitors.” Crompton and McKay (1997) also suggest that attending a festival is pulling ahead of other tourism attractions in attendance.

## Festivals and Appalachia

Festivals are a vibrant and growing part of Appalachian culture. Crompton and McKay (1997) suggested earlier that a growing amount of communities are holding their own respective festivals. Researcher R. A. Childs (2007) concludes that the festivals in the Appalachian region are experiencing growth in both number and value. Festivals in the region of Central Appalachia have a well marked history. According to Abramson and Haskell (2006, p. 861) in the *Encyclopedia of Appalachia*, the first three festivals termed as “folk festivals” occurred between 1928 and 1934. Further connecting Appalachian folk festivals with the tourism industry they write, “the Mountain Dance and Folk Festival, founded and directed by western North Carolina lawyer and folk song collector Bascom Lamar Lunsford, was created in direct response to growing promotion of tourism in the region” (Abramson & Haskell, 2006, p. 861). Abramson and Haskell (2006, p. 861) continue to even claim that the modern genre of folk festivals can all trace their roots in Appalachia. Historically, events like fiddlers’ conventions became popular pastimes as Abramson and Haskell (2006, p. 1138) write, “the practice of mixing pleasure and work has led to a tradition of fiddlers’ conventions and gatherings featuring both recreational and competitive singing and playing.”

## The Traditional Music of Folk Festivals in Appalachia

Many festivals, especially in the region of Appalachia, have a music focus or element. Whether the main theme for the festivals or not, music serves as entertainment for festival goers. The Appalachian Region offers a famous mixture and brand of homemade folk music from many

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different ethnic sources that evolved into genres like country, bluegrass, blues, folk, and gospel. The first music to arrive in America that can be traced to something that influenced modern folk music would be music from the British Isles (Wolfe, 1977). The second and arguably equally important influence followed with the arrival of African slaves (Fulcher, 1988). With following years of mixing, borrowing and incorporating other influences like Spanish, Caribbean, or Italian, people in the early United States formulated their own original and distinct musical styles.

The instrumentation of early American folk music begins with the fiddle (Wolfe, 1977). The fiddle arrived in North America with immigration and colonization by Europeans. With the fiddle came an extensive repertoire of jigs, hornpipes and reels. Many times songs possess two names, one American and one British. Wolfe (1977, p. 14) provides an example, “‘Miss McLeod’s Reel’ was rechristened as ‘Did You Ever See a Devil Uncle Joe.’” Besides personal expression and entertainment, the main utility of the fiddle were dances. This older dancing music is what is known as Old-Time music today. Abramson and Haskell (2006, p. 1193) write, “the term old-time music is a designation used by Appalachian musicians, singers, and enthusiasts in reference to the variety of traditional musical genres found in sections of Appalachia where regionally specific repertoires continue to be performed.”

Bluegrass music can be described both as a modern version of older music and a new innovation with folk roots. It originated when Bill Monroe and His Bluegrass boys first took the stage of the Grand Ole Opry in Nashville Tennessee in 1939 playing fast, rhythmically tight versions of folk songs (Rosenberg, 2005). The most recognizable sound of Bluegrass music came when Monroe added the driving banjo playing of Earl Scruggs in 1944 (Rosenberg, 2005).

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Abramson and Haskell (2006, p. 1126) describe it this way, “Born of the traditions and experiences of the people of Appalachia and neighboring regions, bluegrass is an ensemble music placing equal emphasis on heartfelt vocals and instrumental virtuosity.”

### Dancing; The Original Festival in Appalachia

They always held them in someone’s home. . . . They’d just dance on whatever kind of floor it was. When they got ready to dance, they’d dance. I’ve seen ‘em put sawdust and meal down on the floor to dance on—it made the feet easy to slide. We’d have to play on these dances probably all night long. . . until just about day or maybe even day.

-Sam McGee, “Grande Ole Opry” musician. (*Tennessee Strings*, Wolfe, 1977, p. 18)

Another important type of entertainment, that arguably fostered or gave a purpose to music for generations, is dance. Abramson and Haskell (2006, p. 1150) write, “although often thought of as an isolated place populated with stubbornly self-sufficient people, Appalachia has in fact produced a human culture that has long valued harvest celebrations, barn raisings, camp meetings, political rallies, community singings, dances, and family-oriented play parties.” In *Southern Music/American Music* it states, “The country dance was the most important social diversion among rural southerners, it continued to be so through the 1920s” (Malone & Stricklin, 1979, p. 11). Addressing the social aspect of prototype for modern festivals historian Jon Sundell (1981, p. 53) writes, “there are never more than about 60% of the people on the dance floor. The others, standing around or seated in the chairs which are always provided, are watching, talking, joking, or listening to the music.” There are four main categories by which

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most, if not all, of the traditional dancing are called in the central Appalachian region. Susan Spalding (1995, p. 1) writes about four kinds of traditional dance:

Having lived in Southwest Virginia for thirteen years, I had learned that ‘old time dancing’ incorporated two genres: old time square dancing, beginning and ending with a circle for any number of couples, dividing into groups of two couples to dance through patterns together; and solo footwork dancing known variously as clogging, buckdancing, flatfooting or simply ‘dancing.’ Square dancing is often designed as an opportunity for everyone to dance with everyone else.

The other forms of dancing; Clogging, Buckdancing and Flatfooting, are generally considered a meld of English/Irish step dancing and rhythmic African dancing. In the short tribute called *The Cumberland Music Tour*, referring to a rendezvous of old-time musicians, Fulcher (1988, p. 10) offers an explanation of buckdancing and the like, “Ideas from jig and step dances of the British Isles have no doubt blended into the art of ‘buckdancing,’ but like banjo playing, the mountain styles of solo dancing owe a large debt to African American traditions.” Concerning the social aspect of dancing/festivals, Sundell (1981, p. 53) drives home that, “more importantly, the different dance forms complement each other socially, providing a relaxed atmosphere that enables people to enjoy themselves to the fullest.”

## Methods Section

An economic analysis was conducted on the Second Annual Bluegrass, Old-Time Music and Country Dance festival in the Village of Stone Mountain, Georgia. The purpose of this

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analysis was to examine the demographics and economic benefits of small themed, festivals in the Appalachian area. This festival is one day long on a Saturday in the Spring, near the end of the month of March. The Old-Time Music competition, Bluegrass Competition, and art show take place in local art council's gallery and stage. Instrument workshops occur all day at the village gazebo. An open jamming center is available in a vacant store-front along the main street with a makeshift dance hall for contra-dances next door. Jamming, which is the spontaneous meeting of musicians to play together, is encouraged in a host of restaurants and stores along the main street. Connecting the main Council for the Arts center is an open area where vendors and advocacy groups can set up booths.

This festival is experiencing a critical growth stage as it is only in its second production. According to Jack Sartain, a manager and co-founder of the festival, it was conceived and implemented as an activity to accrue economic benefit for the main street/down town area (Sartain, J., personal communication 4-4-2011). For this reason, one restriction on possible vendors is that they are not allowed to participate if they offer competition for local shops, galleries, and eateries. Beyond the primary focus of economic stimulus, a secondary goal of the festival is to foster/preserve the artistry of folk music and dance – specifically Old-Time String Band music and Bluegrass music. For this reason there are restrictions on what kinds of bands may compete or perform, like the prohibition of electric instruments. Being a start-up festival in a small town, publicity efforts are still in development. According to Sartain (Sartain, J., personal communication 4-4-2011), the festival currently utilizes any type of publication that is free to advertise, such as lists on organization sites, activities postings on related web sites, social media, and particularly a local news blog powered by AOL for communities called “The Patch”

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(<http://www.stonemountainpatch.com/>). At present, there is no specific target audience besides individuals who are musicians, dancers, or shoppers. Again, the goal is to get festival goers around and into existing local places of business.

In order to determine the demographic make-up and potential economic impact of festival attendees, a standard economic analysis survey (Crompton, 1999) was administered to festival guests using a convenience sampling technique. In accordance with the requirements of the Institutional Review Board of East Tennessee State University, potential survey participants were asked if they were at least eighteen years of age, informed the survey was voluntary, anonymous, and that they could stop the survey at any time or fill out only the sections they wanted. Additionally, potential participants were asked to include no identifying remarks and notified of the projected time to complete the survey. Lastly, they were provided with contact information for the researcher and offered any help or explanation they required.

The instrument consisted of two sections. The first section contained questions concerning demographic information of the festival attendee. There were eight questions in this section. They included questions about sex, age, race, level of education, employment status, home zip code, a question about attendance, and a question about the size of their traveling party. This section consisted of five “check the box” questions and three questions where the participant filled in a blank.

The second section asked questions about participant’s spending on the day of the festival to determine economic impact. This section consisted of eight categories asking participants about their expenditures for admission, food and beverages, entertainment, retail shopping, lodging, private auto, rental car, and any other expenses. The last three questions in this section



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were to determine the projected ability of the festival to draw visitors from outside the host community. One question asked if the participant would have come to the host community that day if there had been no festival. The next question, for those who answered yes to the previous question, asked if the participant spent an increased amount of time in the host community because of the festival. An addendum to this question sought to determine how much longer. The last question asked if the festival participant would travel to the host community for any reason in the next three months.

All together, front and back, the survey was two pages long. The first page was a title page and participant agreement detailing the intent of the study and conditions for participation. The second page contained questions about demographic information and the economic impact analysis. The survey was estimated to take five to ten minutes to complete.

### Results of the Economic Impact Analysis

The Second Annual Bluegrass, Old-Time Music and Country Dance Festival was held in the Village of the Stone Mountain, Georgia Saturday, March 26, 2011. The festival is estimated to have attracted 400 – 500 visitors. Surveys were conducted with sixty seven visitors. Because this analysis of economic impact is concerned with money from outside the host community entering the local economy of the Village of Stone Mountain, nine surveys from local resident were disregarded. The sample group then consists of fifty nine surveys from visitors outside of the hosting community.

### Participant Analysis

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Of the fifty – nine surveys chosen for use, 69.5% were men, 30.5% were women. The average age of these participants was 54.9. Of those surveyed, 100% identified themselves as “White/Caucasian.” Concerning the level of education for survey participants, the data shows that 11.86% of participants had completed high school, 28.81% had completed some college, 25.42% had completed college, 11.86% held professional degrees, and 22.02% had completed post graduate studies. Concerning employment status 59.32% of the participants were employed full time, 6.78% were employed part time, one participant (1.69%) was a student, one participant (1.69%) was a homemaker, one participant (1.69%) was unemployed, and 28.81% of participants were retired.

Using this data (Table 1), the projected make – up of festival attendees is 11.9% local visitors and 88.1% outside visitors.

<b>Table 1: Visitor Group Origin</b>		
<b>Origin</b>	<b>Number of Groups</b>	<b>Percentage</b>
<b>Out of Town</b>	59	88.1%
<b>Stone Mountain area residents</b>	8	11.9%
<b>Total</b>	67	100%

To evaluate the ability of the festival to draw visitors from outside the host community, survey participants identified if they would have been in the Village of Stone Mountain area if the festival were not occurring. Table 2 shows that only 6.8% of participants would have come to the Village of Stone Mountain area without the festival as an attraction. Conversely, Table 2 shows that 93.2% of selected participants would not have traveled to the Village of Stone Mountain Area if there was no festival.

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<b>Table 2: Out of Town Visitor Groups Who Would Have Visited Even if the Event Had Not Been Held</b>		
	Number of Groups	Percentage
<b>Yes</b>	4	6.8%
<b>No</b>	55	93.2%
<hr/>		
Total	59	100%

The unit used for analyzing economic impact and collecting data was determined by having participants identify the size of the size of their immediate group. The immediate group was defined for participants as the number of individuals that one person was responsible for. The mean group size for the sample group was 2.4 (Table 3).

<b>Table 3: Group Size of Out of Towners</b>		
Number in the Immediate Group	Number of groups	Percentage
1	15	25.4%
2	20	33.9%
3	16	27.1%
4	4	6.8%
5	4	6.8%
<hr/>		
Total	59	100.00%
Mean Size	2.4	

Table 3 shows that 25.4% of the participants attended the festival alone, 33.9% of the participants came in a group of two, 27.1% came in a group of three, 6.8% came in a group of four, and 6.8% came in a group of five.

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Expenditures were analyzed to differentiate between money spent inside the Stone Mountain Area and outside the Stone Mountain Area.

<b>Table 4: Average Per Group Per Day Expenditures (\$)</b>		
<b>Items</b>	<b>Stone Mtn Village Area</b>	<b>Out of Town Area</b>
<b>Food and Beverage</b>	\$11.19	\$2.17
<b>Night Clubs, Lounges, Bars</b>	\$0.10	\$0.00
<b>Retail Shopping</b>	\$1.90	\$0.00
<b>Lodging</b>	\$0.00	\$0.00
<b>Private Auto Expenses</b>	\$3.27	\$8.12
<b>Commercial Transportation</b>	\$0.00	\$0.00
<b>Other Expenses</b>	\$0.00	\$0.00
<b>Total</b>	\$16.46	\$10.29

Table 4 shows that the average amount of money spent inside the Village of Stone Mountain for the festival was \$16.46. Table 4 also shows that the amount of money spent outside the Village of Stone Mountain by festival visitors the day of the event was \$10.29. Expenditures on food or beverages totaled \$11.19 inside the Village of Stone Mountain and \$2.17 outside the area. Expenditures on night clubs, lounges, or bars was nominal at \$0.10 per participant in the Village of Stone Mountain. Expenditures on retail or shopping items were near two dollars at \$1.90 per participant inside the Village of Stone Mountain. Expenditures on private auto needs were \$3.27 per participant inside the Village of Stone Mountain and \$8.12 per participant outside the area.

Data collected (Table 5) shows that the direct expenditures of the fifty – nine selected participants total \$3,017.67 inside the Village of Stone Mountain and \$1,886.50 outside the area. Total expenditures (Table 8) for the fifty – nine participants for the day total \$5,105.83, averaging \$27.85 per participant.

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<b>Table 5: Total Direct Expenditures of Out of Town Guests</b>		
<b>Items</b>	<b>Stone Mtn Village Area</b>	<b>Out of Town Area</b>
<b>Food and Beverage</b>	\$2,051.50	\$397.83
<b>Night Clubs, Lounges, Bars</b>	\$18.33	\$0.00
<b>Retail Shopping</b>	\$348.33	\$0.00
<b>Lodging</b>	\$0.00	\$0.00
<b>Private Auto Expenses</b>	\$599.50	\$1,488.67
<b>Commercial Transportation</b>	\$0.00	\$0.00
<b>Other Expenses</b>	\$0.00	\$0.00
<b>Total</b>	<b>\$3,017.67</b>	<b>\$1,886.50</b>

Multiplier coefficients were developed using 2009 Input-Output analysis from the state of Georgia (Tourism Economics and US Travel Association 2010). As Table 6 shows, for every one dollar spent on food or beverages, approximately \$1.18 was added back into the local economy. The measured impact of out of town visitor survey participants on food and beverage sales in the Village of Stone Mountain totaled \$2,419.95. With a combined multiplier coefficient of 1.1033, the estimated impact on sales at lounges, bars or nightclubs totaled \$20.23. With a combined multiplier coefficient of 1.2537, the estimated impact on sales at shopping and retail establishments totaled \$436.71. And lastly with a multiplier coefficient of 1.0607, the estimated impact on sales for private auto expenses totaled \$635.89. For these sections combined, the total estimated total economic impact of festival expenditures was \$3,512.77 for the Village of Stone Mountain area.

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Table 6 represents the economic impact the festival has on the sales in the Village of Stone Mountain.

<b>Table 6: Economic Impact of Out of Town Visitors on Stone Mtn Village Area Sales</b>					
<b>Items</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>	<b>Impact on Sales (\$)</b>
<b>Food and Beverage</b>	1	0.0764	0.1032	1.1796	\$2,419.95
<b>Night Clubs, Lounges, Bars</b>	1	0.0328	0.0705	1.1033	\$20.23
<b>Retail Shopping</b>	1	0.0425	0.2112	1.2537	\$436.71
<b>Lodging</b>	1	0.0246	0.0263	1.0509	\$0.00
<b>Private Auto Expenses</b>	1	0.0107	0.05	1.0607	\$635.89
<b>Commercial Transportation</b>	1	1.2651	0.3915	2.6566	\$0.00
<b>Other Expenses</b>	1	0.1205	0.3343	1.4548	\$0.00
				<b>Total</b>	<b>\$3,512.77</b>

To determine the economic impact the festival has on the personal incomes of residents in the Village of Stone Mountain area, a different set of multiplier coefficients determined again from 2009 data from the state of Georgia was employed. These calculations represent how much of every dollar spent because of the festival is likely to stay in the local economy as personal income for residents. Differing from Table 6, in Table 7 the direct impact multiplier coefficient is not one. It varies to represent the actual percentage of money stays inside the local economy instead of escaping.

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<b>Table 7: Economic Impact of Out of Town Visitors on Stone Mtn Village Area Residents Personal Income</b>					
Items	Direct	Indirect	Induced	Total	Impact on Personal Income (\$)
<b>Food and Beverage</b>	0.4092	0.0315	0.0427	0.4834	\$991.70
<b>Night Clubs, Lounges, Bars</b>	0.2793	0.0073	0.0136	0.3002	\$5.50
<b>Retail Shopping</b>	0.173	0.0262	0.1306	0.3298	\$114.88
<b>Lodging</b>	0.3894	0.0083	0.0089	0.4066	\$0.00
<b>Private Auto Expenses</b>	0.0298	0.0013	0.0063	0.0374	\$22.42
<b>Commercial Transportation</b>	0.0626	0.1379	0.0305	0.231	\$0.00
<b>Other Expenses</b>	0.1137	0.0166	0.0467	0.177	\$0.00
<b>Total</b>					<b>\$1,134.50</b>

With a combined multiplier coefficient of 0.4834 for sales of food or beverages, the estimated impact on personal incomes for the Village of Stone Mountain Area totaled \$991.70. With a combined multiplier coefficient of 0.3002 for sales at bars, lunges or night clubs, the estimated impact on personal income was \$5.50. With a combined multiplier coefficient of 0.3298 for sales at retail or shopping establishments, the estimated impact totaled \$114.88. And lastly with a combined multiplier factor of 0.0374 for sales connected with private auto expenses, the estimated impact totaled \$22.42. For the fifty nine selected participants the overall estimated impact on personal incomes in the Village of Stone Mountain area totaled \$1,134.50.

Table 8 shows the average total expenditures for festival visitors regardless of location. It also shows the total amount of expenditures for out of town visitors for the festival day.

<b>Table 8: Total Average Expenditures Per Participant and Total Expenditures of Out of Town Visitors</b>	
<b>Avg Expenditure</b>	Total Expenditures of out of town visitors
<b>\$27.85</b>	<b>\$5,105.83</b>

## Discussion

Results from this study have shown the current effectiveness of a small Appalachian themed festival as a tool for economic impact. Results have also indicated an estimated total economic impact for total sales and net income. These totals were found by using participant expenditure data and multiplier coefficients.

This information is valuable to know for those who organize festival events. This information could be used in encouraging sponsors, neighbors, local businesses, and leaders to host similar events by being able to estimate a return on investment. This information could be useful for service and retail businesses as they stock supplies and schedule shifts for the duration of the festival event. The demographic results also provide a visitor profile for festival planners. Knowing a basic visitor profile allows for better planning of events and services. Iso-Ahola (1980) identifies using this type of information to better satisfy visitor needs as a chief goal for festival organizers. The economic information pertaining to the average amount of money spent per survey participant in the Village of Stone Mountain area (\$16.46) is useful for encouraging increased advertising efforts. The data has shown that, on average, every individual who responds to the advertising “call” to the festival will most likely spend \$16.46 within the hosting community. Lastly this study provides festival organizers with the knowledge to answer, “Is this event worth the time and resources?” One factor to consider in answering this question is to recognize the exposure the hosting town receives as invaluable. The fact that the visitor make – up at this event is 88% out of town is encouraging for publicity and the possibility for future



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visits by this group. One observation for the festival organizers is that only 1.69% of respondents identified themselves as students. Since one of the goals of the festival is to educate and maintain the music/dancing culture of the Appalachian region – combined with the wealth of universities and institutions in the surrounding area, there may be some benefit gained from increasing advertising efforts in this area. One great strength for organizers is that the festival events are free to attend.

Concerning the results of this study, there is also suspected suppression of the data for several reasons including participant error, usage of statewide data, and a conservative analysis of impact on residents' income. Many survey respondents did not record any spending when completing the instrument earlier in the day of the event. The instructions encouraged participants to estimate what their expenditures may be for the day in that case. However, it still appears to have been some mis-interpretation of the instructions. Also, the usage of statewide data to calculate multiplier coefficients instead of more specific information may suppress the results of the economic impact on sales and personal income. Because of the confounding effects which are suppressing our values, the impact of this event may be greater than this study can show. Even with these suppressions and errors, this study has still shown a tangible positive economic benefit to Village of Stone Mountain area because of the festival.

The biggest limitation of this study is the lack of data. For a festival estimated to attract 400 – 500 people, one hundred usable surveys were needed to provide accurate results. Less than optimal weather conditions for Saturday, March, 26<sup>th</sup> at the survey site produced smaller than expected attendance and less than optimal surveying opportunities. There was also a lack of

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staff necessary to effectively procure a greater response rate. It should be recognized that the low number of surveys used in the study deliver results that could be skewed.

The second biggest limitation of this study is the usage of multiplier coefficient data for the entire state of Georgia instead of a more specific region. It should be recognized that there could be a slight variance in the data found and the actual economic condition surrounding the Village of Stone Mountain area.

Another limitation of the study includes the correct interpretation, perception, and response to the survey instrument by the survey participant. Instructions or response areas that could have been worded better or more clearly could have yielded different responses.

Suggestions for future studies include planning and organizing an adequate staff to effectively collect data. It would be a good suggestion to plan several survey opportunities should the weather not be favorable on a particular date. In the festival setting, it might prove useful, with adequate staff, to have both a booth/table as well as roving staff for collecting surveys.

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