Motorsports Tourism: Synergy And Prospects

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ABSTRACT

Sports tourism is now recognized as a tourism niche with significant economic potential. Typically, this tourism attracts domestic and international participants who are then supported by a global audience. In Malaysia, it contributes about RM5 billion annually through accommodation, logistics, and tourist spending. Malaysia currently organizes several motorsports events, for instance Motorcycle Grand Prix (MotoGP), Asia Road Racing Championship (ARRC), and Malaysian Cub Prix. Regular raceevents generate substantial returns to society and the economy. The core of motorsport tourism is the awareness of sport travelers of the existence of motorsport events in a destination. The strengths of motorsports as a tourism attraction include the lengthy period in which the events take place, publicity and coverage by print and electronic media, sponsorship from domestic and multinational companies, and additional business opportunities for locals. This study examines the development, synergy, and prospects of motorsport tourism in Malaysia. Further research is needed to explore its social and psychological impacts and to design effective strategies to enhance the quality of experiences of motorsport tourists.

Keywords

Motorsport tourism, economic, social, environmental

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Introduction

Sport tourism like motorsport events generates significant revenues, creates thousands of new jobs, regenerates urban infrastructure, and develops or reappraises entire destinations (World Sport Destination Expo, 2009). During an economic crisis, individual and public expenditure on sport tourism would likely be the first area to suffer (Weed, 2009). Nonetheless, amidst the current financial crisis, sport tourism could afford an escape from the harsh reality and provide psychological benefits to participants and spectators. Most studies have focused on the economic impact of sporting events, while little has concentrated on its environmental and social impacts. Some researchers have argued that sport tourism should be banned due to moral, ecological, and social reasons(Moller & Dimeo, 2014), asinternational travels and sporting competitions significantly and negatively affect world climate (Edgar, 2020).

COVID-19 has greatly affected tourism. The number of people considered safe to gather in a single place has decreased from thousands to two digits. Restaurants, mosques, cinemas, and circuits have restricted operating hours. The responses to COVID-19, however, are not uniform: they differ across age groups. This situation will continue for an extended yet unknown period, which doubtless will affect human behavior. Governments across the world have directed movement control orders, which directly affect motorsport tourism activities.

Problem Statement

The current study investigates appropriate models and strategies for motorsport tourism from an applied perspective. There has been growing interest from various academic disciplines on motorsport, such as its management (Chung et al, 2015; Seiffert et al., 2020; Conto et al., 2017), engineering (Zhu et al., 2018; Buczkowski, 2018; Elam, 2015), marketing (Naess, 2020; Naess and Tickell, 1019), health (Sarmento and Neto, 2020), and education (Jovanovic and Tonovic, 2015).

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In 2005, the average attendance was 12,000 per round. Most sports tourists travel for the purpose of watching sports, recreation, leisure, and fitness activities and events. These translate into multi-million expenditures for transportations, hospitality suites, worldwide television coverage, and hosts of glamour girls. They could even rent luxurious motorhomes to relax in and even more luxurious cheques with which to buy them(Lewis et al., 2013).

Table 1: Attendance at MotoGP events

| No. | Event | Country | 2019 | 2018 | Difference |
|--------|---------------------------------------|-----------------------------|-----------|-----------|------------|
| 1. | Chang International Circuit | Thailand | 226,655 | 222,535 | 4,120 |
| 2. | Le Mans | France | 206,323 | 206,617 | -294 |
| 3. | Sachsenring | Germany | 201,162 | 193,355 | 7,807 |
| 4. | Red Bull Ring-Spielberg | Austria | 197,315 | 206,746 | -9,431 |
| 5. | Automotodrom Brno | Czech Republic | 186,793 | 187,348 | -555 |
| 6. | Termas De Río Hondo | Argentina | 179,551 | 171,604 | 7,947 |
| 7. | Circuit Ricardo Tormo | Spain | 176,826 | 170,708 | 6,118 |
| 8. | Sepang International Circuit | Malaysia | 170,778 | 169,827 | 951 |
| 9. | Tt Circuit Assen | Netherlands | 167,500 | 167,170 | 330 |
| 10. | Misano World Circuit Marco Simoncelli | Italy | 158,300 | 159,120 | -820 |
| 11. | Circuit De Barcelona- Catalunya | Spain | 157,827 | 155,401 | 2,426 |
| 12. | Circuito De Jerez – Ángel Nieto | Spain | 151,513 | 144,771 | 6,742 |
| 13. | Autodromo Del Mugello | Italy | 139,329 | 150,129 | -10,800 |
| 14. | Circuit of the Americas | United States of America | 120,545 | 125,127 | -4,582 |
| 15. | Silverstone Circuit | United Kingdom | 114,607 | 125,434 | -10,827 |
| 16. | Motorland Aragón | Spain | 104,390 | 114,057 | -9,667 |
| 17. | Twin Ring Motegi | Japan | 88,597 | 96,425 | -7,828 |
| 18. | Phillip Island | Australia | 82,850 | 86,250 | -3,400 |
| 19. | Losail International Circuit | Qatar | 32,252 | 31,618 | 634 |
| Total: | | | 2,863,113 | 2,884,242 | -21,129 |

Source: (McLaren, 2019)

Motorsport events appear to increasingly attract a different group of sport tourists, whose needs and preferences are

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shifting. The government and event organizers must have a full grasp on the figures in Table 1 above to capture the opportunities revealed by these international events. To help the stakeholders respond to those opportunities, this paper provides exploratory pathways for the development of the motorsport tourism industry.

Literature Review

This paper contributes to the body of knowledge relating to motorsport tourism. As there is limited research on this subject, this paper may be of significance for many stakeholders. The review could make stakeholders more aware on the implications of past findings. The following subsections will explain some important aspects of the tourism industry, sports tourism industry, and motorsport events.

Tourism industry

The growth of the tourism industry is largely attributed to the increasing amount of leisure time and discretionary income. Both factors have incentivized individuals to escape work and go on domestic or international holidays. The definitions of tourism vary from the supply-side (industry) and demand-side (consumer) perspective. Higgins-Desbiolles et al., (2019) noted that the numerous definitions of tourism are legitimate as they serve different user needs. Its definition may also differ as organizations or individuals attempt to define their own motives for tourism activities and opportunities. These definitions nonetheless typically share a common ground.

An early definition maintains that tourist must stay for a minimum of 24 hoursin a given location to be labelled as such. This period was later altered to an overnight stay which, according to Maga & Nicolau (2018), is a significant improvement over the previous criterion. However, Gillovic et al. (2018)took a more systems-based approach whendefining tourism as "the sum of phenomena and relationships arising from the interaction of tourists, business suppliers, host governments, and host communities in the process of attracting and hosting these tourists and other visitors". This definition includes the impact of tourism on the host community, a component neglected by past definitions.

Sport Tourism Industry

There has been increasing academic attention towards sport events and or activities and tourism. Sport tourism is traveling to participate in either a passive sport-related activity, such as spectating a sport event or visiting sport exhibitions, or an active sporting activities, such as golfing and cycling. The dominant activity or motive for travel may either be sport or tourism.(Van Rheenen et al., 2017) therefore defined sport tourism as "all forms of active and passive involvement in sporting activity, participated in casually or in an organized way for non-commercial or business/commercial reasons that necessitate travel away from home and work locality". (Danny Choi et al., 2016)divided sport tourism into five main categories: attractions, resorts, cruises, tours, and tourism. On the other

hand, (Danylchuk et al., 2015)classified sport tourism into two broad product categories: (i) participation travel, which is travelingto participate in a sports, fitness, recreation, or leisure activity; and (ii) spectator travel, which is travelingto watch a sports, fitness, recreation, or leisure activity or event.

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Motorsport Events

Motorsport events are racing (e.g. MotoGP) or non-racing (e.g. obstacle courses) competitions that involve motor vehicles. Motorsport events are exciting and spectacular for both participants and spectators. Motorsport races are either championships, series, or events. Some are open only for professional riders or drivers, while others are open for amateurs (Jones et al., 2016).

Motorsport events contribute significantly to local economies. (Ntloko Ncedo, 2016) suggested that sport events could boost the economy of the host country and region through increased business and investment opportunities. In South Africa, they contributed to 0.42% of the country's 2005 GDP (Mpotaringa & Hattingh, 2019). The Northern Cape Economic Development, Trade, and Investment Promotion Agency (2011) listed tourism as one of the most important industries in Northern Cape. For its success in attracting competitors and spectators from within and without the region, the South African Endurance Series was granted the National Championship status by Motorsport South Africa (MSA) in 2017 (Mpotaringa & Hattingh, 2019).

While motorsport events increase noise and air pollution, their benefits far outweigh this downside. The benefits are mostly in the form of revenue generated by the expenditures of travelers for travel, accommodation, food, and entertainment. These benefits spill over to surrounding areas, as traveling spectators would often stay in the event area for an extended period to sightsee. Bojanic & Warnick (2012)opined that the benefits of motorsport events should spread from core to peripheral areas.

MotoGPTM is the oldest motorsport World Championship, holding its inaugural competition in 1949. Motorcycle Grands Prix have been held across various countries from the early 1900s. The Fédération Internationale des Clubs Motocyclistes (FICM), the predecessor of Fédération Internationale de Motocyclisme (FIM) had announced a European Championship in 1938. But this competition was postponed due to start of the Second World War. The competition would commence only after the war ended and fuel became available. The 1960s saw the participation of constructors that remain involved in present day MotoGPTM, including MV Augusta, Gilera, MotoGuzzi, and Mondial. The decade also witnessed the boom of the Japanese motorcycle industry. Newcomers like Yamaha, Suzuki, and Honda managed to win their first World Championship titles in the 500, 250, and 125cc categories. Suzuki particularly enjoyed great success in a new 50 class, which was introduced in 1962. In 2010, the top constructors of the competition include Suzuki, Yamaha, Honda, and Ducati.

Impacts of Motorsport Events

This section discusses the economic, social, and environmental impacts of motorsport events. Each will be presented in separate subsections.

Economic Impact

During an economic crisis, individual and public expenditure on sport tourism would likely be the first area to suffer (Weed, 2009). Nonetheless, amidst the current financial crisis, sport tourism could afford an escape from the harsh reality and provide psychological benefits to participants and spectators. Sustainability relates to the triple bottom line of environmental integrity, social equity, and economic efficiency (Smith, 2009). Most studies have focused on the economic impact of sporting events, while little has concentrated on its environmental and social issues. Some researchers have argued that sport tourism should be banned due to moral, ecological, and social reasons (Moller & Dimeo, 2014); international travel and sporting competition significantly and negatively affect world climate (Edgar, 2020).

There are several factors that influence the impact of tourism on locals. These includetheir economic dependence on tourism, distance of residential area from areas with high tourist activity, level of contact with tourists, use of common facilities, tourist/resident ratio, community attachment, and social, political and environmental values. The impact of sport tourism, or specifically motorsport events, is also determined by the size of event infrastructure, length of event, and other event- or site-specific variables. The degree of resentment or support of locals toward largescale events may also be influenced by community attachment. In addition to the proximity of residential areas, the level of impact of these events are determined by their size, scale, location, and type. As Fredline et al. (2013)suggested, the relationship between local residents and tourists or tourism eventsmay differ from a location to the other. Subgroups within the local community may have different engagements with and attitudes toward tourists, which may lead to frictions between various subgroups. Tourism studies in smaller rural communities are particularly interested in these frictions or conflicts. Moscardo (2011), for instance, found that these frictions may be caused by differences in tourism knowledge and false expectations of tourism benefits.

Social Impact

Some researchers found no significant relationships between socioeconomic and demographic characteristics and perception of tourism (Belisle & Hoy, 1980; Caneday & Zeiger, 1991; Ryan & Montgomery, 1994). Husbands (1989)showed that perception and age and level of education are not significantly correlated. But this conclusion may not be applicable in developed countries as it was carried out in a developing community. Like other sport events, MotoGP races attract a certain demographic group. Recording the demographic profile of spectators of a 1995 MotoGP event showed that 83% of them were males under 40 years old(David Emmett, 2012). It is therefore

likely that locals with an identical demographic profile would have a more positive perception of the event.

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Minimum cultural differences between tourists and locals would reduce the likelihood of misunderstanding and xenophobic reactions. Locals would also likely to perceive tourism more favorably (E. Fredline & Faulkner, 2011). Similarly, when an event and the visitors that it attracts are consistent with the sociocultural milieu of the host community,the likelihood of negative reactions is reduced. In 2005, the average number of spectators per round of MotoGP was 12,000. Because most of the spectators and the host population are culturally comparable, tensions due to cultural differences are less likely to occur.

Environmental Impact

Environmental impact is included because it is likely to contribute to the overall reaction of locals towards a sport tourism event. This is shown by previous work in this area. The environmental impact is caused by many activities, such transport, accommodation, activities, entertainment, and retail shopping (Becken & Patterson, 2006, Dubois & Ceron, 2006). The positive impact of sporting events on environmental healthis likely to reinforce the long-term health of the economy and the public. These are possible by reducing the costs of environmental restoration and by reducing the negative effects of resource depletion and global warming (McMichael; Nyong; Corvalan, 2008).On the contrary, sporting events that are detrimental toenvironmental health are likely to deteriorateeconomic and public health .Therefore, the environmental issues ensuing from sporting events can only be entirely understood by considering their linkages with other types of "health".

Over the past decade, there has been much research on the social impacts of sporting and cultural events. Much of this research has stemmed from studies assessing the social impacts of tourism. Ohmann et al. (2006) noted that "there is a strong tendency to draw from the field of tourism studies, which is not surprising, given that events are generally perceived as tourist attractions". Following a comprehensive review, Fredline et al., (2013)listed more than 40 impacts that could affect the social wellbeing of resident communities. Theseinclude personal impacts, such as congestion and inconvenience, and community impacts, such as the loss of character or identity of the local community or region. Many of these impacts are relevant to motorsport events. Nonetheless, the literature notes that the severity, or even presence, of these impacts is dependent on various factors, includingthe economic dependence on tourism, distance of residential area from areas with high tourist activity, level of contact with tourists, use of common facilities, tourist/resident ratio, community attachment, and social, political and environmental values.

Conclusion

Maximizing the tourism benefits of motorsports requires good cooperation between racing organizers and tourism-related businesses. Two key elements must be enhanced to develop and promote motorsport tourism: destinations and industries. Destination prospects depend on their ability to

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adapt to demand. The effect is more visible in the industry. In addition, the organizer must communicate and share information with the tourism-related businesses in the destination. This can be done before carrying out any marketing activities. Short-, medium-, and long-term marketing activities can be designed to attract different groups of sport travelers. To maximize the number of domestic and overseas visitors to motorsports events and encouragerepeat visits, it is essential to maintain a reputation service quality. Satisfying customers meansimplementing a quality management system where quality is viewed from the customer's point of view. Their choices not only relate to obtaining the lowest price but also experience, regardless of whether they are spectators or participants of motorsport activities. These two criteria will affect repeat purchase decisions and behaviors.

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